TELCOR®

Empowering Labs to Reach for More™

Best Practices Given the Current Reimbursement Landscape

The reimbursement landscape for laboratories remains dynamic, undergoing constant changes. With TELCOR, you can optimize your reimbursement and establish financial security of legislative changes, including those related to Medicare payment rates, IDR entity fees, LDTs, SALSA, NCCI edits, the CLFS, and the No Surprises Act. Amid this ongoing transformation, laboratories are striving to maintain profitability by proactively implementing new processes and procedures to align with evolving requirements. TELCOR strives to maintain profitability by implementing new processes and procedures aligning with all requirements currently happening.

WHAT DOES THIS MEAN FOR LABS?

Ensuring financial stability and operational efficiency is key for labs navigating reimbursement challenges. Two common pitfalls are:

- Failure to stay informed about coding and payer policy changes.
- Inadequate billing procedures.

These issues often lead to insufficient verification of insurance coverage, incomplete documentation, inefficiencies in denial and accounts receivable management, and risk for non-compliant billing.

Many labs rely on outdated software which may lack the functionality required for contemporary laboratory billing. This can result in convoluted processes that are difficult to update and manage.

In response, labs may add personnel to handle manual tracking of benefits eligibility or prior authorization, leading to increased labor costs. Additionally, the manual handling of denied claims, often without proper management of appeals, can result in missed revenue opportunities.

To avoid these pitfalls, laboratories can invest in modern billing software to enhance accuracy and efficiency. Choosing software built on logic, with rules and automation for handling diverse scenarios, is essential.

Finding a comprehensive solution to manage the entire billing cycle within one platform eliminates the need to add personnel for handling specific situations, ensuring a streamlined and cost-effective approach.

WHAT CAN LABS DO?

First, maintain current credentials with payers, negotiate favorable contracts, ensure thorough documentation, and systematically track and analyze claim denials form integral components. Maintaining a skilled billing team with extensive payer knowledge is vital for addressing the complexities of payer billing effectively and ensuring compliant billing.

Second, create a circular process to tackle issues at the front end while ensuring a smooth transition to generating bills. Utilize back-end data to enhance front-end processes and improve collections, effectively addressing both ends of the reimbursement spectrum.

Third, when introducing new tests, consider coverage, coding, and payment aspects, verify payer willingness to cover the service, determine the payment structure, and establish a billing mechanism.

Early engagement with payers to discuss reimbursement strategies for new tests is a proactive measure to navigate the evolving landscape.

Since obtaining reimbursement for new tests may take time, labs need to strategize interim payment solutions. Checking benefits eligibility and obtaining prior authorization, even if initially denied, sets the groundwork for the test landscape. Offering patient-friendly payment options, including an online portal, facilitates payment for newly introduced tests not covered by insurance.

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