

Clearinghouse

A Clearinghouse is a private company that provides connectivity between physicians, billing entities, health plans, payers and other health care partners for transmission and translation of claims information (primarily electronic) into the specific format required by payers.

Clearinghouses may contract with or act on behalf of one or a number of payers, or may be contracted with physician practices for the transmission and/or translation of claims information.

Practice management system vendors often establish a relationship with one of more clearinghouses which will limit the choices a provider has when selecting clearinghouse.

Common Features and Functionality of a Good Clearinghouse

- **Electronic Claims** - Processes and transmits electronic claims to payers from one central location
- **Electronic Eligibility Verification** – Verifies the subscribers insurance eligibility and benefits
Benefits of electronic insurance verification:
 - Ability to verify patient insurance
 - Provides co-pay information
 - Provides deductible and coverage information
- **Electronic Remittance (ERA)** - Ability to transmit electronic remits/EOB's from the payer to the directly into the PM system.
- **Claim Status Reports** - Ability to report the status of pending claims
Such as:
 - acceptance reports
 - clearinghouse and payer denial reports
- **Claim Error, Denial and Rejection Analysis** – Ability to display and track denial and error message
- **Claim Access** – Ability to review, edit and correct claims 24/7 online
- **Print Claims** - When necessary, have medical claims automatically dropped to paper but still be able to track them electronically.
- **Support** - 24/7 support
- **Affordable Patient Statement Services** – Ability to accept an electronic file and print patient statements, collection letters and account messages.
Benefits of electronic statements:
 - Ability to verify patient addresses to the NCOA database.
 - The guarantor address is corrected before the statement is printed.
 - The clinic is notified of all address corrected via email or fax
 - Calculated to cost approximately the same as it would to print the statements in-house.
 - The clinic/practice/provider no longer has the expense of purchasing forms, envelopes, paper, postage, printing and staff time folding and stuffing envelopes.
 - Prevents the delay of statement being mailed once they are printed because statements are mailed within 24 hours of the clearinghouse/vendor receiving the electronic file.
 - Statements look professional.
 - Return envelopes are included.