Report on Medicare Compliance Volume 29, Number 32. September 14, 2020

Denials for Emergency Care Flout Law, Payer Policies, Experts Say

By Nina Youngstrom

A patient having a massive heart attack was brought to the emergency room at Baptist Memorial Health Care Corp. in Memphis, Tennessee, and then rushed to the cardiac catheterization lab for a bypass in a chain of events that should have resulted in a paid claim. But the health plan denied the claim because the hospital didn't get prior authorization for the procedure. Hospitals may think they're stuck with these kinds of denials from Medicare Advantage plans, Medicaid managed care organizations and commercial insurers, but they're wrong, experts say.

Health plans are required to cover emergency services, which include inpatient and outpatient services, without prior authorization, under 42 C.F.R. § 438.114 and related regulations, said Kendall Smith, M.D., chief physician adviser at AppealMasters in Towson, Maryland. "They cannot refuse to cover emergency services," and that includes stabilization.

Smith helped Baptist Memorial appeal that denial, and they won. "When you look at the definition of stabilization as defined under the Emergency Medical Treatment and Labor Act, it means clearly that it doesn't stop at the emergency room," said Smith, who spoke Sept. 9 at a webinar sponsored by Intersect Healthcare and AppealMasters.[1] But some hospitals seem unaware they have the law and, paradoxically, payer policies behind them, even when payers deny the claims, he said.