

THIS IS NOT A BILL

Reading an Explanation of Benefits

Quick Reference Guide

Created by:



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Dissecting an EOBs

①		②		③		④		⑤		⑥	⑦	⑧	
TH	PROC	PAY	DATE OF	SERVICE	BENEFIT	SUBMITD	ELIG	COVERED	RMRK	MINUS	REMAIN	%	PAYABLE
NO	CODE	CODE	SERVICE	DESCRIPTION	TYPE	CHARGES	CHARGES	AMOUNT	CODE	DEDCT	CHARGES		
Patient (SELF)					Claim #:			Member:					
DO140	DO120		08/21/12	EVAL-PERIODIC	PREVENT	80.00	80.00	46.00	73				
DO220			08/21/12	X-RAY - SINGLE	PREVENT	25.00	25.00	25.00					
TOTAL					PREVENT	105.00	105.00	71.00		0.00	71.00	100%	71.00
CLAIM PROCESSED FOR PROVIDER # ⑨										SUB-TOTAL		71.00	
TO1	BILLABLE AMOUNT TO PATIENT					34.00		TOTAL PAID		71.00			
=====													
AMOUNT PD												71.00	

① **Procedure Code** and **Pay Code:** Some insurance companies provide only these codes and no description of service.

Make sure these match the codes on the bill from the provider.

② **Date of service:** The date of your appointment, test or other medical service from this provider.

③ **Service description:** A brief summary of the treatment you received. Some EOBs don't have this.

④ **Submitted Charges** and **Eligible Charges:**

Submitted Charges is the fee the provider normally charges for the service, and has submitted to the insurance company.

Eligible Charges is the part of the fee that the insurance company will consider paying. Sometimes, a provider's fee is higher than the "reasonable and customary" fee that an insurance company would approve.

⑤ **Covered Amount:** This is the final amount the insurance company will review for payment, as determined by your insurance policy.

⑥ **Remark Code:** These numbers and letters refer to comments in the Notes/Remarks section.

⑦ **Minus Deduct:** This means "Minus Your Deductible." If you have a deductible that must be paid, it will be stated here.

⑧ **Remain Charges | % | Payable:** These three parts tell you:

Remain Charges: The "remaining charges," or final fee the insurance company will cover.

%: The percentage of that fee the insurance company will cover.

Payable: The amount the insurance company will pay the provider of the service, in dollars.

⑨ **Billable Amount to Patient:** This is the amount you'll need to pay because it's not covered by insurance. The provider will send you a final bill for this amount. Be sure this amount matches the amount on the bill when you receive it.

Why check your EOBs?

Chances are, there's a mistake

An average of **19.3%** of EOBs have errors, according to the 2011 National Health Insurer Report Card, compiled by the American Medical Association (AMA). So it's possible there may be an error.

Of the top seven largest commercial health insurers who participated in the AMA survey:

Most accurate: UnitedHealthcare.
Accuracy rating: 90.23%.

Least accurate: Anthem Blue Cross Blue Shield.
Accuracy rating: 61.05%.

The AMA estimates that these inaccurate claim payments will cost the healthcare industry **\$17 billion in needless administrative expenses** this year alone. The AMA also found that physicians received no payment at all from commercial health insurers on nearly 23% of claims they submitted.

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20% of EOBs
have **errors.**

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United Healthcare

90.23%



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Top areas for errors in EOBs

Once you receive your EOB, review it carefully. Watch for these potential errors:

- **Double billing:** Being charged twice for the same services, drugs, or supplies.
- **Typos:** Incorrect billing codes or dollar amounts.
- **Canceled work:** Charging for a test your doctor ordered, then canceled.
- **Phantom services:** Being charged for services, test or treatments that were never received.
- **Up-coding:** Inflated charges for medications and supplies.

If you had to go to the hospital for treatment or had surgery, also watch for these errors:

- **Incorrect length of stay:** Most hospitals will charge for the admission day, but not for day of discharge. Be sure you're not paying for both.
- **Incorrect room charges:** Being charged for a private room, even if you stayed in a semi-private room.
- **Inflated operating room fees:** Being billed for more time than was actually used.

Need help getting through all that paperwork?

If you don't have the time or are too sick to inspect your medical bills for errors, you can hire an expert to check them for you.

Medical-billing advocates either charge an hourly fee or on a contingency basis, earning a percentage of the amount they save you. You can find one through Medical Billing Advocates of America:

<http://www.billadvocates.com>



You billed me for WHAT?!?

Check out these crazy errors

- A new mother was billed for a circumcision. For her baby girl.
- A 16-year-old boy had ankle surgery to repair a football injury. He also was charged with a hip replacement.
- A gentleman had an outpatient laser procedure to reduce an enlarged prostate gland. When he got his bill a week later, the last item listed was: "Prosthetic breast implant \$3,829." He jokingly asked his doctor: "Where'd you put it?"
- One patient's hospital bill listed 77 of the same item at \$198 each, totalling more than \$15,000 of charges during a three-day stay. The item? A urinalysis.



Payment refused? Don't be afraid to appeal

If your insurance company says it won't pay a cost or a claim, don't assume that decision is final. In 2011:

59% of health insurance appeals were decided in favor of the patient.

40% of external appeals that were reviewed by a third party were reversed in the patient's favor.

Source: 2011 Government Accountability Office (GAO) survey.

Medical billing errors cost elderly thousands of dollars

<http://www.agingcare.com/Articles/avoid-hospital-medical-billing-errors-139767.htm>

Getting the most from your health insurance: Managing your bills

<http://www.consumerreports.org/cro/2012/09/getting-the-most-from-your-health-insurance/index.htm>

Health care bills: Four mistakes that are costing you money

<http://blogs.webmd.com/health-insurance-navigator/2012/01/health-care-bills-four-mistakes-that-are-costing-you-money.html>

Health insurers denying fewer claims, but payment errors increasing

<http://ifawebnews.com/2011/06/20/health-insurers-denying-fewer-claims-but-payment-errors-increasing/>

Explanation of benefits: how to avoid errors on your EOB

http://healthinsurance.about.com/od/healthinsurancebasics/a/EOB_errors.htm

Funny, annoying and sad:

NewsChannel 5 viewers share their medical billing mistake stories

http://www.newsnet5.com/dpp/news/local_news/investigations/newschannel5-viewers-share-their-medical-billing-mistake-stories

Couple kept hospital abreast of their billing error

http://www.dispatch.com/content/stories/life_and_entertainment/2012/09/27/couple-kept-hospital-abreast-of-billing-error.html

How to challenge your medical bills

http://www.huffingtonpost.com/jim-t-miller/how-to-challenge-your-medical-bills_b_1603969.html

Billing codes for common dental procedures

<http://www.humanaonedental.com/dental-procedures.aspx>

