ANALYSIS OF THE REJECTION OF CASHLESS MEDICAL CLAIMS IN THE CREDIT DEPARTMENT OF A MULTISPECIALTY HOSPITAL

Dissertation Submitted to

The IIHMR University, Jaipur

for the partial fulfillment for the award of the

degree of Master of Business Administration

(MBA)

in

Hospital and Health Management

by

Tanya Gupta

Under the Supervision and Guidance of

Dr. Susmit Jain

2022

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DECLARATION BY STUDENT

I hereby declare that this dissertation titled **Analysis Of Rejection of Cashless Medical Claims in Credit Department Of a Multispecialty Hospital** is the bonafide record of my original research work. I declare that it has not been submitted to any other university or institution for the award of any degree or diploma. Information derived from the published or unpublished work of others has been duly acknowledged in the text.

TANYA GUPTA
24/06/22

APEX HOSPITALS™

TO WHOMSOEVER IT MAY CONCERN

Date: 19th June 2022

This is to certify that Ms. **Tanya Gupta**, student of Indian Institute of Health Management and Research (IIHMR) Jaipur has completed her internship in the Credit Department from 22nd March 2022 to 19th June 2022.

For Apex Hospitals Pvt. Ltd.

Authorised Signatory

Regards,

Sumit Ajmera,

(Finance Head)

Apex Hospitals Private Limited

CERTIFICATE

This is to certify that dissertation titled **Analysis Of Rejection of Cashless Medical Claims in Credit Department of a Multispecialty Hospital** is a record of the research work undertaken by **Tanya Gupta** in partial fulfillment of the requirements for the award of the degree of MBA Hospital and Health Management from the IIHMR University, Jaipur under my guidance and supervision and his/her approach to the research study has been sincere, scientific, and analytical.

Dr. Susmit Jain	Dr. Mahender Kumar
Faculty Guide	Dean
IIHMR University, Jaipur	IIHMR University, Jaipur
Date	Date

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Without the support of many people who acted in one way or another, this work would not have been possible. I would therefore like to thank most sincerely the following groups of people:

First and foremost I would like to express my heartfelt gratitude to **Dr. Sheenu Jhawar**, Director at Apex Hospital for allowing me to do my dissertation in the Credit Department and entrusting me with the information.

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And Last but not the least, my family for their constant moral support.

Thanks,
Tanya

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LIST OF ABBREVIATIONS

ESIC	Employees' State Insurance Corporation
HBEC	Health Benefits Education Campaign
HMIS	Hospital Management Information System
RGHS	Rajasthan Government Health Scheme
TID	Transaction Id

ABSTRACT

ANALYSIS OF THE REJECTION OF CASHLESS MEDICAL CLAIMS IN THE CREDIT DEPARTMENT OF A MULTISPECIALTY HOSPITAL

Submitted by: Tanya Gupta **Guided by**: Dr. Susmit Jain

In India's quest to achieve Universal Health Coverage; expanding the availability of health insurance is a crucial step and a pathway for delivering the UHC.

Health insurance is an essential defence mechanism for people to use and fight against catastrophic and unforeseen situations without pushing one in the grounds of poverty.

Government has launched several health insurance schemes to provide health covers to the people of the country. Government-sponsored health insurance schemes (GSHIS) aim to improve access to and utilization of healthcare services and offer financial protection to the population. One such is the Mukhyamantri Chiranjeevi Swasthya Bima Yojna.

This scheme primarily targets the poor and the informal sectors and provides fully subsidized secondary and tertiary packages with an annual cover of 3 Lakh Rupees per family on a floater basis. Another scheme is Rajasthan Government Health Scheme(RGHS) that provides cashless healthcare facilities to government employees, Members of the Legislative Assembly, judges can avail themselves of the RGHS instead of the Chiranjeevi scheme. In terms of benefits, Chiranjeevi and RGHS are similar. However, the beneficiary does not need to pay any premium for availing RGHS.

Social Health Insurance subsidized schemes are another set of government schemes.

These are mandatory, contributory schemes for organized sector employees. Employee State Insurance Scheme run by ESIC .It covers workers earning less than Rs 21,000 per month in most industries with 10 or more employees

The patient can avail cashless medical facility at the nearest empaneled hospital.

The claim amount is later reimbursed to the hospital by the concerned government department.

The hospital observed deductions and rejections in the claim amounts at the time of reimbursement from these authorities. This study analyses the various rejections faced by the hospital and gives suggestions to reduce them.

The objective of this study was to analyse the reasons deductions from the concerned government scheme and whether the reasons are internal ,external or both.

A Qualitative Retrospective design was planned to analyze the rejection rate of medical claims of three government schemes Chiranjeevi, RGHS and ESIC in Credit Department of Apex Hospital Jaipur. For this study primary data was collected from hospital's management information system -Suvarna and Rajasthan Government's Single Sign On(SSO) portal between the time period of 31 March 2021 to 31 March 2022.

400 IPD Claims were studied for all the three government schemes. The Patient's bills from Suvarna were analysed against the received claim amount as observed from SSO portal. A detailed analysis of the documents submitted, queries raised, treatment prescribed vs what procedure was performed. The reasons for deductions were analysed and segregated into two categories viz. Rejections due to Medical Reasons and Rejections due to Billing Reasons.

Data was analysed using MS Excel. Through the analysis; out of all the reasons, Wrong Package Selection turned out to be the major reason for Medical errors. For reducing this error, emphasis should be given to clear diagnosis and effective communication being ensured between the doctor and the credit team in case of package changes so that same can be updated on portal. The resident doctor who is on duty with the senior doctor can be given a knowledge about these package guidelines and he/she can communicate the credit/billing team in case of procedure change.

Wrong package amount selection accounted for the major Billing deduction reason. For reducing this error emphasis should be given on correct package amounts selection from the portal. Proper training and knowledge to be given to the person responsible for billing.

KEYWORDS: Cashless, Reimbursement, Credit, Claims, Health Insurance, Rejection, Deduction, Government Health Schemes

CHAPTER-1

INTRODUCTION

The Credit department of any Private Hospital in India is responsible for the revenue of the hospital, out of which a significant figure, approximately 75% of revenue received by the private hospital in this survey comes from Medical Aid Schemes run by government such as Mukhyamantri Chiranjeevi Swasthya Bima Yojna, Rajasthan Government Health Scheme, Employee State Insurance Scheme etc. in the form of cashless medical facility to patients. The patients affiliated under schemes do not have to pay anything in cash to the hospital for the treatment. Their treatment charges are born by the government. The hospitals are observing increasing levels of deductions in the claim costs from the government medical schemes. Hence an understanding of the significance of Government Medical Aid Schemes to the health care sector and the impact of these schemes on payment of claims is integral when understanding the complexities that private hospital credit departments have to deal with in credit management.

The schemes studied in this report are Mukhyamantri Chiranjeevi Swasthya Bima Yojna, RGHS and ESIC.

1.2 Mukhyamantri Chiranjeevi Swasthya Bima Yojna

This scheme introduced by the state government of Rajasthan is a health scheme for all the citizens of the state. Regardless of their financial standing, each citizen of the state is entitled to cashless healthcare facilities up to 3 lakh rupees for various illnesses and health problems. The coverage includes and is not limited to the care and treatment of patients suffering from COVID-19 and black fungus. Other than that, this scheme also beneficiaries below the poverty line to avail hemodialysis services under medical treatment. Diagnostic tests, as well as patient care up to 15 days after their discharge from the hospital, are also covered under the Chiranjeevi health scheme. This scheme can be availed as many times as a beneficiary needs in a year with no limitations except for the coverage limit of 5 lakh rupees.

Health insurance cover will be offered for up to Rs. 3 Lakh

Applicants are required to pay Rs. 850 annually to be able to avail benefits under the scheme

Families have to apply for the scheme online to seek cover under it.

1.3 Rajasthan Government Health Scheme (RGHS)

The RGHS was introduced alongside the Chiranjeevi scheme, but the RGHS scheme is reserved only for people that are excluded from availing the Chiranjeevi scheme. Government employees, Members of the Legislative Assembly, judges can avail themselves of the RGHS instead of the Chiranjeevi scheme. In terms of benefits, Chiranjeevi and RGHS are similar. However, the beneficiary does not need to pay any premium for availing RGHS. The list of diseases and medical

tests covered under RGHS are also similar to that of the Chiranjeevi scheme, and beneficiaries can avail themselves cashless medical facilities at any government and private hospital in Rajasthan up to 5 lakh rupees under RGHS as well. Diseases like COVID-19 and black fungus are also covered under RGHS.,

About the Scheme

All hospitals run by State Government, approved Hospitals and Public Private Partnership Hospitals will be eligible for providing medical facilities under this scheme as per norms and terms and conditions.

This Scheme will provide:

- OPD Treatment
- Cashless Facility for IPD/day care services.
- Investigations at Government and Empaneled Diagnostic centers
- Family Welfare, Maternity and Child Health Services.

RGHS: Fully Online and Automated system

Identified database for beneficiary status of family (Jan Aadhar)

Hospital Empanelment by HBEC (Apply and approve system) on RGHS web-portal: Online and transparent procedure

- Pre-authorization at hospital level only
- Online Payment System to Hospitals
- Claim Settlement under RGHS

The claim settlement procedure will be on IT Platform of RGHS through the RGHS portal and the electronic medical record (EMR) of each beneficiary will be kept in RGHS card holder's e-Wallet.

1.4 Employees' State Insurance Corporation (ESIC)

The Employees' State Insurance Scheme of India (ESIC) is a multi-faceted Social Security Scheme designed to provide socio-economic protection to 'employees' in the organised sector. ESIC Scheme is administered by a statutory corporate body called the Employees' State Insurance Corporation.

It protects employees against sickness, maternity, disablement, and death as a result of a work-related injury, as well as provides medical care to insured employees and their families

As for workers or employees, they are covered or entitled under ESI when they earn less than Rs. 21,000 per month and Rs. 25,000 in the case of a person with disability. The worker contributes 1.75% of their salary while the employer contributes 4.75% towards the ESI scheme.

1.5 PURPOSE AND SIGNIFICANCE OF THE STUDY

The purpose of this study is to determine the reasons for deductions happening in the claims which ultimately lead to a loss to the hospital. Assess those reasons , whether they are internal or external or both. Another purpose is to study if there are any inefficiencies affecting the delivery of the credit management function at a private hospital. Hoping that this study will aid hospital

managers and other credit managers to have a deep understanding of where the deductions are happening so that they can work upon it to reduce it. Hence hospitals and other providers of health care have to manage their credit facilities more stringently and pro-actively . Pro-active credit management adds value to services, to products and to competitive capabilities and impacts widely on many dimensions of corporate performance.

CHAPTER 2

REVIEW OF LITERATURE

AUTHOR(YEAR)	TITLE OF STUDY	OBJECTIVE	RESEARCH DESIGN	CONCLUSION
Anurag Saxena,Mayur Trivedi,Zubin Cyrus Shroff,Manas Sharma (2022)	Improving hospital-based processes for effective implementation of Government funded health insurance schemes: evidence from early implementation of PM-JAY in India	This paper aims to understand how the processes put in place to manage hospital-based transactions, from the time a beneficiary arrives at the hospital to discharge are being implemented in PM-JAY and how to improve them to strengthen the scheme's operation.	Across 14 hospitals in Gujarat and Madhya Pradesh states, the above-mentioned processes were observed, and using a semi-structured interview guide fifty-three respondents were interviewed.	At the hospital level, an empowered frontline worker is the key to efficient hospital-based processes. There is a need to streamline back-end processes to eliminate the causes for delay in the processing of claim payment requests. For policymakers, the most important and urgent need is to reduce out-of-pocket expenses.
Dr.V.Pugazhenthi (2021)	A state-wise analysis on government sponsored health insurance schemes in India	This paper aims to show that the southern states like Tamil Nadu, Kerala, Goa are performing better than other states particularly the hilly states and Union Territories (UTs	Cross sectional study	comparing the performance of different states. It reveals that In terms of amounts of claims paid, in terms of number of persons covered under GSHISs and In terms of premium paid for GSHISs,Maharashtra is in the first place, playing consistent performance in all these three grounds. Similarly, in terms of amounts of claims

				paid, in terms of number of persons covered under GSHISs and In terms of number of claims paid under GSHISs, Tamil Nadu is in the third place
Harsh S. Dave, Jay R. Patwa , Niraj B. Pandit (2021)	Facilitators and barriers to participation of the private sector health facilities in health insurance & government-led schemes in India	This paper aims to evaluate facilitators, barriers and perception to participation of the private sector health facilities in Health Insurance & government-led schemes.	Cross sectional study	Timely & rational increase in remuneration, expanding the scope of services and use of appropriate technology for ease in administration is the need of an hour to engage vast service providers under the ambit of public-funded health insurance.
Pascaline Dupas, Radhika Jain (2019)	Private Hospital Responses to Reimbursement Changes Under Government Health Insurance in India	To study the importance of hospital reimbursement rates as a policy lever that shape hospital incentives and affect program outcomes under bundled payments insurance programs	Descriptive study	Increasing reimbursement rates can encourage hospital participation and increase service volumes, but may also constitute a large transfer to hospitals rather than to patients. Increasing hospital reimbursement rates decreases payments substantially, suggesting that at least part of the reason hospitals charged was to cover their costs. However, hospitals also capture a substantial share of the increased public reimbursements.

CHAPTER 3

METHODOLOGY

3.1 STUDY DESIGN

A Qualitative Retrospective design was planned to analyze the rejection rate of medical claims of three government schemes in Credit Department.

3.2 TIME PERIOD – March 22, 2022- June 19, 2022

3.3 LOCATION OF STUDY - Apex Hospital, Jaipur, Rajasthan

3.4 STUDY SUBJECTS- All mediclaims between 31 March 2021- 31 March 2022 showing a deduction of more than 10% in claim amounts.

3.5 SAMPLE SIZE: 400 rejected medical claims

3.6 SOURCE OF DATA- HMIS, Rajasthan Government SSO portal and process tracking
Secondary data of medical claim processed and medical claims rejected was collected from the accounts department HMIS and process tracking

3.7 ETHICAL CONSIDERATIONS

The confidentiality of records was maintained and not shared elsewhere. It was taken only for study purpose and no information of hospital will be revealed elsewhere other than the academic purposes.

CHAPTER 4

RESULTS

Ayushman Bharat Mukhyamantri Chiranjeevi Swasthya Bima Yojna

- Claims studied from 31 March 2021- 31 March 2022
- Hospitals covered- Malviya Nagar and Mansarovar Unit OF Apex Hospitals
- Total deduction observed- Approx – 28 Lakh
- Malviya Nagar Unit accounted for an approximate deduction of 71% whereas the Mansarovar Unit displayed a Deduction of approx 29%.

Analysis of Reasons for Deduction/Rejection in Claim Amount

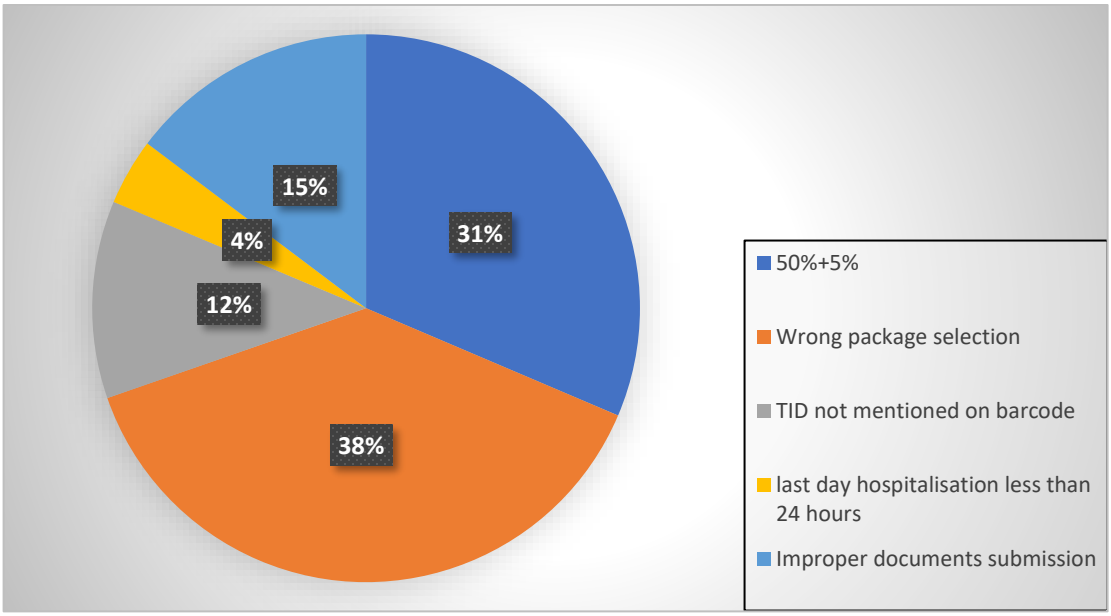


Fig 4.1 Reasons for deductions

1. Major reason for deduction found during the audit was claims being submitted after 24 hours of discharge, thereby resulting in a 50% deduction in the total amount.

2. 5% penalty for late query replies- According to Mukhyamantri Chiranjeevi Yojna guidelines if the query reply is done after 15 days , as a penalty, 5% deduction will be done on each procedure in the claim.

   As per the official guidelines claim should be submitted within 24 hours of discharge. Failing to do so will result in straight 50% deduction from total claim amount. And if any query is raised from analyser's end on the portal,it should be responded within 15 days by the hospital's Swasthya Margdarshak. Failing to do such will result in a 5% penalty on claim amount.

   A total deduction of 3,19,945/- was observed due to these two reasons.

3. If patient does not stay in the hospital for 24 hours on the last day of hospitalization, then according to guidelines, the last day claim is rejected.

   A total deduction of approx 41000/- was observed due to this reason.

4. During the audit it was observed that operational errors were prominently found in the Dialysis Department that lead to rejection of claims.

   <u>Following types of Operational errors were found in the dialysis unit</u>-

I. Claim amount is being rejected due to Mismatch of Live photos uploaded during admission and while discharge

II. Claim request submission is being done after 24 hours of discharge of patient, hence 50% deduction as penalty according to guidelines.

III. Patient admission time photo is captured at 3:09 pm while the dialysis document states dialysis started at 3 pm. Not justified.

IV. Patient discharge photo is captured before completion of dialysis, not justified, hence claim is rejected

V. CBC report and RFT reports with sign stamp by pathologist not being provided by the person handling the portal even after multiple queries raised.

VI. Correct Date of Admission and Date of Discharge not provided even after query.

VII. Patient Photo different in Pre patient and Discharge patient photo.

VIII. Dialysis performed before pre auth approval hence claim rejected.

5. According to new guidelines, Patient name and Transaction ID (TID) to be mentioned on the bar code of medicines while uploading the documents on the portal.

From Jan 2022, Claims are getting rejected due to this reason. TID and patient name is not being mentioned on the Bar code of medicine box even after repeated queries being raised for the same reason.

This rejection is majorly observed in the Oncology department cases and Dialysis unit

Current situation- The Swasthya Margdarshak is either simply uploading the medicine box image or just manually writing down the TID, Date and Patient name on the bar code of medicine box which is being rejected.

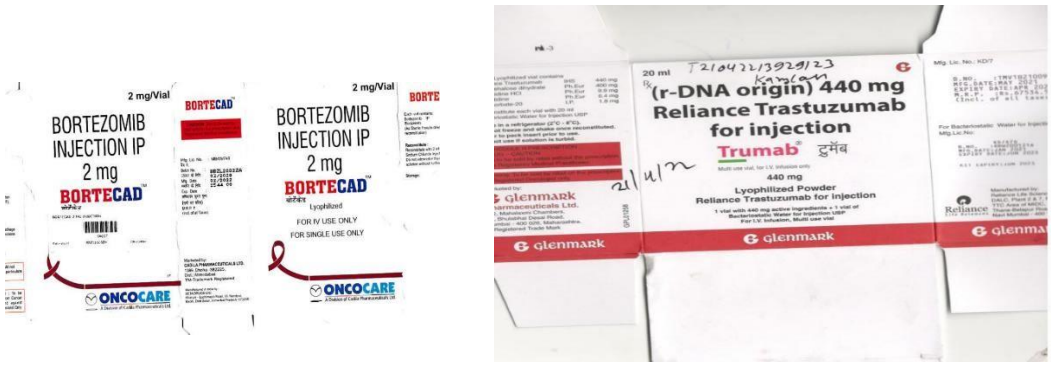


Fig 4.2 Image showing current situation of mentioning of barcodes

What Should have been done- A machine-generated label with the TID, Date and Patient name should have been put on the bar code of medicine box.

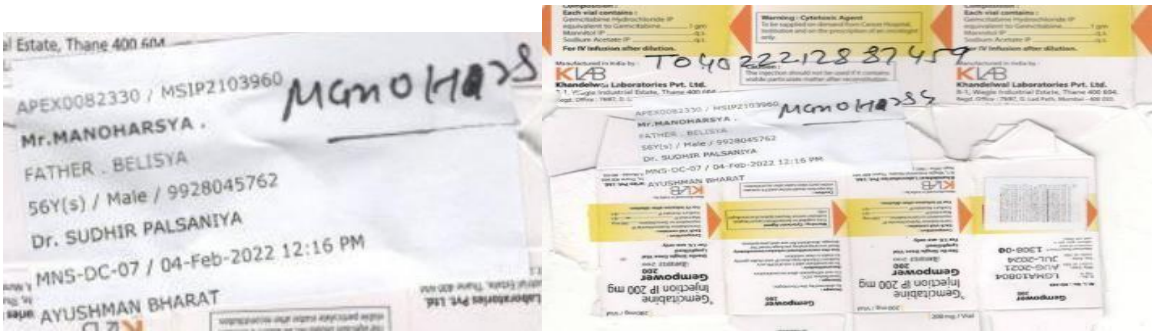


Fig 4.3 Image showing the expected situation of mentioning of barcodes

The total rejection faced due to this reason from Jan 2022- March 2022 is 1,18,800/-

7. Miscommunication between Credit department and doctor was also observed. It was found that claims are getting rejected due to Wrong Package Selection.

(*Details in Table 4.1)*

The package selected vs the procedure performed as per discharge summary is different. A total deduction of 3,89,900/- was observed due to this reason.

Table 4.1 Wrong Package Selection

BILL NO	TID	Package Rate	Rejection Reason as per Ayushman
[redacted]	[redacted]	**16200**	Package blocked for Groin Hernia Repair-Inguinal but as per USG hernia at anterior abdominal wall , hence rejected
[redacted]	[redacted]	**22800**	Diagnosis Is Intestinal Obstruction & Diagnostic Laparoscopy Done, Which Was Mismatched With The Blocked Package Cholecystectomy- Lap.. Hence This Claim Should Not Be Payable.
[redacted]	[redacted]	**28000**	The claim is rejected as calculus is present in upper ureter and package is blocked for lower ureter.
[redacted]	[redacted]	**22400**	As per OT notes this is a case of lumbar hernia and booked PKG is for paraumbilical hernia , Hence REJECTED
[redacted]	[redacted]	**17500**	As per USG report there is no any findings perforation AND BLOCKED PKG NOT JUSTIFIED WITH DIAGNOSIS, HENCE REJECTED
[redacted]	[redacted]	**60000**	Kindly provide Evidence Of Embolus OR Thrombus In Duples Usg OR Angio.

[redacted]	[redacted]	**13500**	as per document procedure done on same side which is not justified hence claim rejected.

[redacted]	[redacted]	**11400**	As per provided pre operative xray film on 15/02/2022 & external fixetor on 16/02/2022 and again blocked same package at same site , hence rejected
[redacted]	[redacted]	**50000**	Provide Post-Op X-Ray Showing Fusion with fixation as booked wrong pkg hence claim rejected and query reply by hospital not justify
[redacted]	[redacted]	**11400**	As Per Documents And Hospital Justification Block Package Is Not Justify Hence Rejected
[redacted]	[redacted]	**51200**	As Per Documents And Hospital Justification Block Package Is Not Justify Hence Rejected
[redacted]	[redacted]	**5000**	As Per Discharge Summery And Ot Note Diagnosis Was Other Cutaneous Swelling, But Booked Package Cyst Excision, Hence Rejected.
[redacted]	[redacted]	**15000**	As per documents diagnosis is breast mass but blocked Mesenteric Cyst – Excision, wrong package selection hence this claim rejected

[redacted]	[redacted]	**27800**	Wrong Package Selection,Hence Rejected
[redacted]	[redacted]	**27800**	Even After Query, Self Declaration/Mlc/Fir, & This Package Is Crif But In Discharge Summary Noted Orif, Justification Not Provided, Hence Rejected
[redacted]	[redacted]	**4500**	As Per Discharge Summary Bortezomib And Dexameihasone Given But Package Selected For Zolidronic Acid.Hence Claim Rejetced Under Wrong Package Selection.
[redacted]	[redacted]	**2400**	Wrong Package Selection.
[redacted]	[redacted]	**3000**	Wrong Package Selection.
		3,89,900/-	

8. For Radiotherapy ,or packages the fractions are selected in multiples of 10. Example- Package selected for 20 RF Fractions is 92,500/- whereas actual fractions performed as per RT chart is 14 , the cost of which is 56,700/-The rest of the fractions will be rejected from Ayushman team's end .

Same is the case for a patient who died during the treatment and hence extra booked packages are rejected thereby resulting in revenue loss and not actual loss-

9. Upon inquiring the reason for certain operational errors, it was found that sometimes patient does not revert to the hospital for the completion of prescribed treatment. Hence discharge time photo isn't captured and ultimately leads to claim being rejected.

10. Deductions observed due to proper documents not being submitted and no proper query replying despite same query being raised multiple times from the analyzer's end.

Some reasons as per Ayushman team for incomplete document submission-

i. Hospital didn't provide ICU Chart hence settled the amount in routine ward.

ii. Having Only 3 Days Clinical Notes Hence Payment Given According to it.

iii. As per query proper documents of EPO is not provided, hence reject the claim.

iv. After Query Hospital Not Provide Machine Generated Cbc & Rft Report With Sign Stamp By Pathologist, Hence Rejected

11. In case of multiple packages taken for same patient in one hospitalization highest package is paid @ 100% to the hospital and all subsequent packages are paid @50% of the package cost according to Guidelines.

Rajasthan Government Health Scheme(RGHS)

- Claims audited between15 Aug 2021 – 31 Mar 2022
- Total IPD claim deductions observed-7,67,078/-

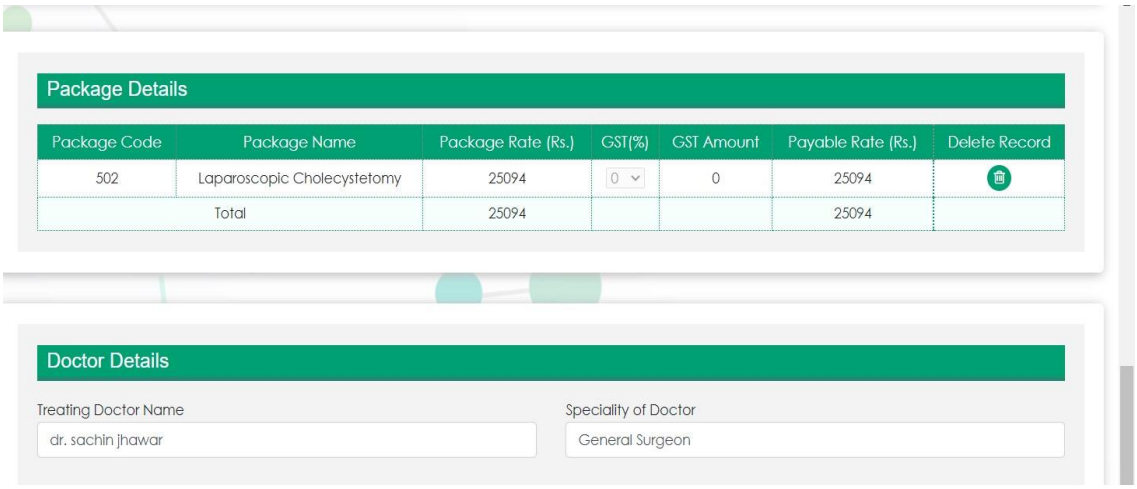
Reasons for Deduction/Rejection in Claim Amount

1. Errors found in Reimbursement from RGHS team's end such as –

a. Discrepancy found in the total cost of Package cost listed on RGHS site vs what they reimbursed.

One such Example -The payable rate for Laparoscopic Cholecystectomy as per RGHS site is – 25094/-

What they reimbursed- 21821/-



Package Details

Package Code	Package Name	Package Rate (Rs.)	GST(%)	GST Amount	Payable Rate (Rs.)	Delete Record
502	Laparoscopic Cholecystetomy	25094	0	0	25094	
Total		25094			25094	

Doctor Details

Treating Doctor Name: dr. sachin jhawar

Speciality of Doctor: General Surgeon

Image from portal attached for reference.

b. Another case of 90% Deduction was observed wherein Wrong Claim Approval was done from their end. The amount to be reimbursed was 1,90,590/- . They reimbursed 19,590/-

A total Deduction of 2,78,595/- was observed due to the above-stated reasons.

2. Billing errors observed- Wrong Package amount listed in the bill. Payable rate for package is 11,328/- . Amount mentioned in bill- 13,027/-

SAC : 999311 - Healthcare Services

S No	From Date	To Date	Duration	Code	Description	Qty	Rate	Discount	Amount
Package Charges									
1	11-Aug-2021	11-Aug-2021	1 Days	426	Ventral /incisional Hernia Repair	1.00	13,027.00	0.00	13,027.00
								Total :	**13,027.00**

S.No	Date	Service Cd	Service Name	Qty	Rate	In.Qty	In.Amt	Ex.Qty	Ex.Amount

Package amount listed in bill

Package Details

Package Code	Package Name	Package Rate (Rs.)	GST(%)	GST Amount	Payable Rate (Rs.)	Delete Record
426	Ventral /incisional Hernia Repair	11328	0	0	11328	

Package amount as per RGHS portal

3. Huge deductions in Implant cost. The reason being Proper reports were not provided. 41% Deduction observed in Implant amount

4. It was found that Last day ward and consultation charges are being deducted. Approx 50000/- deduction was observed due to this reason.

5. For claims having Deduction more than 10%, deductions have prominently been observed in Lab Investigations. Reason being – All Reports not provided

6. For claims having deduction less than 10%, deductions have mainly been observed in Pharmacy. Reason being – Consumables cost nonpayable.

7. Standard deduction of 50% for second and subsequent surgeries in a package.

Employees' State Insurance Corporation (ESIC)

- Claims audited between Jan 2021- Jan 2022
- Total deduction of Approx 8 Lakh observed.

Reasons for Deduction/Claim rejection

1. The major error was found in Pharmacy reimbursements – 10% Deductions on Pharmacy amount being done twice.

-According to ESIC Guidelines, a mandatory 10% deduction will be imposed on each Pharmacy item.

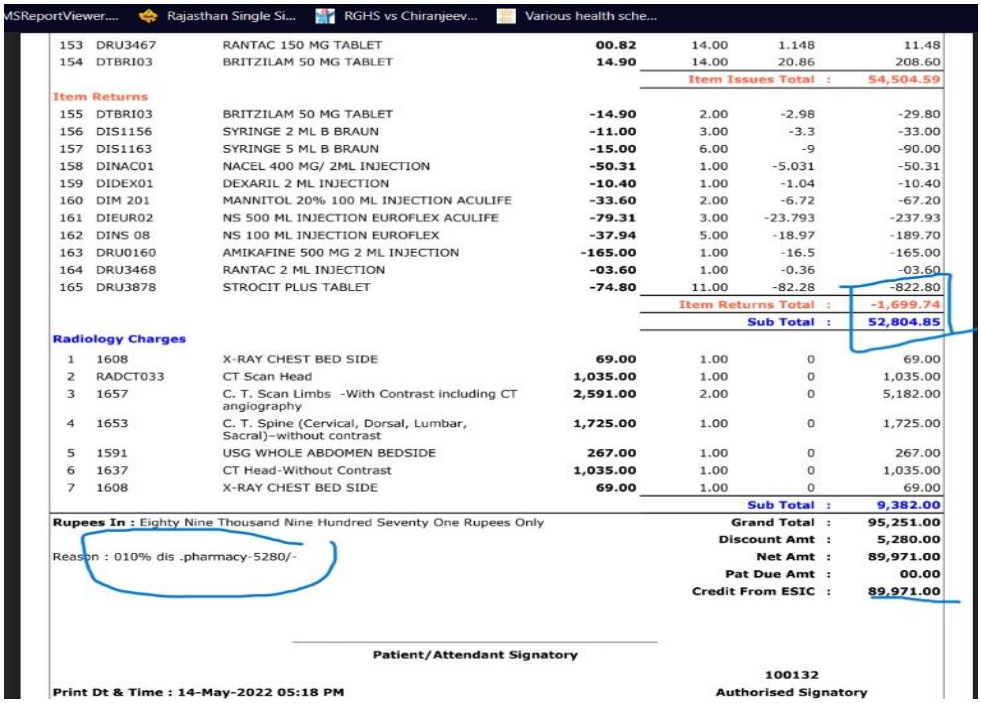
The Billing team by default adjusts a 10% discount on Total Billing amount.

Example of one such claim.

The total pharmacy expenses were 52,084/-. A 10% pharmacy discount (5280/-) was given on the total billing amount (95,251/-)

Amount to be credited from ESIC was- 89,791/-

(Image of patient Bill attached below for reference)



153	DRU3467	RANTAC 150 MG TABLET	**00.82**	14.00	1.148	11.48
154	DTBRI03	BRITZILAM 50 MG TABLET	**14.90**	14.00	20.86	208.60
					Item Issues Total :	54,504.59
Item Returns						
155	DTBRI03	BRITZILAM 50 MG TABLET	**-14.90**	2.00	-2.98	-29.80
156	DIS1156	SYRINGE 2 ML B BRAUN	**-11.00**	3.00	-3.3	-33.00
157	DIS1163	SYRINGE 5 ML B BRAUN	**-15.00**	6.00	-9	-90.00
158	DINAC01	NACEL 400 MG/ 2ML INJECTION	**-50.31**	1.00	-5.031	-50.31
159	DIDEX01	DEXARIL 2 ML INJECTION	**-10.40**	1.00	-1.04	-10.40
160	DIM 201	MANNITOL 20% 100 ML INJECTION ACULIFE	**-33.60**	2.00	-6.72	-67.20
161	DIEUR02	NS 500 ML INJECTION EUROFLEX ACULIFE	**-79.31**	3.00	-23.793	-237.93
162	DINS 08	NS 100 ML INJECTION EUROFLEX	**-37.94**	5.00	-18.97	-189.70
163	DRU0160	AMIKAFINE 500 MG 2 ML INJECTION	**-165.00**	1.00	-16.5	-165.00
164	DRU3468	RANTAC 2 ML INJECTION	**-03.60**	1.00	-0.36	-03.60
165	DRU3878	STROCIT PLUS TABLET	**-74.80**	11.00	-82.28	-822.80
					Item Returns Total :	-1,699.74
					Sub Total :	**52,804.85**
Radiology Charges						
1	1608	X-RAY CHEST BED SIDE	**69.00**	1.00	0	69.00
2	RADCT033	CT Scan Head	**1,035.00**	1.00	0	1,035.00
3	1657	C. T. Scan Limbs -With Contrast including CT angiography	**2,591.00**	2.00	0	5,182.00
4	1653	C. T. Spine (Cervical, Dorsal, Lumbar, Sacral)-without contrast	**1,725.00**	1.00	0	1,725.00
5	1591	USG WHOLE ABDOMEN BEDSIDE	**267.00**	1.00	0	267.00
6	1637	CT Head-Without Contrast	**1,035.00**	1.00	0	1,035.00
7	1608	X-RAY CHEST BED SIDE	**69.00**	1.00	0	69.00
					Sub Total :	**9,382.00**

Rupees In : Eighty Nine Thousand Nine Hundred Seventy One Rupees Only

Reason : 010% dis .pharmacy-5280/-

Grand Total :	**95,251.00**
Discount Amt :	**5,280.00**
Net Amt :	**89,971.00**
Pat Due Amt :	**00.00**
Credit From ESIC :	**89,971.00**

Patient/Attendant Signatory

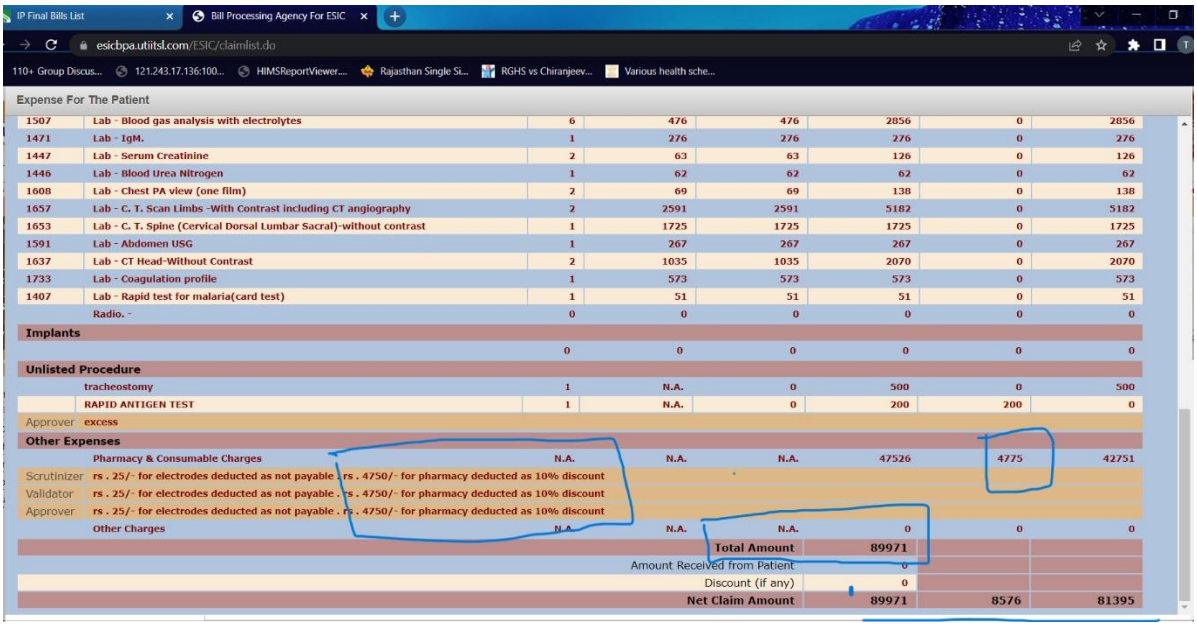
100132

Print Dt & Time : 14-May-2022 05:18 PM

Authorised Signatory

The ESIC team implements a 10% discount on the final reimbursement amount (89,791/-) as from their end as well thereby having a double deduction.

(Image from ESIC portal attached below for reference)



IP Final Bills List | Bill Processing Agency For ESIC

esicbpa.utiitsl.com/ESIC/claimlist.do

110+ Group Discus... | 121.243.17.136:100... | HIMSReportViewer.... | Rajasthan Single Si... | RGHS vs Chiranjeev... | Various health sche...

Expense For The Patient

1507	Lab - Blood gas analysis with electrolytes	6	476	476	2856	0	2856
1471	Lab - IgM.	1	276	276	276	0	276
1447	Lab - Serum Creatinine	2	63	63	126	0	126
1446	Lab - Blood Urea Nitrogen	1	62	62	62	0	62
1608	Lab - Chest PA view (one film)	2	69	69	138	0	138
1657	Lab - C. T. Scan Limbs -With Contrast including CT angiography	2	2591	2591	5182	0	5182
1653	Lab - C. T. Spine (Cervical Dorsal Lumbar Sacral)-without contrast	1	1725	1725	1725	0	1725
1591	Lab - Abdomen USG	1	267	267	267	0	267
1637	Lab - CT Head-Without Contrast	2	1035	1035	2070	0	2070
1733	Lab - Coagulation profile	1	573	573	573	0	573
1407	Lab - Rapid test for malaria(card test)	1	51	51	51	0	51
	Radio. -	0	0	0	0	0	0
Implants							
		0	0	0	0	0	0
Unlisted Procedure							
	tracheostomy	1	N.A.	0	500	0	500
	RAPID ANTIGEN TEST	1	N.A.	0	200	200	0
Approver	excess						
Other Expenses							
	Pharmacy & Consumable Charges	N.A.	N.A.	N.A.	47526	4775	42751
Scrutinizer	rs . 25/- for electrodes deducted as not payable . rs . 4750/- for pharmacy deducted as 10% discount						
Validator	rs . 25/- for electrodes deducted as not payable . rs . 4750/- for pharmacy deducted as 10% discount						
Approver	rs . 25/- for electrodes deducted as not payable . rs . 4750/- for pharmacy deducted as 10% discount						
	Other Charges	N.A.	N.A.	N.A.	0	0	0
				Total Amount	89971		
				Amount Received from Patient	0		
				Discount (if any)	0		
				Net Claim Amount	89971	8576	81395

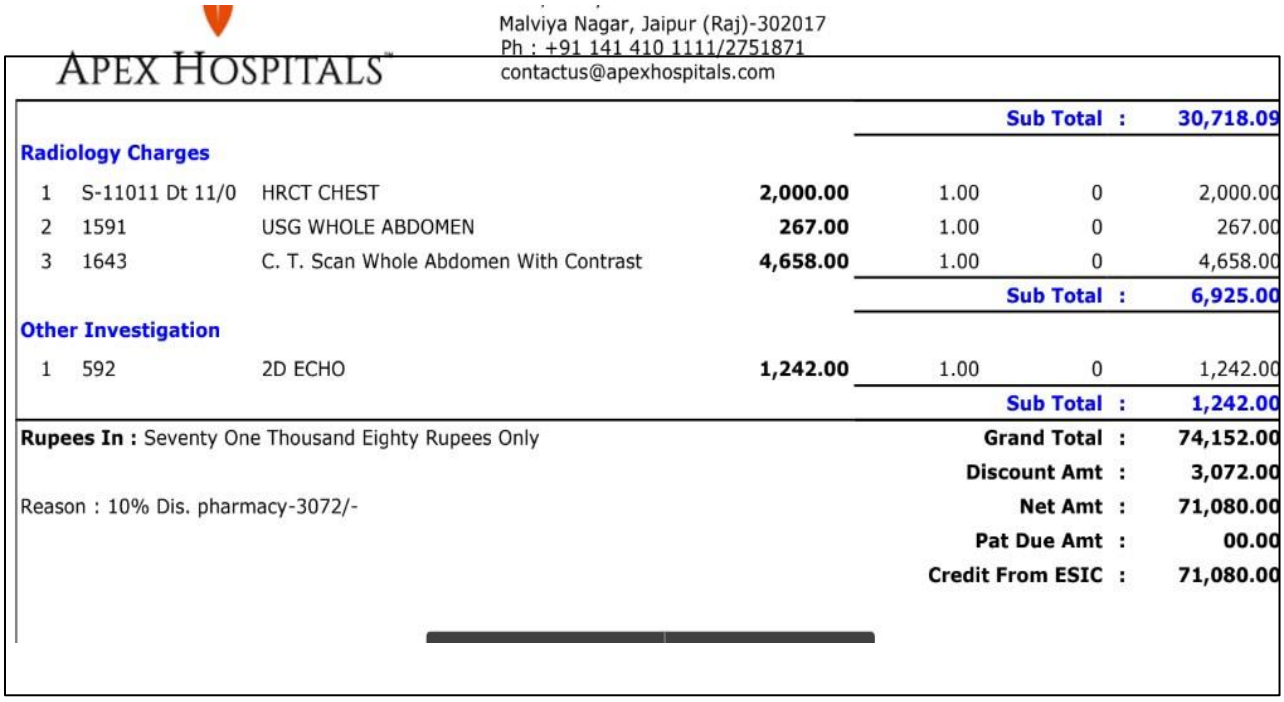
2. For some claims it was observed that ESIC team didn't deduct the 10% discount from their end but adjusted the discount already given by our Billing team . The error here is that our billing team gives a 10% discount on total pharmacy amount(Consumables+ Non Consumables).

As per ESIC guidelines Consumables are non-payable.

<u>Current situation</u>

-A 10% discount (3,072/-) given on total Pharmacy amount(30,718/-). ESIC team adjusted this discount and took 27,646/- (30,718-3,072) as final pharmacy amount and deducted 11000/- consumable charges *(mentioned in the ECIS portal image, attached below)* on this in turn paying 16,646/-

Image from patient bill attached below for reference



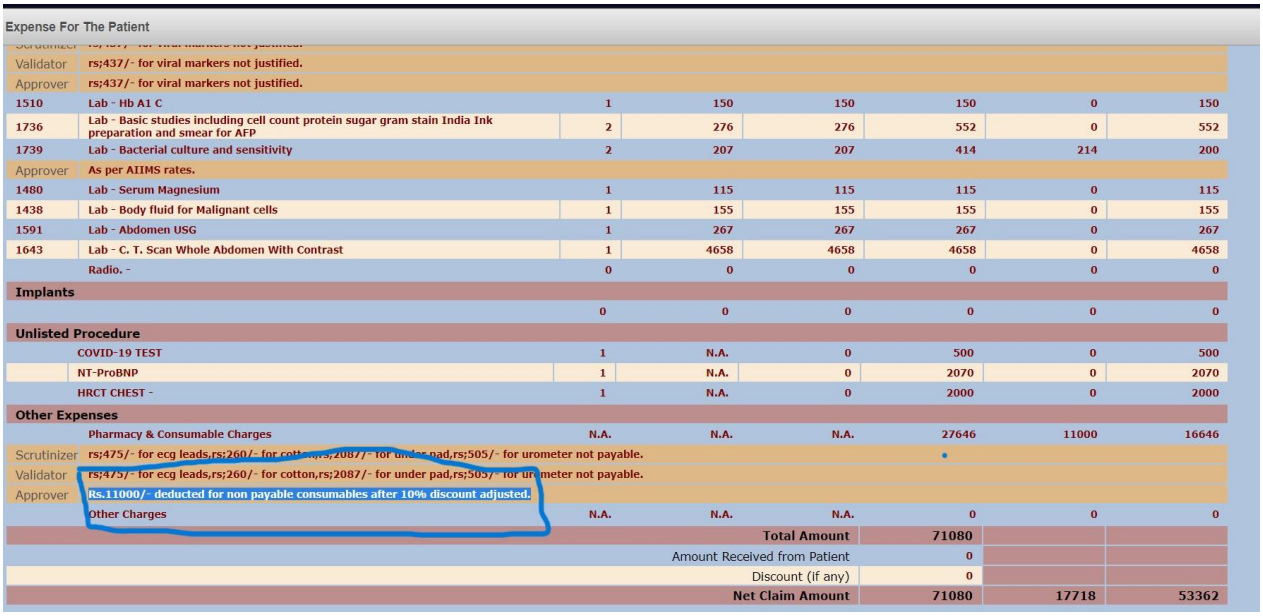
APEX HOSPITALS

Malviya Nagar, Jaipur (Raj)-302017
Ph : +91 141 410 1111/2751871
contactus@apexhospitals.com

					Sub Total :	**30,718.09**
Radiology Charges						
1	S-11011 Dt 11/0	HRCT CHEST	**2,000.00**	1.00	0	2,000.00
2	1591	USG WHOLE ABDOMEN	**267.00**	1.00	0	267.00
3	1643	C. T. Scan Whole Abdomen With Contrast	**4,658.00**	1.00	0	4,658.00
					Sub Total :	**6,925.00**
Other Investigation						
1	592	2D ECHO	**1,242.00**	1.00	0	1,242.00
					Sub Total :	**1,242.00**
Rupees In : Seventy One Thousand Eighty Rupees Only					**Grand Total :**	**74,152.00**
					Discount Amt :	**3,072.00**
Reason : 10% Dis. pharmacy-3072/-					**Net Amt :**	**71,080.00**
					Pat Due Amt :	**00.00**
					Credit From ESIC :	**71,080.00**

What should have been done- 30,718-11,000= 19,718/- . Now a 10% discount (1972/-) to be imposed on this . Amount that should have been reimbursed for pharmacy = 19,718-1972= 17,746/- instead of 16,646/-

Image from ESIC portal attached below for reference



Expense For The Patient

Validator	rs;437/- for viral markers not justified.						
Approver	rs;437/- for viral markers not justified.						
1510	Lab - Hb A1 C	1	150	150	150	0	150
1736	Lab - Basic studies including cell count protein sugar gram stain India Ink preparation and smear for AFP	2	276	276	552	0	552
1739	Lab - Bacterial culture and sensitivity	2	207	207	414	214	200
Approver	As per AIIMS rates.						
1480	Lab - Serum Magnesium	1	115	115	115	0	115
1438	Lab - Body fluid for Malignant cells	1	155	155	155	0	155
1591	Lab - Abdomen USG	1	267	267	267	0	267
1643	Lab - C. T. Scan Whole Abdomen With Contrast	1	4658	4658	4658	0	4658
	Radio. -	0	0	0	0	0	0
Implants							
		0	0	0	0	0	0
Unlisted Procedure							
	COVID-19 TEST	1	N.A.	0	500	0	500
	NT-ProBNP	1	N.A.	0	2070	0	2070
	HRCT CHEST -	1	N.A.	0	2000	0	2000
Other Expenses							
	Pharmacy & Consumable Charges	N.A.	N.A.	N.A.	27646	11000	16646
Scrutinizer	rs;475/- for ecg leads,rs;260/- for cotton,rs;2087/- for under pad,rs;505/- for urometer not payable.						
Validator	rs;475/- for ecg leads,rs;260/- for cotton,rs;2087/- for under pad,rs;505/- for urometer not payable.						
Approver	Rs.11000/- deducted for non payable consumables after 10% discount adjusted.						
	Other Charges	N.A.	N.A.	N.A.	0	0	0
				Total Amount	71080		
				Amount Received from Patient	0		
				Discount (if any)	0		
				Net Claim Amount	71080	17718	53362

3. Heavy deductions were observed in pharmacy amounts, reason being Injections are not payable. Average cost of maximum injections ranging between 5000/ -10,000/-. Certain injections cost as high as 75,000/- for Bryxta 400mg, 57,558/for inj. Transtuzumab 440mg .

4. A deduction of Rs.2837/-was found for Inj. Peg filgrastim 6mg as per LSD rates as per ESIC team but in our bill, no such injection was mentioned.

Pharmacy Charges

Item Issues

1	DRU0235	APRECAP 125/80 CAPSULE	**1,001.00**	1.00	0	1,001.00
2	DRU0332	AZEE 500 MG TABLET	**23.78**	5.00	0	118.90
3	DRU1395	ENDOXAN N 1 GM INJECTION	**280.70**	1.00	0	280.70
4	DRU0455	BIODEXONE 4 MG TABLET	**04.90**	6.00	0	29.40
5	DRU1371	EMEGRAN 3 ML INJECTION	**92.60**	1.00	0	92.60
6	DRU1376	EMESET 8 MG TABLET	**10.90**	10.00	0	109.00
7	DIS0571	I.V. SET PLAIN ROMSONS	**151.00**	1.00	0	151.00
8	DIS1163	SYRINGE 5 ML B BRAUN	**15.00**	5.00	0	75.00
9	DIALR01	ALRUBICIN 150 MG INJECTION	**2,903.00**	1.00	0	2,903.00
10	DRU2367	LUPIFIL P 0.6 ML INJECTION	**4,505.75**	1.00	0	4,505.75
11	DIDEX01	DEXARIL 2 ML INJECTION	**10.40**	1.00	0	10.40
12	DIDNS02	DNS 0.9 % 500 ML INJECTION EUROFLEX ACULIFE	**76.71**	1.00	0	76.71
13	DINS 05	NS 100 ML PB INJECTION ACULIFE	**17.66**	1.00	0	17.66
14	DIEUR02	NS 500 ML INJECTION EUROFLEX ACULIFE	**78.89**	2.00	0	157.78
15	DIS1355	VENEPROT NO-22	**208.00**	1.00	0	208.00
16	DRU1525	EVERFRESH 100 ML GARGLE	**97.40**	1.00	0	97.40
				Item Issues Total	**:**	**9,834.30**
				Sub Total	**:**	**9,834.30**

Image from Bill showing no such injection

Image from ESIC Portal

	Major -	0	0	0	0	0	0
Hospital Charges(Where Package Deal Rates Are Not Specified)							
1277	Proc - Multiple drugs	1	928	835	835	0	835
1512	Lab - Kidney Function Test.	1	233	233	233	0	233
1513	Lab - Liver Function Test.	1	259	259	259	0	259
1531	Lab - Chloride.	1	62	62	62	0	62
1481	Lab - Serum Sodium	1	58	58	58	58	0
Approver	Including in Kidney Function Test.						
1482	Lab - Serum Potassium	1	52	52	52	52	0
Approver	Including in Kidney Function Test.						
1394	Lab - Complete Haemogram/CBC HbRBC count and indices TLC DLC Platelet ESR Peripheral smear examination	1	155	155	155	0	155
	Radio. -	0	0	0	0	0	0
Implants							
		0	0	0	0	0	0
Unlisted Procedure							
		0	N.A.	0	0	0	0
Other Expenses							
	Pharmacy & Consumable Charges	N.A.	N.A.	N.A.	9834	3760	6074
Scrutinizer	Rs.226/- for consumables deducted as included in chemo charges. Rs.961/- for pharmacy deducted as 10% discount as per ESIC guidelines.						
Validator	Rs.226/- for consumables deducted as included in chemo charges. Rs.961/- for pharmacy deducted as 10% discount as per ESIC guidelines.						
Approver	Rs.434/- for consumables deducted as included in chemo charges. Rs.489/- for pharmacy deducted as 10% discount as per ESIC guidelines. Rs.2837/- deducted for Inj. Peg filgrastim 6mg as per LSD rates.						
	Other Charges	N.A.	N.A.	N.A.	0	0	0
				Total Amount	11988		
				Amount Received from Patient	0		
				Discount (if any)	0		
				Net Claim Amount	11988	3870	8118

CHAPTER 5

DISCUSSIONS

Based on the results and observations of the three schemes ,following interpretations can be conferred upon our study-

Reasons for Rejections

The reasons for rejection analysed from the Rajasthan SSO portal and Hospital's Suvarna HMIS, can be categorized into two prominent headings

- MEDICAL
- BILLING

Medical Reasons

- Late query reply
- Late claim submission
- Wrong package selection/Unclear diagnosis
- Operational errors in handling the portal
- TID not being put on bar code of medicines
- All Documents not uploaded

Billing Reasons

- No Updation on portal of the actual fractions for radiotherapy being performed
- Billing amount discrepancies

- Reimbursement error for packages
- Wrong approvals
- Double Pharmacy deductions on bill
- Prior approval not taken
- Pre authorization necessary

DATA INTERPRETATION-

Wrong Package Selection accounted for the major Medical deduction reason. Emphasis to be given on clear diagnosis and communication being ensured between the doctor and the credit team in case of package changes so that same can be updated on portal. The resident doctor whose on duty with the senior doctor can be given a knowledge about these package guidelines and he/she can communicate the credit/billing team in case of procedure change.

Wrong package amount selection accounted for the major Billing deduction reason. Emphasis to be given on correct package amounts to be selected from the portal. Proper training and knowledge to be given to the person responsible for billing.

GAP ANALYSIS OF PROCESS

Based on the reasons responsible for deduction in credit department, following gap areas are recognized and improvements are to be ensured in these areas-\

- Workload on the manpower
- Tasks not being delegated/Accountability to be ensured

- Incomplete documents/Incomplete information in medical records of the patient
- Lack of knowledge about the guidelines
- Timely Audits not being done, same rejections repeating

CONCLUSION

Rejections faced is one of the significant and critical parameters for the credit department in any hospital as the credit department directly impacts the revenue generation and in turn the efficiency of the hospital.

Unnecessary deductions and rejections lead to heavy losses to the hospital revenue, hence timely audits should be done to account for the reasons. According to IRDA, a hospital maintaining a rejection rate of 2% or less is considered to have an efficient claim settlement process.

Therefore, processes to enhance the rejection rates should be implemented by the hospital.

This study focused on this aspect and gave suggestions for process improvement through

- Orientation and Training of Staff
- Standard Operating Protocol for timely query replies
- Timely audits to account for errors in deductions
- Billing team to check with the doctors for the packages selected vs procedures performed

RECOMMENDATIONS

CHIRANJEEVI

- The Billing/Operational team should ensure 24 hours stay of patient on day of discharge to avoid the last day procedure rejection.
- The Billing person responsible for Ayushman Claims should have thorough knowledge about the guidelines.
- For Wrong Package selection reasons, the resident doctor on duty with the concerned doctor who writes the procedures to be performed can inform the billing team in case of procedure being changed during surgery so that claims are not rejected due to this discrepancy .
- Machine generated sticker to be put on the bar code of medicines for oncology and dialysis cases.
- For radiotherapy cases, the billing team should update the total cost of actual fractions performed in the final bill.
- A Standard Operating Protocol to be implemented for timely query reply.
- Proper training to be given to the staff who operates the Portal.
- For query replies wherein doctor's justification letter is to be attached , prefer a typed one with Doctor's signature than a handwritten one. Rejection rate for typed ones was less.

RGHS

- RGHS billing to be done separately by trained personnel.
- Timely query reply and upload of correct documents for lab reports to be ensured.

ESIC

- The Billing team should not give any discount on the bill from their end .
- A timely audit should be done whenever the amount is credited from ESIC's end so that any wrong deductions happening from the team's end can be mailed then and there to stop the same errors from happening repeatedly.

OVERALL RECOMMENDATIONS

- The person responsible for submitting the claims should have thorough knowledge about the guidelines.
- Tasks should be delegated and people should be held accountable.
- A Standard Operating Procedure to be implemented for timely query reply
- Proper document uploading to be ensured. There should be a proper format of explaining medical condition to reduce errors of services not justified.
- Orientation and Training of staff should be done every three/four months about the revised guidelines about the various schemes.
- For all schemes – for query replies wherein a doctor's justification letter is to be attached , prefer a typed one with Doctor's signature than a handwritten one. The rejection rate for typed ones was less.
- Timely audits should be done when payment is received to avoid same deductions happening repeatedly.

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