

# Steps in the medical billing process essay sample

[Health & Medicine](#), [Hospital](#)



Medical billing is a process that health care providers and insurance companies use to submit and to follow up on medical services and treatments in order to receive payment. The ten steps of the medical billing process have been divided into three categories: The visit, the claim and the post claim.

The first category has steps one through four that occur during the initial visit. The first step is to pre-register the patient. To pre-register a new or returning patient, a schedule or an update for appointments need to be made. A patient's demographic and insurance information needs to be collected. New and returning patients also need to provide a medical reason for the visit.

The second step is to determine the patient's financial responsibility regarding the visit. The patient's health plan and insurance must meet the doctor's office standards regarding eligibility. Patients are responsible for all charges not covered by their health plan. Uninsured patients are fully responsible for all medical charges.

The third step is the actual check-in of the patient. For new patients, all medical and insurance information is collected. Returning patients have to review previously recorded medical information. Insurance cards and drivers licenses are photocopied and filed for future reference. Medical forms are to be filled out and co-payments are collected either before or after doctor visit.

The fourth step is the check-out procedure of the patient. All patient visits, diagnoses and procedures are documented and assigned medical codes for billing purposes. The medical codes for diagnoses and procedures are used

<https://assignbuster.com/steps-in-the-medical-billing-process-essay-sample/>

by medical insurance specialists to update the patients' files and to submit claims to the medical insurance companies.

The second category of the medical billing process is known as the claim. It has steps five, six and seven. The fifth step is to review coding compliance. Medical codes have to follow official guidelines to satisfy insurance company requirements. All medical procedures, treatments and services must be logically linked within the medical record to allow the insurance company to identify the necessity of the medical charges.

The sixth step is to check billing compliance. Each individual charge for a visit is assigned to a specific medical/procedure code. There are separate fees for each code, but not all codes are billable. The code can only be billed according to the insurance companies' rules. Following those guidelines will result in billing compliance.

The seventh step is to prepare and transmit claims. Health care claims need to be accurate and timely. The claim gives information about the patients' diagnosis, procedures, and charges to the insurance company. The transmitting of claims usually has a schedule, such as everyday or every other day.

The third category of the medical billing process is known as the post-claim. It has steps eight, nine and ten. The eighth step is to monitor payer adjudication. Adjudication is the process that insurance companies use to review medical claims. This process judges whether or not the claim should be paid. They choose to pay the claim in full, pay part of it, or deny all of it.

The reasons for specific payments are sent back with the reports. If patients are covered by more than one health plan, additional claims are sent to the other health plans and are based on the amount that is still due.

The ninth step is to generate patient statements. The insurance companies' payments are applied to each individual account accordingly and payments that are not fully covered by the insurance company are sent to the patient for the rest of the payment. All bills paid by the insurance company and the patient should sum up to be the exact amount of the bill. The bills mailed to the patients have a list of the dates and medical services provided to the patient and the balance that is still due, if any.

The tenth step is to follow up on the patient payments and handle collections. All payments, paid and overdue, are analyzed on a regular basis. Eventually, a collection process will start if payments are consistently late. Once paid, patient medical and financial records are then filed and retained. The federal government decides the length of medical record retainment.

#### Bibliography:

Valerius–Bayes–Newby–Seggern, (2008). *Medical Insurance: An Integrated Claims Process Approach* (3rd ed.). , : The McGraw-Hill Companies.