

A New Watchlist

We've updated Watchlist! The changes include a new, responsive design featuring extended-hours data and more news. [Learn More](#)

# What you can do if your health insurance claim is denied

Published: July 29, 2019 1:15 p.m. ET



You can make an appeal. Here's what you need to know



A claim denial can be overwhelming.

By  
BRETTE  
SEMBER

This article is reprinted by permission from [NextAvenue.org](#).

When your health insurance claim is denied or your health insurer refuses preapproval for care you need, you may think your hands are tied. But there's actually a lot you can do to try getting that decision reversed.

All health insurance policies have an appeals process. An appeal can be challenging, though. In fact, Ruth A. Carnes, an appeal nurse at Mercy Medical Center in Baltimore, says "for people with no medical background, [appeals] can be very overwhelming."

Pursuing a health insurance appeal takes effort and time, too. But it's probably worth it. According to Jennifer Obenchain, case management director at the Patient Advocate Foundation in Hampton, Va., 65% of appeals are successful.

## Key to success for a health insurance appeal

The key to success: Stay cool.

"The impact of an impending bill that could destroy someone's life, lead them to lose their homes or ruin their credit creates overwhelming anxiety that often drives people to act irrationally," says Susan Null, principal at Systemedic, a medical billing and patient advocacy company in New City, N.Y.

Also see: [How to control medical debt after a cancer diagnosis](#)

So, remain focused on the necessary and appropriate steps in the appeal process instead of letting emotions rule.

You may be upset, but don't assume this is war.

Dr. Magda Lenartowicz, medical director at SCAN Health Plan, a Medicare Advantage insurance plan in Long Beach, Calif., says health insurers are willing to work with patients. "We can often help track down information and walk them through the process, which eliminates the stress of trying to figure it out on their own."

Remember: Your goal is to prove the insurer is contractually obligated to pay for the service, not the hardship that's been created for you. "Appealing to emotion will not win an appeal," says Null.

## Making your argument

Instead, focus on presenting a logical argument.

To increase your chances of winning an appeal, start immediately after receiving the bill or denial. "Too many people start the dispute process years down the road when the bills have already been sent to collection," says Null.

If your quarrel is due to a billing error on the statement — a common cause for denials — phone your insurer. "Ask what is the quickest way to resolve the issue," advises Carnes.

Obenchain points out that there may be "missing medical records or mismatched billing codes." If either is the problem, call your health care provider and ask the office to send the insurer the correct records or billing codes.

If there isn't an easy fix, scrutinize the denial letter. The Affordable Care Act requires health insurers to provide a written denial with an explanation and clear deadlines. This is your road map for moving forward.

## Levels of appeal for a health insurance denial

There are several levels for appeal. The first is what's known as **reconsideration**. This generally involves a peer-to-peer phone review between your doctor and a doctor at the insurer. It's up to you to get this line of appeal started, though.

If this is unsuccessful, the next step is an **internal appeal**, reviewed by a medical director. If this is denied, the final step in the appeals process is what's known as an **independent external review** with a third-party board-certified physician.

Throughout the appeal process, it's critically important that you remain organized.

Read: [Here's one way to avoid surprise medical bills](#)

"The biggest mistakes that patients seem to have with appeals are the deadlines and staying on top of the requirements," says Obenchain. So, document every call and keep every piece of paper you receive related to your problem. Write a timeline with what happened, when and who you talked with on each call.

Also, write down the appeal deadlines and tick them off when you meet them.

## Writing an appeal letter

If your phone calls haven't been effective, you'll need to write a letter explaining why the denial was incorrect.

The Patient Advocate Foundation has [sample appeal letters](#) on its site that you can use as templates. The foundation also has booklets describing each step in the appeal process.

In your letter, include documentation from your physician (such as case notes and a letter explaining why treatment is necessary), test results and details on how you know the insurance plan covers this treatment. You could also include information from experts (such as journal articles) for additional weight.

Carnes says your letter should "describe your medical condition briefly and the impact it has had on your life. Be pleasant and brief, not conveying your frustration or becoming threatening."

She recommends asking your doctor to review your letter and make any revisions necessary, and to also submit his or her own letter.

Send everything by certified mail, return receipt requested.

Null says that if your doctor won't cooperate, "you have no choice but to use that against them and in your defense." Point out any errors your doctor made that led to the denial.

Because appeals are technical, you may want to get some help. The Patient Advocate Foundation provides free appeals assistance if you've been diagnosed with a chronic, life-threatening or debilitating disease.

Another option is to work with a professional [patient advocacy](#) company. It might cost between \$125 and \$300 for an initial review and then you'll be billed hourly.

Also on MarketWatch: [Here's why drug-distribution and pharmacy stocks are bargains now](#)

My husband and I hired a patient advocate when my son's claim was denied. My husband's employer had switched insurers and the new one denied pre-authorization for a treatment my son had been receiving. The insurance change also meant switching doctors to keep us "in-network." The new doctor refused to even take the peer-to-peer call from the insurer. Our patient advocacy company received records from the doctor, crafted the appeals letter and ultimately got the treatment approved.

## If your appeal fails

If internal and external appeals fail to overturn the insurer's decision, you're not necessarily out of options.

Talk with the hospital or your doctor for assistance. As a last resort, you can also consider hiring an attorney. That will be an additional expense, of course. But if the insurance denial means huge costs, a lawyer may be worth the money.

*Brette Sember is the author of many books about divorce, child custody, business, health, food, and travel. She writes online content and does indexing and editing.*

This article is reprinted by permission from [NextAvenue.org](#), © 2019 Twin Cities Public Television, Inc. All rights reserved.

## MORE FROM NEXT AVENUE:

[Does Your Health Insurance Cover Mental Health?](#)

[10 Things Your Health Insurer Won't Tell You](#)

[Will Your Health Insurance Cover You Abroad?](#)

## WE WANT TO HEAR FROM YOU

Join the conversation

### COMMENT

Retirement Income Calculator

Annual Income

\$ 52,744

Current Savings

\$ 25,000

Monthly Savings

\$ 263

6% of income

1984

We recommend saving **\$548,083** at retirement. This will cover **\$70,130** per year in retirement income.  
*Follow this link to see your 3 financial advisor matches*

Retirement Age

66

Savings at Retirement

\$325,718

Recommended Savings

\$548,083

Today's Best Bank Accounts

Ad Disclosure

ally

APY 2.50%

Rate: 2.47% • Min. Balance for APY: \$0

Ally 12-Month CD - No Monthly Maintenance Fees. No Minimum Deposit To Open. Ally Bank, Member FDIC.

Get Details

## Conversation (1)

COMMUNITY GUIDELINES • TAGS

Sort by Newest

Add a comment...

**Ardak Kumerian** ★ Leader · 29 Jul  
Don't be afraid to get the care you need, *even if you have to do it out-of-pocket and/or out-of-network*.  
Health care and Health insurance are often two **different** things.  
These appeals processes will delay the care until you're dead...the true goal of the appeals process.  
Your true enemy is TIME...cancer waits for no one, your mother needs that new drug now, not 4 months from now when she may be dead.

Reply · Share · Like