

The Basics of an EOB

By Elizabeth W. Woodcock

EOB →

Explanation of Benefits

Explanation of Payments

Remittance or “Remit” for short

The documentation submitted to the medical practice that provides a record of what the insurance company is paying – or has decided not to pay. It is typically transmitted electronically, but may be received on paper.

Speaker Bio

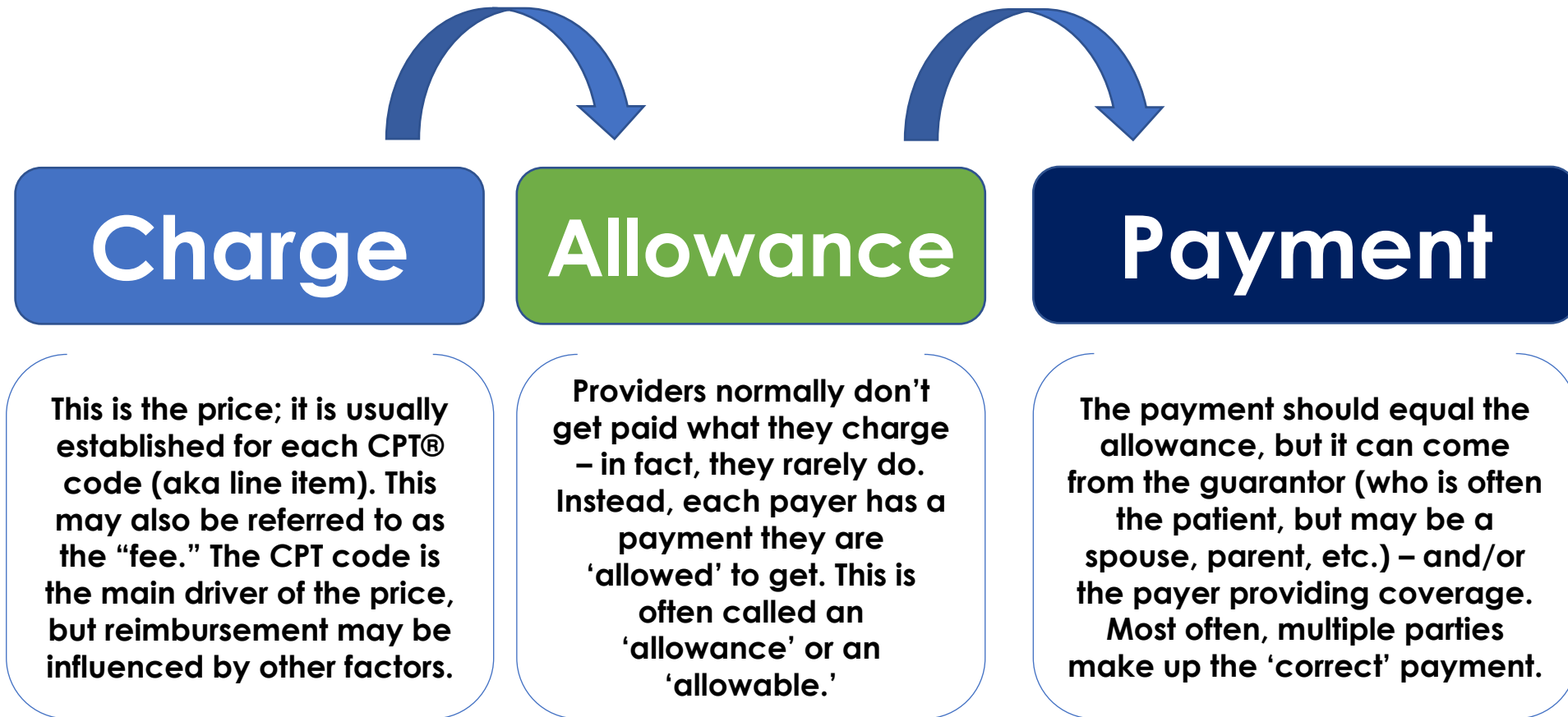


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- DrPH, *Bloomberg School of Public Health, Johns Hopkins University*
- MBA, *Wharton School of Business, University of Pennsylvania*
- BA, *Duke University*
- Fellow, *American College of Medical Practice Executives*
- Certified Professional Coder
- Author, 18 textbooks and more than 500 articles
- Founder and Principal, *Woodcock & Associates*
- Founder and Executive Director, *Patient Access Collaborative*
- Former Consultant, *Medical Group Management Association*; Group Practice Services Administrator; *University of Virginia Health Services Foundation*; Former Senior Associate, *Health Care Advisory Board*

The difference between the charge and the allowance is the 'Contractual Adjustment.'

The difference between the allowance and the payment is the 'Bad Debt.' (It also includes any uncollectable charges.)



Let's look at an example...

99212 CPT® Code for Level 2 Office Visit 10-19 minutes for an Established Patient

Charge

Allowance*

Payment

\$150

\$57.45

\$50.00 [Copayment]

\$7.45 [Payer's Payment]



\$92.55 Contractual Adjustment

*2022 Medicare National Payment Amount for Non-Facilities (ie, Physician Offices)

Remittance Summary

Provider Name:	Provider Address:
Provider NPI:	
Payer:	WPS GHA - MAC 38 IN PART B
EFT Date:	2021-11-29
EFT Number:	888901497

Remittance Details

Patient Account Number:

Patient Name:

Member ID:

Payer ICN:

Processing Order:

Crossover Information:

Primary
MUTUAL OF OMAHA INSURANCE
COMP

Service Provider Name	Total Claim Amount	Total Allowed Amount	Deductible Amount	Coins Amount	Copay Amount	Other Adjust Reason	Other Adjustment Amount	Patient Respons. Amount	Claim Paid Amount					
	\$18,954.00	\$5,121.24	\$0.00	\$835.34	\$0.00			\$835.34	\$3,401.17					
Service Date(s)	Procedure Code	Modifiers	Revenue Code	Number of Units Charged	Number of Units Paid	Service Line Charge Amount	Contract Allowed Amount	Deductible Amount	Coins Amount	Copay Amount	Remark Codes	Other Adjust Reason	Other Adjust Amount	Service Line Paid Amount
10/29/2021	22612			1	1	\$4,862.00	\$1,456.65	\$0.00	\$291.33	\$0.00	N807	144	(\$20.86)	\$1,186.18
10/29/2021	22558	62 51		1	1	\$4,724.00	\$879.51	\$0.00	\$87.95	\$0.00	N807	59	\$439.75	\$358.11
												144	(\$6.30)	
10/29/2021	63047	51		1	1	\$3,362.00	\$1,009.58	\$0.00	\$100.96	\$0.00	N807	59	\$504.79	\$411.06
												144	(\$7.23)	
10/29/2021	22840			1	1	\$2,336.00	\$689.97	\$0.00	\$137.99	\$0.00	N807	144	(\$9.88)	\$561.86
10/29/2021	22845	XU		1	1	\$2,240.00	\$659.36	\$0.00	\$131.87	\$0.00	N807	144	(\$9.44)	\$536.93
10/29/2021	22853			1	1	\$781.00	\$234.53	\$0.00	\$46.91	\$0.00	N807	144	(\$3.36)	\$190.98
10/29/2021	63048			1	1	\$649.00	\$191.64	\$0.00	\$38.33	\$0.00	N807	144	(\$2.74)	\$156.05

CARC Totals

Contract Discount Total: \$13,832.76 Other Adjustment Total: \$884.73 Grand Total: \$14,717.49

Other Adjustment Reason(s)

144 Incentive adjustment, e.g. preferred product/service.

59 Processed based on multiple or concurrent procedure rules. (For example multiple surgery or diagnostic imaging, concurrent anesthesia.)

Remark(s)

N807 Payment adjustment based on the Merit-based Incentive Payment System (MIPS).

Check Adjustment(s)

NOTE: The adjustments below do not apply to any specific claim in this remittance advice

Check adjustments reduce or increase the amount of the final check amount

Provider ID	Fiscal Period	Adjustment Reason	Adjustment Tracking ID(s)	Adjustment Amount
1740268796	2021-12-31	WO	CVDAR000028839	\$19,674.16
		FB	8421313700073	(\$29.35)
			4232875-01	
		FB	8421316700006 -	(\$25.42)
			-4205695-	
			UNOSWIX-	
		FB	8421316700078 -	(\$41.82)
			-4214783-	
			UNOTAH-R-	
		FB	8421316700178	(\$25.40)
			4228926-01	



MedPartners
6920 Pointe Inverness Way, Ste 200
Fort Wayne, IN 46804-7934

Reference

Provider Tax ID:

Check No:

NA

Check Amount:

\$0.00

Check Date:

09/24/2021

Payee ID:

Patient Name:

Insured No:

Patient No:

Provider/Prof:

Network:

Prof Group Name:

Patient Acct No:

Employer Name:

Employer ID:

Claim No:

Service Dates	Service Code	QTY	Charged	Allowed	**Discount	Co_Ins	**Deductible	CoPay	WithHold	EOP Codes	Paid Amount
09/01/2021-09/01/2021	64490	1.000	\$1,166.00	\$1,166.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	E95 LP	\$0.00
09/01/2021-09/01/2021	64491	1.000	\$580.00	\$580.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	E95 LP	\$0.00
09/01/2021-09/01/2021	64492	1.000	\$582.00	\$582.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	E95 LP	\$0.00
Totals this claim:			\$2,328.00	\$2,328.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00

Adjustment Amount this claim: \$0.00

Total Paid this claim: \$0.00

Paid by Primary Payer: \$0.00

EOP Explanation

E95 Please submit clinical documentation of medical necessity from the referring physician.
LP CLAIM DISCOUNTED ACCORDING TO LUTHERAN PREFERRED CONTRACT

2021/09/28/2022
LAW
12/15/2022

Remittance Summary

Provider Name:		Provider Address:	
Provider NPI:			
Payer:	UNITED HEALTHCARE INSURANCE COMPANY		
EFT Date:	2021-12-28	EFT Number:	1TZ13072896

Remittance Details

Patient Account Number:															
Patient Name:															
Member ID:															
Payer ICN:															
Processing Order: Primary															
Service Provider Name	Total Claim Amount	Total Allowed Amount	Deductible Amount	Coins Amount	Copay Amount	Other Adjust Reason	Other Adjustment Amount	Patient Respons. Amount	Claim Paid Amount						
CONE, TAYLOR	\$590.00	\$590.00	\$0.00	\$0.00	\$0.00			\$590.00	\$0.00						
Service Date(s)	Procedure Code	Modifiers	Revenue Code	Number of Units Charged	Number of Units Paid	Service Line Charge Amount	Contract Allowed Amount	Deductible Amount	Coins Amount	Copay Amount	Remark Codes	Other Adjust Reason	Other Adjust Amount	Service Line Paid Amount	
12/14/2021	73030	RT		1	1	\$87.00	\$87.00	\$0.00	\$0.00	\$0.00		27	\$87.00	\$0.00	
12/14/2021	99204			1	1	\$503.00	\$503.00	\$0.00	\$0.00	\$0.00		27	\$503.00	\$0.00	
CARC Totals															
Contract Discount Total:			\$0.00	Other Adjustment Total:				\$590.00	Grand Total:			\$590.00			
Other Adjustment Reason(s)															
27 Expenses incurred after coverage terminated.															

Check Adjustment(s)				
NOTE: The adjustments below do not apply to any specific claim in this remittance advice				
Check adjustments reduce or increase the amount of the final check amount				
Provider ID	Fiscal Period	Adjustment Reason	Adjustment Tracking ID(s)	Adjustment Amount
1740268796	2021-12-31	WO	20210720 --4166389- UNORD2R	\$147.13
		WO	20210727 --4171044- UNORJGY	(\$2.40)

CARCs & RARCs:

<https://x12.org/index.php/codes/claim-adjustment-reason-codes>