



Breaking the Cycle: How Rural Hospitals Can Take Control of Financial Sustainability

Jeff Grandia, Co-founder & CEO | REDi Health



Meeting Objectives

01.

Navigating current realities

02.

Community-driven care

03.

Financial sustainability of rural care models

04.

Where are we going in rural health?

Current Realities

BECKER'S HOSPITAL REVIEW

Leadership ▾

Finance ▾

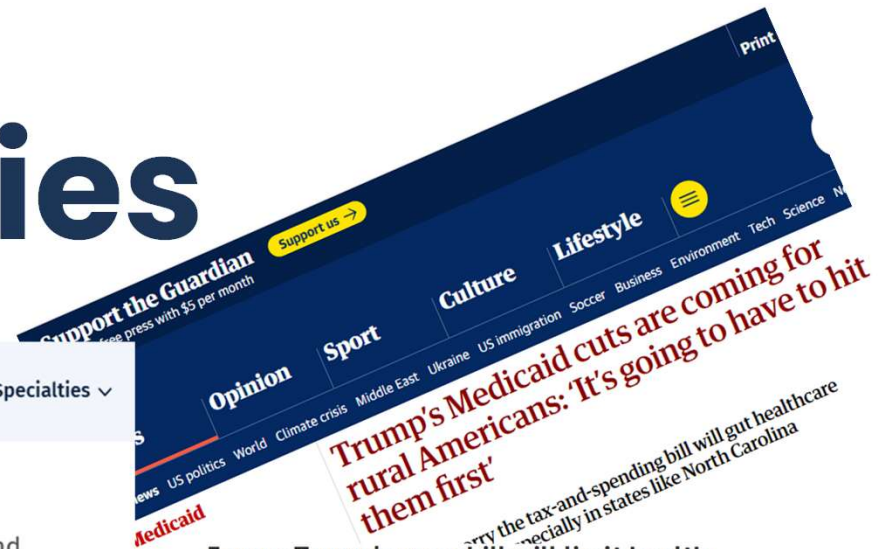
Health IT ▾

Clinical Care ▾

Specialties ▾

Rick Pollack, president and CEO, American Hospital Association: Today is an extremely disappointing and very difficult day for health care in America. Despite months of clearly demonstrating the implications that these Medicaid proposals will have on the patients and communities we serve, especially the most vulnerable populations, Congress has enacted cuts of nearly a trillion dollars to the Medicaid program. **No matter how often repeated, the magnitude of these reductions — and the number of individuals who will lose health coverage — cannot be simply dismissed as waste, fraud, and abuse.** The faces of Medicaid include our children, our disabled, our seniors, our veterans, our neighbors, and friends. The real-life consequences of these reductions will negatively impact access to care for all Americans.

The AHA remains committed to working with all stakeholders to mitigate the impact of these cuts wherever possible. **Our goal is to help ensure hospitals can remain open for their communities, and people can get the care they need when they need it.** Our nation's health and economic future depend on it.



5 ways Trump's megabill will limit health care access

UPDATED JULY 3, 2025 - 5:33 PM ET

FROM KFF Health News

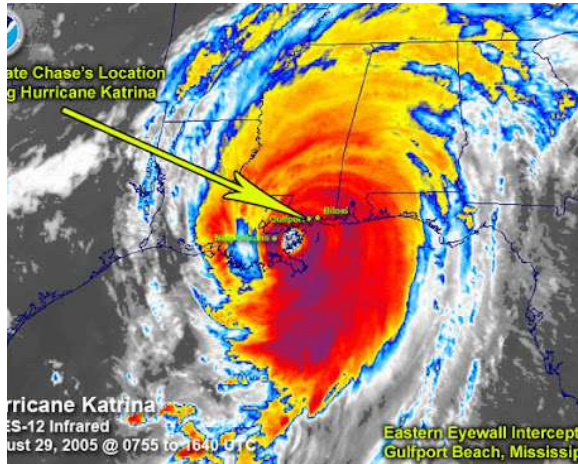
By Phil Galewitz, Julie Appleby, Renuka Rayasam, Bernard J. Wolfson



Senate Majority Leader John Thune, R-S.D., (center) joined from left by Sen. John Barrasso, R-Wyo., the GOP whip, Mike Crapo, R-Idaho, and Budget Committee Chairman Lindsey Graham, R-S.C., speaks after Senate passage of the President Trump's big tax bill. Millions are estimated to lose health care thanks to provisions in the bill.
J. Scott Applewhite/AP



REDIHealth



Hurricane Katrina 2005 – Gulfport, MS

“Never waste a crisis. Use it as a guidepost of what not to do.”

Gene Thomas, Former CIO Memorial at Gulfport



There is hope!

Let's Play!

Each team has the following denominations:

- \$1, \$5, \$10, \$20, \$50, \$100 bills
- Pennies, nickels, dimes, quarters, and half dollars
- Only 2 people/team can be 'analysts' and touch the money using their **special** data-handling tools.
- Non-analysts are 'domain experts' and can look at but not touch the data directly.
- Working as a team, answer the following questions...



REDiHealth



Practice Round – Oven Mitts

1. What is the total value of your pennies?
2. What is the total value of your nickels?
3. What is the total value of your dimes?
4. What is the total value of your quarters?
5. How many dimes do you have?
6. How many nickels do you have?
7. How many pennies do you have?
8. What is the total value of all your coins?

Round 1 – Gloves

1. How many quarters do you have?
2. What is your total value of dimes and nickels?
3. Which stands taller, 10 pennies or 8 nickels?
4. Which has greater value? Your total dimes or quarters?
5. What is the value of **all** pennies, \$1 and \$20 bills?

Round 2 – Bare Hands & All Hands

1. What is the total value of your coins?
2. What is the total value of your bills?
3. What is the total value of your bills minus your coins?
4. How many bills have the White House on the back?
5. Add up your \$100 bills and subtract all other bills. Now add in $\frac{1}{2}$ your quarters and dimes. What is the total?

Learning

Healthcare realities require full access to data and breaking old paradigms. EMR reporting is insufficient to leverage your data to thrive.

Organizing data (data models) let's us modify the questions we ask of data. As we learn more, we ask different questions.

Real-world examples include:

- Regulatory reporting

- Evidence-based medicine overlaid on your data

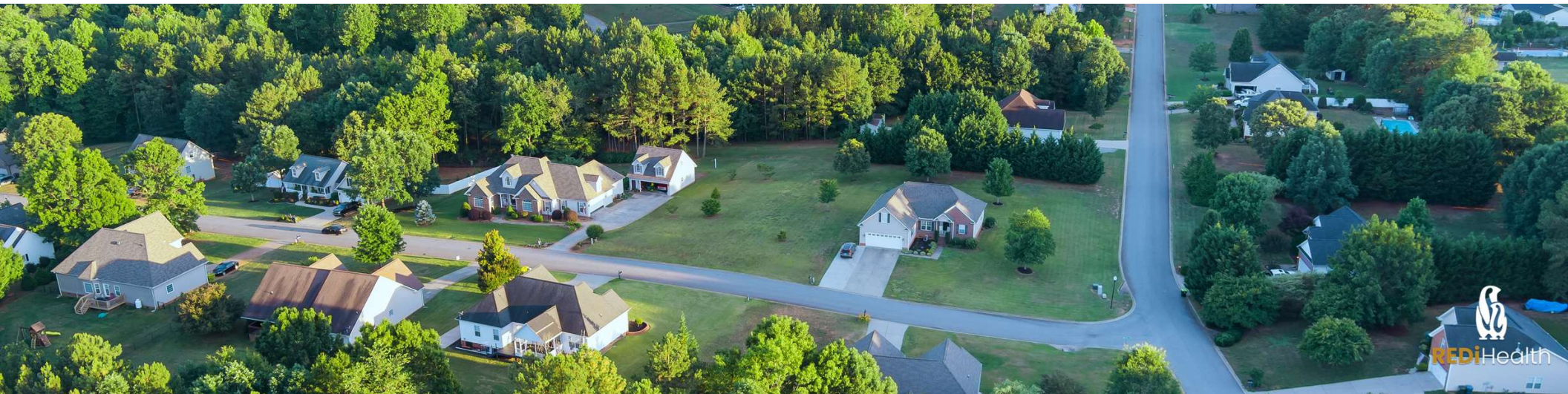
- Finding care gaps in data

- Denials resulting in departure from best practices

Reframe the dialogue...

Actual Paths to Improve Financial Sustainability

- Keep charges locally appropriate -> Chargemaster
- Keep more of what you've earned -> Denials
- Grow new services -> CIN/IDN partnerships



Chargemaster Success



\$1.5M additional
billing
\$950K anticipated
collection
900 rev codes
updated
1.5% CDM increase



\$711K additional
billing
\$350K anticipated
collection
126 rev codes
updated
3.9% CDM increase



\$542K additional
billing
\$351K anticipated
collection
123 rev codes
updated
4.3% CDM increase

CAH Chargemaster Review 2025

2025 Chargemaster Review Findings

- Deletes
- Modifier Completeness
- Rev Code Review
- Overall Code Completeness
- Codes Below Medicare
- Codes 400% over Medicare and Peer
- Professional Fee Review (900 Rev Codes)



Chargemaster Review



Benchmark Pricing



**Pricing Strategy to Maximize
Reimbursement and Support your
Community**

Data Approach & Considerations

CDM Analysis we focused on Hospital CDM in 4 specific Care areas:

- Emergency
- Hospital Professional
- Radiology Professional and Facility
- Anesthesia

CDM Completeness

- Deleted Codes
- Refer to Codes

Overall Medicare Base Charge over and under

Code Look Up and Peer Compare

- Analyze how different specialties handle professional and facility fees across peer institutions.
- Compare your performance to similar organizations within your state and region to identify trends and opportunities for alignment.

Analysis

- Release of new codes and potential impact
- Rev Code, Modifiers
- Medicare Base , Peer Average, Statistical Analytic File Quartile

Balancing the Rate Increase

The **suggested 2% price increase** is well below the allowable threshold and reflects the strength and **proactive management of the CDM**.

A total of **125 codes were most impacted** by this targeted adjustment, while the remaining codes followed the traditional rate increase model.

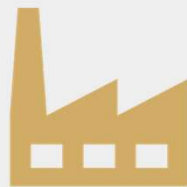
The projected outcome of this approach is a **conservative \$1,302,123 increase in forecasted payments**, reflecting anticipated reimbursements from both Medicare and commercial insurers. Most of this growth is driven by the adjustment to the surgical rate.

| Category | Current Fee % of 2025 Medicare | Recommended Fee % Change Avg | Gross Charge Change With New Fee and 2024 Volumes | Forecasted Medicare Payment from 2024 Volume and new 2025 Base Rate Only if Medicare pays on CPT | Forecasted Commercial Gross Payment | Total Forecasted Gross Payments of Medicare and Commercial with the ratios above and 2024 volumes at 2025 suggested rate change. | Volume |
|---|--------------------------------|------------------------------|---|--|-------------------------------------|--|------------------|
| CPT® (HCPCS Level I) | | | | | | | |
| General (10004-10022) | 366% | 0% | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 5.00 |
| Integumentary (10030-19499) | 441% | 0.2% | \$154.54 | \$92.73 | \$61.81 | \$155 | 187.00 |
| Musculoskeletal (20000-29999) | 377% | 0.1% | \$172.29 | \$103.37 | \$68.92 | \$172 | 493.00 |
| Respiratory (30000-32999) | 397% | 1% | \$79.00 | \$47.40 | \$31.60 | \$79.00 | 18.00 |
| CV (33010-37799) | 206% | 5% | \$2,086.39 | \$1,251.83 | \$834.56 | \$2,086.39 | 165.00 |
| HemicLymphatic (38100-38999) | 136% | 0% | \$0.00 | \$0.00 | N/A | \$0.00 | 4.00 |
| Mediastinum (39000-39599) | | | | | | | 0.00 |
| Digestive (40490-49999) | 332% | 0.2% | \$498.65 | \$299.19 | \$199.46 | \$498.65 | 250.00 |
| Urinary (50010-53899) | 69% | 0% | \$0.00 | \$0.00 | N/A | \$0.00 | 24.00 |
| Male (54000-55920) | 155% | 0% | \$0.00 | \$0.00 | N/A | \$0.00 | 2.00 |
| Intersex (55970-55980) | | | | | | | 0.00 |
| Female genital (56405-58999) | 311% | 0% | \$0.00 | \$0.00 | N/A | \$0.00 | 3.00 |
| Maternity (59000-59899) | 672% | 0% | \$0.00 | \$0.00 | N/A | \$0.00 | 17.00 |
| Endo (60000-60699) | 160% | | | | | | 0.00 |
| Nervous System (61000-64999) | 467% | 0% | \$90.00 | \$54.00 | \$36.00 | \$90.00 | 108.00 |
| Ocular (65091-68899) | 984% | 0% | \$3.03 | N/A | N/A | \$0.00 | 9.00 |
| Auditory (69000-69799) | 210% | 0% | \$1.55 | N/A | N/A | \$0.00 | 3.00 |
| Op Micro (69990-69990) | | | | | | | 0.00 |
| Surgery | \$25.16 | \$50.00 | \$1,652,381.64 | \$644,428.84 | \$462,666.06 | \$1,107,095.70 | 66,521.00 |
| Radiology (70010-79999) | 408% | 6% | \$156,076.82 | \$93,228.00 | \$62,152.00 | \$155,380.00 | 3,495.00 |
| Pathology and Laboratory (80047-89398) | 77% | 4% | \$36,567.22 | \$21,940.35 | \$14,626.87 | \$36,567.22 | 10,415.00 |
| Medicine (except Anesthesia) (90281-99199) | 153% | 2% | \$30,471.20 | N/A | N/A | \$0.00 | 8,274.00 |
| Evaluation and Management (99201-99607) | 87% | 2% | \$216,598.10 | N/A | N/A | \$0.00 | 2,267.00 |
| Overall Totals and Averages, CPT (HCPCS Level I) | 316% | 2% | \$2,095,180.43 | \$761,445.71 | \$540,678.08 | \$1,302,123.96 | 92,260.00 |

Rural Denials Management: Top 3 Issues



Registration
errors



Coding



Medical
necessity



Blue Mountain Hospital Medical Necessity Denials

Date
Last 1 Select

1/1/2023

12/11/2024

299

Medical Necessity Denials

7,926

Total Claims

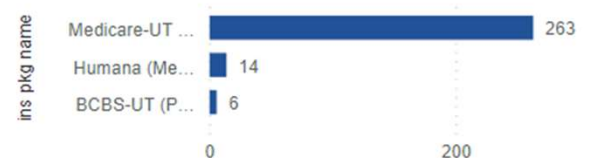
3.8%

Medical Necessity % Denials

\$98K

Medical Necessity Denied AMT

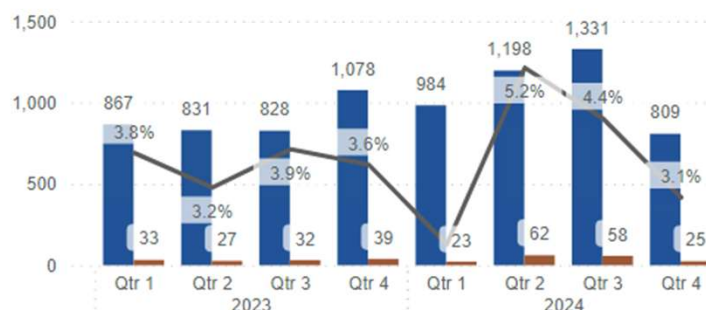
Denials by Payer



| ORDER LOCATION (groups) | Total Claims | Medical Necessity Denials | Medical Necessity % Denials |
|-------------------------|--------------|---------------------------|-----------------------------|
| INNOVATION | 1,214 | 126 | 10.4% |
| INNOVATION-CTZ | 713 | 86 | 12.1% |
| Innovation Med-Blanding | 497 | 39 | 7.8% |
| INNOVATION-B | 4 | 1 | 25.0% |
| BFP | 2,014 | 57 | 2.8% |
| Other | 312 | 33 | 10.6% |
| SJH | 463 | 21 | 4.5% |
| U of U | 508 | 18 | 3.5% |
| SP. CLINIC/BMH | 91 | 14 | 15.4% |
| DIALYSIS | 2,366 | 11 | 0.5% |
| MCC | 533 | 10 | 1.9% |
| (Blank) | 267 | 6 | 2.2% |
| IHC | 56 | 1 | 1.8% |
| UNHS | 39 | 1 | 2.6% |
| MVC | 26 | 1 | 3.8% |
| Total | 37 | | |
| Total | 7,926 | 299 | 3.8% |

Total OP Lab/Rad Claims and Denials over time

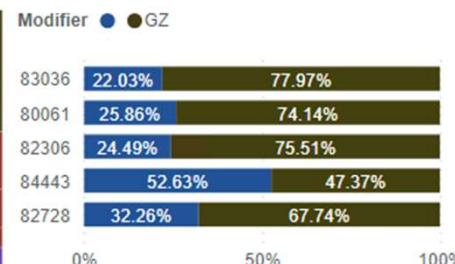
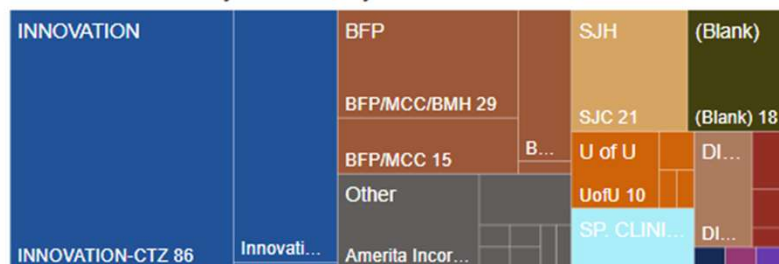
Total Claims Medical Necessity Denials Medical Necessity % Denials



Top 7 Procedure Codes Denied for Medical Necessity

| proccode-descr | Medical Necessity Denials |
|----------------------------|---------------------------|
| 83036: HEMOGLOBIN; G... | 59 |
| 80061: LIPID PANEL THI... | 58 |
| 82306: VITAMIN D; 25 HY... | 49 |
| 84443: THYROID STIMUL... | 38 |
| 82728: FERRITIN | 31 |
| 84153: PROSTATE SPEC... | 19 |
| 85025: BLOOD COUNT; ... | 19 |
| Total | 165 |

Medical Necessity Denials by ORDER LOCATION





Hospital Medical Necessity Denials (INTERNAL)

1/1/2023 1/9/2025

524

Medical Necessity Denials

19K

Total Claims

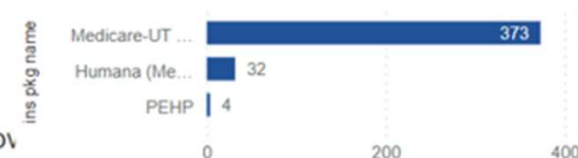
2.7%

Medical Necessity % Denials

\$771K

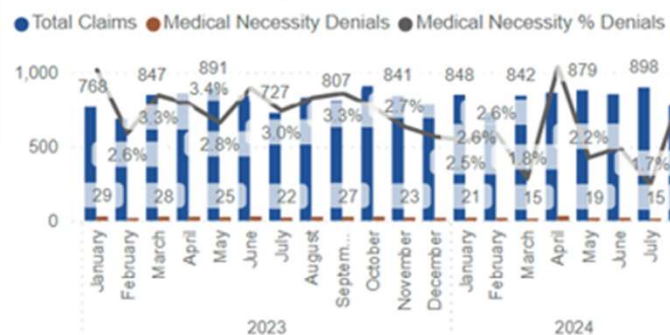
Medical Necessity Denied AMT

Denials by Payer



| ProviderName | Total Claims | Medical Necessity Denials | Medical Necessity % Denials |
|--------------|--------------|---------------------------|-----------------------------|
| DAM... | 2,091 | 98 | 4.7% |
| LL... | 1,358 | 87 | 6.4% |
| CA... | 1,968 | 86 | 4.4% |
| MA... | 3,804 | 63 | 1.7% |
| WE... | 865 | 45 | 5.2% |
| MA... | 2,275 | 36 | 1.6% |
| DO... | 701 | 28 | 4.0% |
| LE... | 986 | 19 | 1.9% |
| HTAN | 237 | 17 | 7.2% |
| KA... | 1,351 | 12 | 0.9% |
| RO... | 1,227 | 9 | 0.7% |
| BL... | 347 | 5 | 1.4% |
| HO... | | | |
| MA... | 72 | 5 | 6.9% |
| LIN... | 20 | 3 | 15.0% |
| MI... | 24 | 2 | 8.3% |
| AL... | 77 | 1 | 1.3% |
| AL... | 607 | 1 | 0.2% |
| DA... | 52 | 1 | 1.9% |
| DO... | 19 | 1 | 5.3% |
| JE... | 6 | 1 | 16.7% |
| JO... | 23 | 1 | 4.3% |
| KA... | 2 | 1 | 50.0% |
| Total | 19,327 | 524 | 2.7% |

Total Claims (Excluding OP Lab/Rad) and Denials on



Top 7 Procedure Codes Denied for Medical Necessity

| proccode-descr | Medical Necessity Denials |
|--------------------------|---------------------------|
| 87631: INFECTIOUS AGE... | 68 |
| 83880: NATRIURETIC PE... | 41 |
| 83036: HEMOGLOBIN, G... | 34 |
| 93005: ELECTROCARDI... | 32 |
| 85610: PROTHROMBIN T... | 31 |
| 70450: COMPUTED TOM... | 30 |
| 85730: THROMBOPLAST... | 30 |
| Total | 216 |

Medical Necessity Denials by ORDER LOCATION



Data Refreshed: 1/10/2025 12:53 PM

Version: 0.0.0



Hospital Registration Denials

1/1/2023

12/31/2024

367

Registration Denials

28K

Total Claims

1.3%

% Registration Denials

\$966K

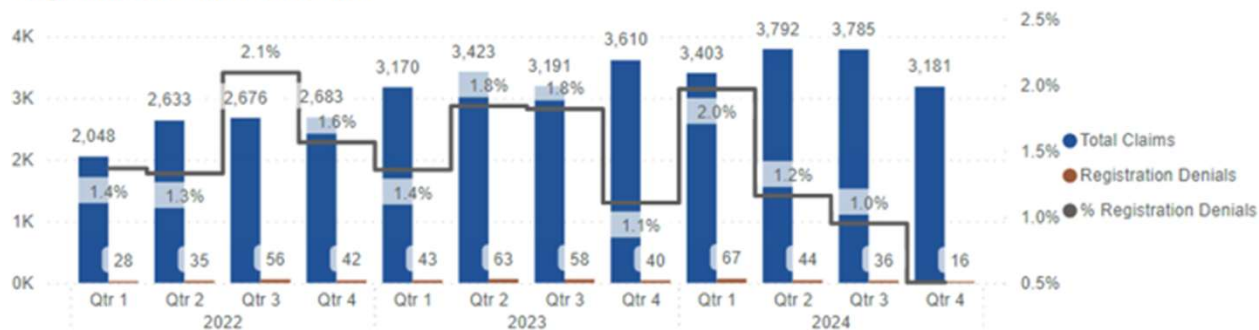
Registration Denied AMT

Total Payment for Registration Denied Amount

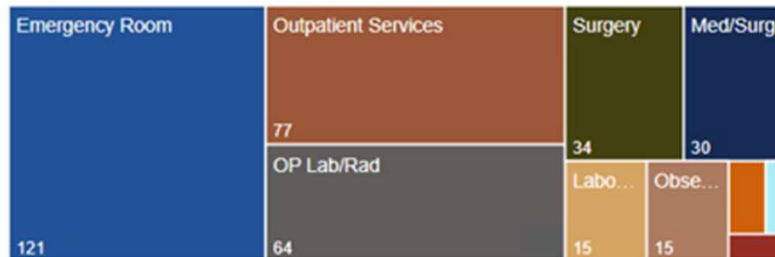


| RegisteredBy | Total Claims | Registration Denials | % Registration Denials |
|--------------|--------------|----------------------|------------------------|
| [REDACTED] | 9,450 | 87 | 0.9% |
| [REDACTED] | 5,028 | 38 | 0.8% |
| [REDACTED] | 1,208 | 29 | 2.4% |
| [REDACTED] | 1,080 | 27 | 2.5% |
| [REDACTED] | 996 | 24 | 2.4% |
| [REDACTED] | 1,047 | 19 | 1.8% |
| [REDACTED] | 622 | 16 | 2.6% |
| [REDACTED] | 846 | 15 | 1.8% |
| [REDACTED] | 717 | 14 | 2.0% |
| [REDACTED] | 1,017 | 13 | 1.3% |
| [REDACTED] | 459 | 10 | 2.2% |
| [REDACTED] | 526 | 9 | 1.7% |
| [REDACTED] | 303 | 7 | 2.3% |
| [REDACTED] | 147 | 6 | 4.1% |
| [REDACTED] | 240 | 6 | 2.5% |
| [REDACTED] | 118 | 5 | 4.2% |
| [REDACTED] | 400 | 5 | 1.3% |
| [REDACTED] | 240 | 5 | 2.1% |
| [REDACTED] | 146 | 4 | 2.7% |
| [REDACTED] | 111 | 4 | 3.6% |
| [REDACTED] | 162 | 4 | 2.5% |
| [REDACTED] | 324 | 4 | 1.2% |
| [REDACTED] | 148 | 3 | 2.0% |
| [REDACTED] | 1,206 | 2 | 0.2% |
| Total | 27,555 | 367 | 1.3% |

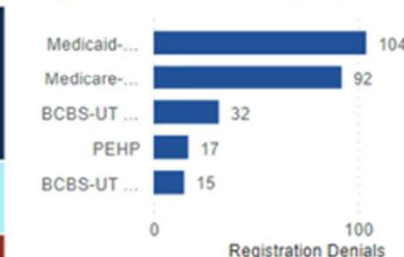
Registration Denials over time



Registration Denials by Department



Registration Denials by Payer



Data Refreshed: 1/13/2025 02:07 PM

Version: 0.0.0



Blue Mountain Hospital Medical Necessity Denials

Date
Last 1 Select

1/1/2023

12/11/2024

299

Medical Necessity Denials

7,926

Total Claims

3.8%

Medical Necessity % Denials

\$98K

Medical Necessity Denied AMT

Denials by Payer



- Data represents 2023 and 2024
- Outpatient Lab for Blue Mountain Hospital
- Low dollar amount per Lab, but compounds into a large opportunity of denials (100k)
- Predominantly Medicare

299 Medical Necessity Denials
7,926 Total Claims
3.8% Medical Necessity % Denials
\$98K Medical Necessity Denied AMT

Denials by Payer



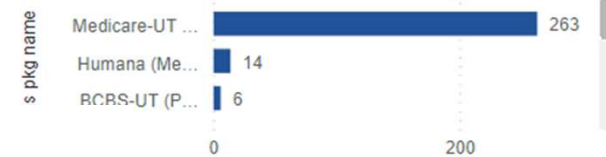
Top 7 Procedure Codes Denied for Medical Necessity

| proccode-descr | Medical Necessity Denials |
|----------------------------|---------------------------|
| 83036: HEMOGLOBIN; G... | 59 |
| 80061: LIPID PANEL THI... | 58 |
| 82306: VITAMIN D; 25 HY... | 49 |
| 84443: THYROID STIMUL... | 38 |
| 82728: FERRITIN | 31 |
| 84153: PROSTATE SPEC... | 19 |
| 85025: BLOOD COUNT; ... | 19 |
| Total | 165 |

- Selected the top 7 labs for Medical Necessity Denials

299 Medical Necessity Denials
 7,926 Total Claims
 3.8% Medical Necessity % Denials
 \$98K Medical Necessity Denied AMT

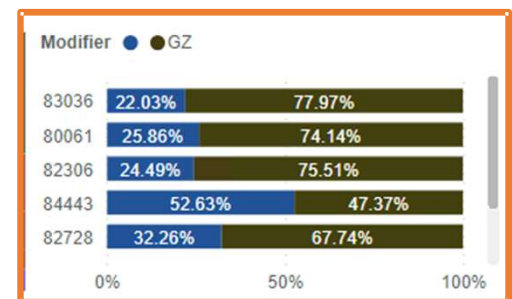
Denials by Payer



Top 7 Procedure Codes Denied for Medical Necessity

| proccode-descr | Medical Necessity Denials |
|----------------------------|---------------------------|
| 83036: HEMOGLOBIN; G... | 59 |
| 80061: LIPID PANEL THI... | 58 |
| 82306: VITAMIN D; 25 HY... | 49 |
| 84443: THYROID STIMUL... | 38 |
| 82728: FERRITIN | 31 |
| 84153: PROSTATE SPEC... | 19 |
| 85025: BLOOD COUNT; ... | 19 |
| Total | 165 |

- High % of GZ modifiers for labs submitted for external providers
- GZ modifier is used when there is a lack of documentation, and the coder needs to push the claim out
- GZ modifier signals to the payer that ***no payment*** is expected



299 7,926 3.8% \$98K

Medical Necessity Denials Total Claims Medical Necessity % Denials Medical Necessity Denied AMT

| ORDER LOCATION (groups) | Total Claims | Medical Necessity Denials | Medical Necessity % Denials |
|-------------------------|--------------|---------------------------|-----------------------------|
| INNOVATION | 1,214 | 126 | 10.4% |
| INNOVATION-CTZ | 713 | 86 | 12.1% |
| Innovation Med-Blanding | 497 | 39 | 7.8% |
| INNOVATION-B | 4 | 1 | 25.0% |
| BFP | 2,014 | 57 | 2.8% |
| Other | 312 | 33 | 10.6% |
| SJH | 463 | 21 | 4.5% |
| U of U | 508 | 18 | 3.5% |
| U of U | 91 | 14 | 15.4% |
| SP. CLINIC/BMH | 2,366 | 11 | 0.5% |
| DIALYSIS | 533 | 10 | 1.9% |
| MCC | 267 | 6 | 2.2% |
| (Blank) | 56 | 1 | 1.8% |
| IHC | 39 | 1 | 2.6% |
| UNHS | 26 | 1 | 3.8% |
| MVC | 37 | | |
| Total | 7,926 | 299 | 3.8% |

- Can view information by location, provider, claim, etc.

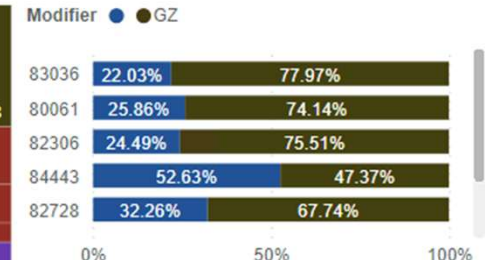
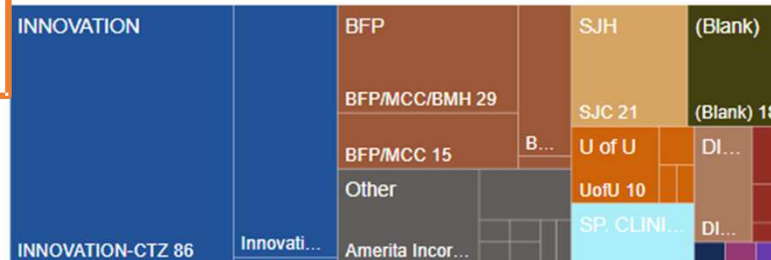
Denials by Payer



Top 7 Procedure Codes Denied for Medical Necessity

| proccode-descr | Medical Necessity Denials |
|----------------------------|---------------------------|
| 83036: HEMOGLOBIN; G... | 59 |
| 80061: LIPID PANEL THI... | 58 |
| 82306: VITAMIN D; 25 HY... | 49 |
| 84443: THYROID STIMUL... | 38 |
| 82728: FERRITIN | 31 |
| 84153: PROSTATE SPEC... | 19 |
| 85025: BLOOD COUNT; ... | 19 |
| Total | 165 |

Medical Necessity Denials by ORDER LOCATION



Medicare National Coverage Determinations

proccode

All

80061 82306 82728 83036 83540 84443 85025 87086

National Coverage Determinations

190.12 - Urine Culture, Bacterial
190.15 - Blood Counts
190.18 - Serum Iron Studies
190.21B - Glycated Hemoglobin/Glycated ...
190.22 - Thyroid Testing
190.23B - Lipids Testing

ICD Codes covered by Medicare

A411 - Sepsis due to other specified staph...
A419 - Sepsis, unspecified organism
C73 - Malignant neoplasm of thyroid gland
C9000 - Multiple myeloma not having achi...
D500 - Iron deficiency anemia secondary t...
D508 - Other iron deficiency anemias
D509 - Iron deficiency anemia, unspecified
D519 - Vitamin B12 deficiency anemia, un...
D539 - Nutritional anemia, unspecified
D62 - Acute posthemorrhagic anemia
D631 - Anemia in chronic kidney disease
D649 - Anemia, unspecified
D691 - Qualitative platelet defects
D709 - Neutropenia, unspecified
E02 - Subclinical iodine-deficiency hypoth...
E031 - Congenital hypothyroidism without ...
E034 - Atrophy of thyroid (acquired)
E038 - Other specified hypothyroidism
E039 - Hypothyroidism, unspecified
E041 - Nontoxic single thyroid nodule
E042 - Nontoxic multinodular goiter
E0590 - Thyrotoxicosis, unspecified witho...
E063 - Autoimmune thyroiditis
E079 - Disorder of thyroid, unspecified
E1010 - Type 1 diabetes mellitus with keto...
E109 - Type 1 diabetes mellitus without co...
E1110 - Type 2 diabetes mellitus with keto...

ICD codes denied

Z0000 - Encounter for general adult medical e...
Z0001 - Encounter for general adult medical e...
Z00121 - Encounter for routine child health ex...
Z00129 - Encounter for routine child health ex...
Z020 - Encounter for examination for admissi...
Z0489 - Encounter for examination and obser...
Z111 - Encounter for screening for respiratory ...
Z113 - Encounter for screening for infections ...
Z114 - Encounter for screening for human im...
Z1152 - Encounter for screening for COVID-19
Z1159 - Encounter for screening for other viral...
Z117 - Encounter for testing for latent tubercul...
Z1210 - Encounter for screening for malignant...
Z1289 - Encounter for screening for malignant...
Z130 - Encounter for screening for diseases o...
Z1321 - Encounter for screening for nutritional...
Z13220 - Encounter for screening for lipoid di...
Z13228 - Encounter for screening for other m...
Z1329 - Encounter for screening for other sus...
Z1331 - Encounter for screening for depression
Z13818 - Encounter for screening for other di...
Z13820 - Encounter for screening for osteopo...
Z1389 - Encounter for screening for other diso...
Z139 - Encounter for screening, unspecified
Z369 - Encounter for antenatal screening, uns...
Z5900 - Homelessness unspecified
Z742 - Need for assistance at home and no ot...

ICD codes that do not support medical necessity

D110 - Benign neoplasm of parotid gland
D170 - Benign lipomatous neoplasm of sk...
E1151 - Type 2 diabetes mellitus with diab...
F10139 - Alcohol abuse with withdrawal, u...
F10939 - Alcohol use, unspecified with wit...
F410 - Panic disorder [episodic paroxysm...
F411 - Generalized anxiety disorder
F418 - Other specified anxiety disorders
F419 - Anxiety disorder, unspecified
F900 - Attention-deficit hyperactivity disor...
F902 - Attention-deficit hyperactivity disor...
F908 - Attention-deficit hyperactivity disor...
F909 - Attention-deficit hyperactivity disor...
F919 - Conduct disorder, unspecified
G44209 - Tension-type headache, unspec...
G8918 - Other acute postprocedural pain
G8921 - Chronic pain due to trauma
G8929 - Other chronic pain
G894 - Chronic pain syndrome
H2512 - Age-related nuclear cataract, left ...
H4722 - Hereditary optic atrophy
H913 - Deaf nonspeaking, not elsewhere ...
H9190 - Unspecified hearing loss, unspec...
H9193 - Unspecified hearing loss, bilateral
H933X2 - Disorders of left acoustic nerve
I2720 - Pulmonary hypertension, unspecifi...

AIC Test



Blue Mountain Hospital Medical Necessity Denials (EXTERNAL.)

12/11/2024

ins pkg name: Medicare-UT - Part...
 NCDDescription: All
 proccode: 83036
 claimid: All
 Modifier: All

Diagnosis code distribution

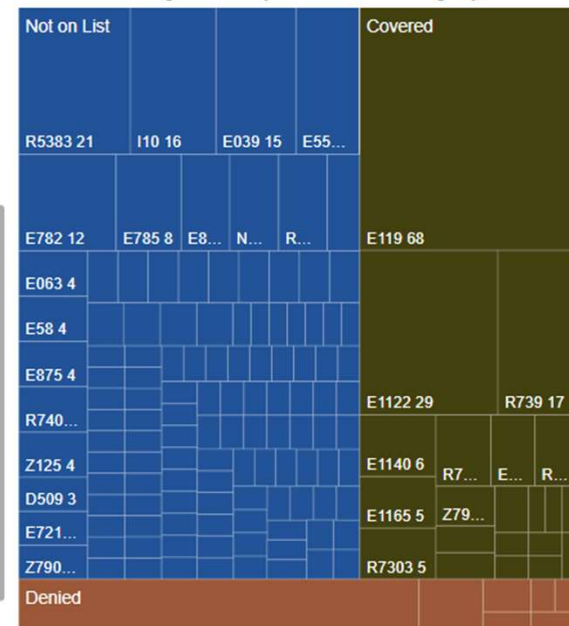
| ins pkg name | Total Claims | Medical Necessity Denials | Medical Necessity % Denials | ICD Codes Covered | ICD Codes Denied | ICD Codes Not Med Necessity | Total Payment |
|--------------|--------------|---------------------------|-----------------------------|-------------------|------------------|-----------------------------|-------------------|
| E... | 23 | 16 | 69.6% | 9 | 13 | | \$504.84 |
| 137122 | 1 | 1 | 100.0% | | 1 | | \$0.00 |
| 140371 | 1 | 1 | 100.0% | | 1 | | \$0.00 |
| 146338 | 1 | 1 | 100.0% | | 1 | | \$0.00 |
| 148018 | 1 | 1 | 100.0% | | 1 | | \$0.00 |
| 152169 | 1 | 1 | 100.0% | | 1 | | \$0.00 |
| 153431 | 1 | 1 | 100.0% | | 1 | | \$0.00 |
| 153458 | 1 | 1 | 100.0% | | 1 | | \$0.00 |
| 155971 | 1 | 1 | 100.0% | | 1 | | \$0.00 |
| 157206 | 1 | 1 | 100.0% | 1 | | | \$0.00 |
| 157592 | 1 | 1 | 100.0% | | 1 | | \$0.00 |
| 157704 | 1 | 1 | 100.0% | | 1 | | \$0.00 |
| 165073 | 1 | 1 | 100.0% | | | | \$0.00 |
| 181467 | 1 | 1 | 100.0% | | | | \$0.00 |
| 191488 | 1 | 1 | 100.0% | | 1 | | \$0.00 |
| 204851 | 1 | 1 | 100.0% | | | | \$0.00 |
| 204809 | 1 | | | 1 | | | \$47.94 |
| 175847 | 1 | | | 1 | | | \$60.74 |
| 178006 | 1 | | | 1 | | | \$60.74 |
| 201603 | 1 | | | 1 | | | \$60.74 |
| 136071 | 1 | 1 | 100.0% | 1 | | | \$68.08 |
| 147590 | 1 | | | 1 | | | \$68.08 |
| 205495 | 1 | | | 1 | | | \$69.26 |
| 205497 | 1 | | | 1 | | | \$69.26 |
| Total | 42 | 56 | 27.1% | 156 | 32 | | \$9,131.61 |

Claims

No Payment for Denied ICD Codes

Payment for Labs with valid ICD

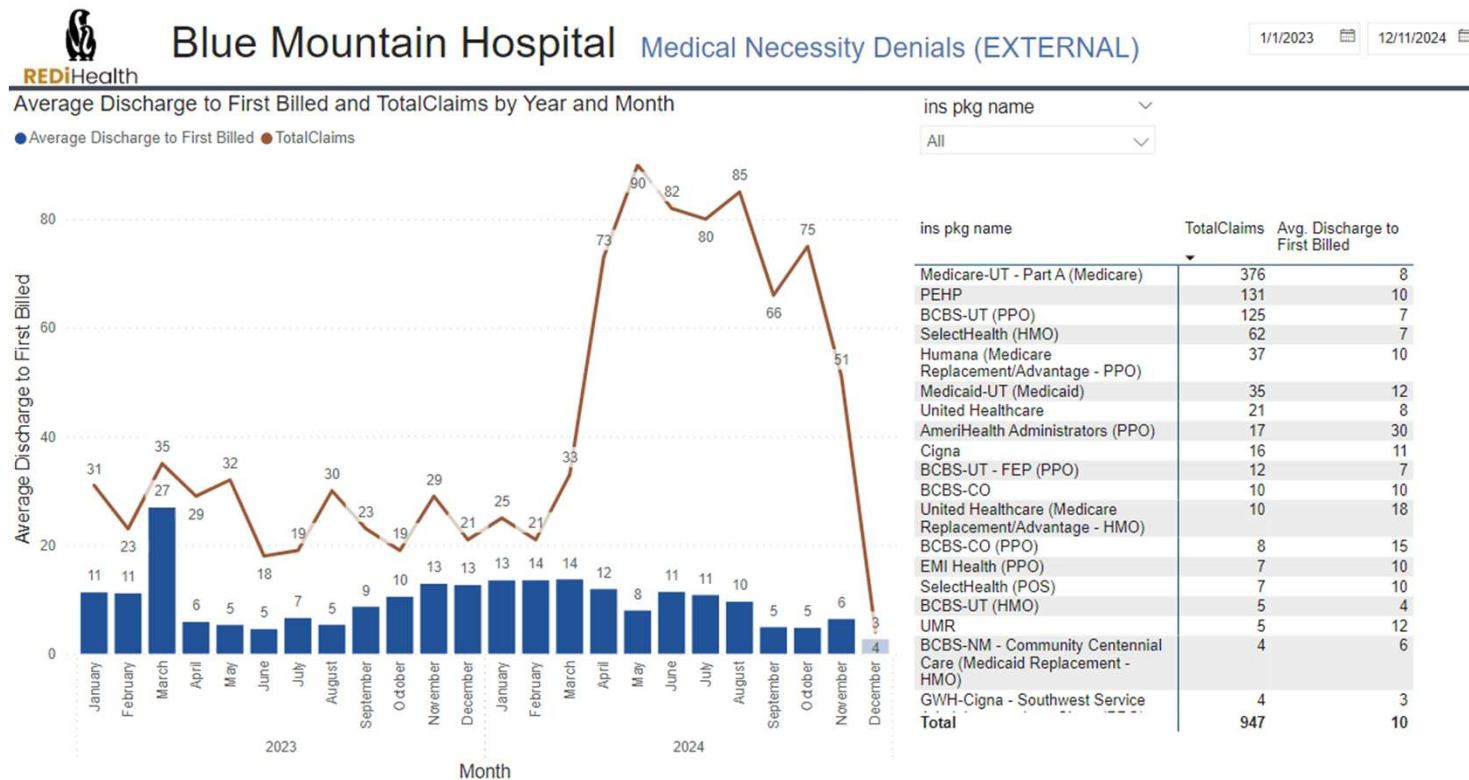
Common Diagnoses by Covered Category



- Z0000 is the most commonly denied ICD10 Diagnosis code

Goals

- Reduce Denials by 20% in the next 90 days
- Decrease DNFB (Discharge to Final Bill) to 3-4 days



Denials Management: Three Concurrent Projects

- Registration denials. Goal: 20% a reduction.
- Medical necessity denials for labs. Goal: 20% reduction.
- Medical necessity denials for imaging (coding). Goal: 10% reduction.

Results for this reporting period are **exceeding the original goals.**

- Registration team, currently @ 36% reduction. Benefit for 2025: \$227,174*.
- Laboratory team, currently @ 44% reduction. Benefit for 2025: \$174,451*.
- Coding team, currently @ 31% reduction. Benefit for 2025: \$14,916*.
- Trending 2025 potential savings/additional billing: \$416,541



Medical Necessity Denials Overview

Date Range Jan 2024 to current | Clinic Providers | Lab CPTs

| # Denied Claims | Ordering Provider | Denied Ratio | Denied Claims | All Claims |
|-----------------------------|-------------------|--------------|---------------|------------|
| 1,106 | Arndt, Dney | 1.9% ★ | 21 | 1,111 |
| | Bl... | 11.2% ★ | 37 | 331 |
| | Br... | 10.8% ★ | 56 | 520 |
| | Br... | 10.6% ★ | 52 | 489 |
| | Ca... | 9.2% ★ | 116 | 1,255 |
| | Cu... | 3.8% | 16 | 420 |
| 17,949 | Gr... | 0.4% ★ | 2 | 509 |
| | He... | 5.1% | 58 | 1,138 |
| | Je... | 6.6% | 73 | 1,101 |
| | Kil... | 9.3% | 27 | 290 |
| | Ma... | 2.1% | 9 | 432 |
| | Ma... | 10.5% | 97 | 925 |
| 6.2% | Ma... | 14.8% ★ | 88 | 593 |
| | No... | 0.6% ★ | 8 | 1,338 |
| | Ol... | 8.8% | 61 | 695 |
| | Ol... | 5.7% | 85 | 1,498 |
| | Pe... | 4.9% | 16 | 325 |
| | Re... | 7.8% | 30 | 384 |
| Total Denial \$ (\$168,934) | Ru... | 9.6% | 11 | 115 |
| | W... | 7.0% ★ | 104 | 1,493 |
| | W... | 4.0% | 61 | 1,540 |
| | W... | 0.9% ★ | 6 | 684 |
| | W... | 7.5% | 60 | 805 |
| | W... | 7.0% | 14 | 201 |
| | Grand Total | | 1,106 | 17,949 |

Denial Rate



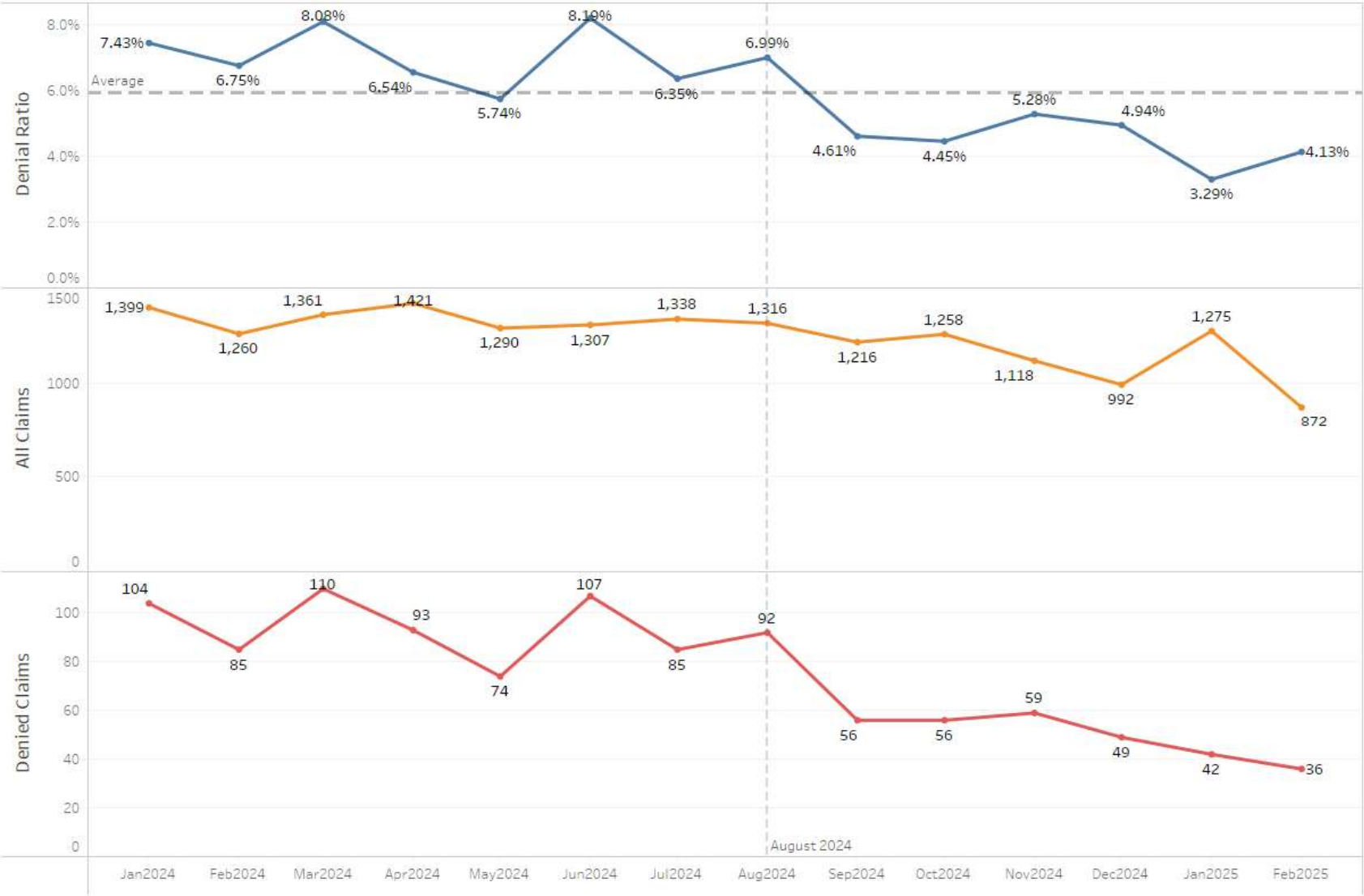
Top 6 Lab Denials

| CPT Description | Denied Ratio | Denied Claims | All Claims |
|------------------------------|--------------|---------------|------------|
| VITAMIN D 25 HYDROXY | 19.7% | 282 | 1,434 |
| ASSAY OF PSA TOTAL | 16.4% | 218 | 1,333 |
| LIPID PANEL | 4.3% | 377 | 8,799 |
| HEMOGLOBIN GLYCOSYLATED A1C | 4.0% | 287 | 7,117 |
| ASSAY THYROID STIM HORMONE | 3.3% | 197 | 6,029 |
| COMPLETE CBC W/AUTO DIFF WBC | 1.7% | 166 | 9,486 |
| Grand Total | | 1,106 | 17,949 |

Top6 Lab Denial Revenue Losses

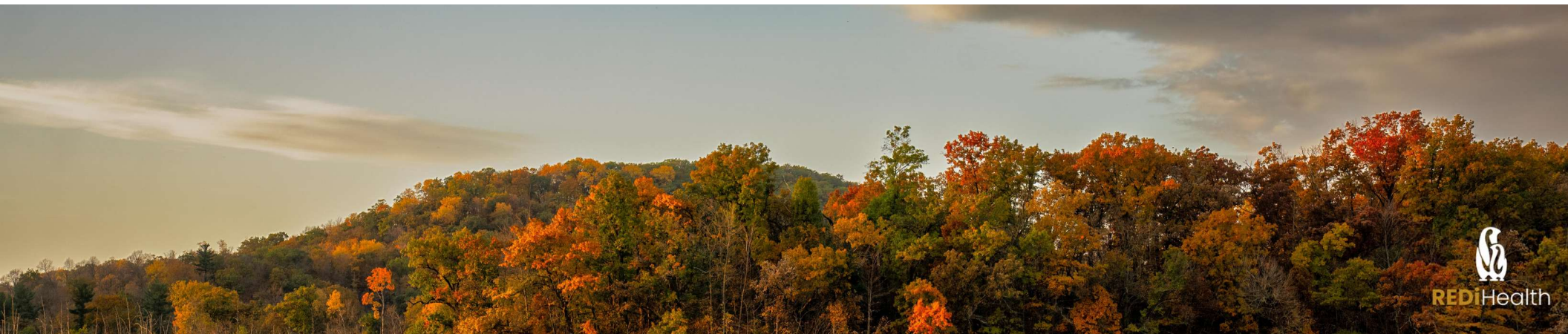


Medical Necessity Denials | Lab CPT's | Clinic Providers | Jan2024 to Feb2025



Key questions to assess root-cause in workflow

- What documentation exists around internal best practices?
- How do we currently disseminate best practices to hospital staff?
- How well do we understand payer requirements that lead to denials?
- How do our internal best practices align with payer requirements for payment?
- What workflow processes (or lack thereof) yield top denial types?





**Unlock your
data!**

Thank you!

Stay In Touch!

 jeff.grandia@redihealth.com

 leighellen.madden@redihealth.com

