

# Tips for managing challenging payors

When it comes to reimbursement in the world of post-acute care, especially home health and hospice, it's common for some payors to present more challenges than others. These tips and tricks will help you identify these payor challenges and how to address them.

## 5 red flags of a challenging payor

- 1** The payor makes contracting difficult.  
If a payor turns down a contract, it can cause challenges for your agency to fight denials, to create a fee schedule, to know reimbursement rates, or to even set the payor up.
- 2** The payor has a prolonged turnaround time.  
A payor that typically does not provide payment in the first round will likely be an ongoing challenge.
- 3** The payor consistently underpays.  
If the payor has a low payment rate that must be appealed consistently, reimbursements will always be delayed.
- 4** The payor uses down coding to recoup claims.  
It's not uncommon for payors to reimburse correctly, but then down-code HIPPs incorrectly to then pay at a lower rate and take money back from providers.
- 5** The payor has different requirements for different plans.  
When payors have tiered plans with different documentation requirements, this can lead to incorrect submissions, denials and revenue delays.

## Best practices for managing challenging payors

As revenue cycle management experts, we have a few tricks to alleviate the payor issues that can seem never-ending.



### Root cause payor issues.

By putting all of a payor's issues under the same root cause, you will have an efficient strategy to figure out a bulk payor problem.



### Realize that many payor issues start at intake.

Insurance verification at intake is where many root causes begin and are not caught until the first claim goes out. This is a significant challenge because many payors will not retro-authorize payment if the patient has been discharged. It's important to verify insurance and determine eligibility at intake by establishing workflows to ask all the right questions and document accurately.



### Prioritize trending and analysis.

If payor issues are correctly root caused, trends should be easily visible. Having this information organized and readily available allows agencies to analyze what happened and how to fix it.



## Outsourcing RCM is the answer

We understand the challenges that come with navigating payor relationships in home health and hospice — but you don't have to face them alone. Connect with us today to learn the benefits of RCM outsourcing and how our billing experts can help improve your revenue strategies.