


<b>Physicians' Billing Office</b>		
<b>SECTION:</b>	DENIAL MANAGEMENT	POLICY NUMBER: D104
<b>POLICY TITLE:</b>	<b>AUTHORIZATION DENIALS AND ADJUSTMENTS</b>	PAGE: 1 of 2
<b>APPROVALS:</b> FPG B&F Committee: 04/12/2010	PBO: 04/12/2010	ISSUED: 02/01/2010 EFFECTIVE: 06/01/2010
<b>SUPERSEDES: N/A</b>		

**PURPOSE:**

1. To improve the **efficiency** of PBO billing and collections operations by establishing a standard policy and procedures around handling authorization related denials and retro-authorization requests.
2. To maximize **reimbursement** by obtaining retro-authorizations from FPG front-end staff and appealing denied claims in a timely manner.
3. To support continuous revenue cycle **quality** improvement at the intake level by providing regularly scheduled data feedback on authorization related denials and adjustments to FPG front-end staff.
4. To improve **customer service** and FPG **revenue cycle indicators** by collaborating with the front-end staff in obtaining proper retroactive authorizations and related medical documentation and re-submitting claims to payors in a timely manner to avoid appeal filing deadlines.

**POLICY:**


1. Charges posted into FPG PBO billing system will be processed regardless of authorization availability, validity and/or payor requirements.
2. If a charge is denied by payors for missing and/or invalid authorization, PBO will submit a request to the appropriate front-end staff to obtain a retro-authorization for the denied services.
  - i. If no response is received within 30 days of an initial submission of PBO request, a second and a final request will be submitted.
  - ii. In case of no response or inability to obtain a retro-authorization within 15 days of the second request, PBO will adjust the charges in the billing system.
3. Frequent and regularly scheduled denial and adjustment related feedback will be provided to the front-end staff for continuous quality improvement.

**POLICY CROSS REFERENCES:**

N/A

**APPLICABILITY:**

This policy applies only to FPG PBO Customers.

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**MONITORING / ACCOUNTABILITY:**

Each PBO billing unit must conduct frequent, regularly scheduled quality reviews to ensure adherence with this policy. Immediate corrective actions must be taken as necessary. These may include:

- a) Training and re-training of staff;
- b) Disciplinary actions;
- c) Escalating non-compliance to PBO director.

**COGNIZANT OFFICE:**

For interpretations of this policy, resolution of problems and special situations, contact:

Grace Barba  
 Director of Physician Billing Office  
[gbarba@mednet.ucla.edu](mailto:gbarba@mednet.ucla.edu)

**POLICY AUTHORITY:**

UCLA Faculty Practice Group

**REVISION HISTORY:**

Original Policy issued: 02/01/2010

Revisions: None