Lifecycle of a Medical Claim

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Once the patient has been treated and the clinical note written, it is time to submit your claim to the payer for reimbursement. This article explains what happens with your claim after you change the billing status to "Bill Insurance".

- The DrChrono system will gather all claims that are in a bill-to-insurance status (Bill Insurance, Bill Secondary Insurance, Worker's Comp Claim, Auto Accident Claim, Durable Medical Equipment Claim) and batch them together in a file named the EDI or "837 files". Claims are batched and sent out 7 days a week/365 days a year. The time of submission will differ by the clearinghouse.

- The clearinghouse will receive the 837 claim file and complete a primary scrub.
    - If a claim fails any of the upfront rejections, that information will be sent back to DrChrono on a status, or 277 files. These claims will be visible under the "Rejected" or "Missing Information" status in your Live Claims Feed. The reason for rejection will be listed in each claim, by clicking on the "rejected / missing information" status within the appointment. Once the information has been updated, the claim can be resubmitted.

    - All claims that pass the clearinghouse primary scrub will be sent to the appropriate payer. The clearinghouse will send back a status update/277 file, giving the current status of each claim. The information will be updated in each patient account, so you know exactly where the claim is in each step of the process. The statuses you may see at this step are "in process at the clearinghouse, in process at payer, payer acknowledged".

        - **PRO TIP** - Claims generally pass through "in process at clearinghouse/payer" pretty quickly, so don't be alarmed if you don't see claims in these statuses.

        The most important status is **Payer Acknowledged**. This means the insurance company/payer has accepted the claim into their system for processing. On average, it takes a payer around ~30-35 days to process a claim. Some payers are quicker, while some, such as workers' compensation claims, typically take longer. Claims will remain in the "Payer Acknowledged" status until we receive either an additional 277/status update or an 835/ERA file.

- Once the payer processes the claim and calculates any adjustment amount, any amount that is due from the payer, and any amount due from the patient, they will send the information back through the clearinghouse and to your DrChrono account via an ERA or 835 files (provided you are set up to receive ERAs from the payer. If not, they will generate a paper EOB and mail to the address on record.)

    - This information will again be updated in each patient account, per line item. Some settings can be enabled that will automatically change the status to "paid in full" or "balance due" depending on how each claim is adjudicated.
    - All of your ERAs/Remittance Reports are listed under **Billing > Remittance Reports.** You can find more information about this section here.
    - ERAs are posted automatically as we receive them. There is a setting that can be enabled to hold the ERA until you manually review and/or confirm that the matching EFT deposit has been received. It will post as soon as you mark the ERA as confirmed. These ERAs will also be found under **Billing > Remittance Reports**. If you would like this feature enabled for your account, your Account Manager or

support will be happy to assist.

- A detailed explanation of all of the claim statuses you may see in DrChrono can be accessedhere.