

Overturning a Faulty Claim Denial to Ensure a Life-Sustaining Treatment for an Infant

An Alera Group company that provides services focused on customized, comprehensive employee benefits, HR technology solutions and wellness services was asked by a member to review a critical insurance claim denial, and work to overturn it.

Alera Group served as the overall workplace benefits broker for the member's employer. The employer had selected a major health insurance company to provide health coverage for its employees. These employees and their dependents were thus overall members of an Alera Group workplace plan, but they mainly interacted with the insurance company for their routine health insurance concerns.

An upset and frightened member called the Alera Group claims manager, explaining that the insurance company denied the special infant formula that her daughter needed to receive through a feeding tube. The member asked Alera Group to help get the denial overturned as quickly as possible so that her daughter would continue to be fed as prescribed.

Process

The Alera Group claims manager contacted the hospital where the patient was being treated and obtained all additional necessary facts. She found that the patient was prescribed the specialty infant formula due to adverse side effects from a previous type of formula.

The claims manager next spoke with her contact at the insurance carrier, who explained that the claim was denied due to a medical coding error and a lack of proper approval for switching to a different formula. The Alera Group claims manager spent hours on the phone, resubmitting the claim and otherwise escalating the issue at the insurance company, citing the urgency and severity of the situation for the patient. After liaising between the hospital and the insurance company, the Alera Group claims manager had no guarantee that the denial would be overturned, so she continued working.

The claims manager coordinated with the hospital's case worker to ensure that the patient would receive the new infant formula despite the insurance denial. She then continued to call the insurance company and the hospital every day to keep the claim moving forward. Ultimately, the Alera Group claims manager contacted the health department of the state where the patient was being treated and shared her concerns about the case and the claim denial. The state overturned the denial, and the specialty infant formula was then retroactively covered by the insurance carrier within hours.

Challenges

The timing of this case was incredibly challenging. The member initially contacted Alera Group on the Friday before a long holiday weekend, when many of the insurance company employees would not be working. The Alera Group claims manager gave up her own holiday weekend plans and called the insurance company several times each day for a status update, as well as the hospital to ensure the patient was being fed.

Results

Thanks to Alera Group's persistence, the member:

- Was able to rest assured that her infant received the specialty infant she needed
- Didn't have to pay out-of-pocket for the expensive formula

The patient responded well to the new infant formula, grew healthier during her hospital stay and continues to thrive.