

# What to Do if a Health Insurance Company Denies Your Claim

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Note: This information was developed to provide consumers with general information and guidance about insurance coverages and laws. It is not intended to provide a formal, definitive description or interpretation of Department policy. For specific Department policy on any issue, regulated entities (insurance industry) and interested parties should contact the Department.

Major illness or a stay in the hospital following an accident can be stressful. It is not a time you want to be worried about your insurance coverage. However, for some insurance consumers, this is when they are hit with a denial - notification their insurance company will not pay all or part of a claim.

To help understand your options when a claim is denied, the Department of Insurance suggests taking these steps.

## Read and Understand Your Policy

An individual health insurance policy is a legal contract between you and the insurance company. If you are covered by a group policy, the group has entered into a legal contract with the insurance company and you are a certificate holder. It is imperative to read your policy or certificate thoroughly to understand your rights and responsibilities. Your policy or certificate will also detail the medical conditions and benefits for which the insurance company will and will not pay. If any part of the policy or certificate is unclear, seek additional clarification from your insurance agent or company.

If you have further questions, contact the Office of Consumer Health Insurance within the Department of Insurance at (877) 527-9431.

## What to Do if a Claim is Denied During Treatment

Make a list of questions and immediately contact your insurance company. You will find contact information on the back of your insurance card.

Keep notes of all conversations you have with company representatives. Include in your notes the name of the person with whom you speak, as well as the date and time of the conversation. Listen carefully and make note of the answers given to you by that person. Also, make sure to ask for the person's phone extension so you can contact them directly the next time you call.

Stay calm and be positive. It will make the process go more smoothly and could result in a more beneficial outcome on your behalf.

## **Be Persistent**

Keep in mind that a simple error might have caused your claim to be denied. The hospital or the billing staff at your doctor's office might have entered an incorrect code when they filed your claim with the insurance carrier, or your claim might have inadvertently been sent to the wrong insurance company. These types of errors can usually be quickly corrected with a single phone call.

If an insurance company still refuses to pay after your initial conversation, be persistent. While most insurers pay claims in a timely manner and in accordance with the wording in their policies, a few carriers might initially delay or deny payment of a claim. If this occurs, be sure to obtain the claim denial in writing. You might need to make several calls to the company before it pays the claim.

## **What to Do if an Insurance Carrier Continues to Deny Your Claim**

Contact the Office of Consumer Health Insurance within the Department of Insurance for assistance appealing your claim. Generally, you must first submit a letter to the insurance company appealing the claim denial, giving specific reasons why you believe your claim should be paid. When composing your appeal letter, be as detailed as possible as you explain why your procedure or medication is necessary and should be paid for under your insurance policy. Request from your medical providers all evidence (medical records, x-rays, lab results, etc.) in support of your claim and send it to the insurance company with your appeal letter. Be sure to keep a copy of everything you send to the insurance company for your records. In response to your letter, your insurance company will indicate the next steps in the process, as well as the time frame for any additional follow-up or appeals. They may also request additional information from you and/or your medical providers.

## **File a Complaint**

If you are not satisfied with your insurance company's response, you may file a complaint with the Department of Insurance. Complaints may be submitted in the following ways

- On-line at <https://mc.insurance.illinois.gov/messagecenter.nsf>
- By fax to (217) 558-2083
- By mail to 320 W. Washington Street, Springfield, IL 62767

**Keep your originals and send only copies of information.**

If you have questions or need assistance filing a complaint, please contact:

**The Office of Consumer Health Insurance (OCHI)**

Illinois Department of Insurance

320 West Washington Street

Springfield, Illinois 62767-0001

(877) 527-9431

<http://insurance.illinois.gov>

**For More Information**

Call our Consumer Services Section at (312) 814-2420 or our Office of Consumer Health Toll Free at (877) 527-9431 or visit us on our website at <http://insurance.illinois.gov>