

## ICYMI: From STAT News: Unnecessary insurance claim denials compromise patient care and provider bottom lines

STAT News recently published an [opinion piece](#) detailing the pressures hospitals are under, from the need for competitive wages to attract and retain talent to the ever-growing inflation rate driving up costs:

*Adding to this budgetary stranglehold are payment delays and insurance claim denials by payers, which compromise patients' access to health care and providers' financial viability.*

This commentary dives deep into the strain put on hospitals:

*...nearly 15% of all claims submitted to payers for reimbursement were initially denied. Medicare Advantage and Medicaid managed care plans denied claims at higher-than-average rates of 15.7% and 16.7%, respectively.*

It addresses the growing number of claims denied:

*These denials include services that had been preapproved via the prior authorization process, and were more common for treatments costing above \$14,000.*

In addition, it underlines the costly implications for those we aim to serve, our patients:

*When health plans deny coverage for care, patients may be liable for some or all of the costs, and a lengthy wait for coverage approval may result in patients' delaying care. [Nearly 50%](#) of Americans report skipping or delaying follow-up care because of costs, and the same percentage say they would be unable to pay for an unexpected \$1,000 medical bill within 30 days.*

For more about the impact on hospitals and potential policy solutions, we encourage you to read the [full opinion piece by Michael J. Alkire, at STATnews.com](#).

### Other Articles in this Issue

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- [New AHA Report - Economic Pressures Facing Hospitals Threaten Access to Care](#)
- [WHA Sets Record Straight on 2024 RAND Study](#)
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