

Denial Prevention Intelligence Dataset

DPID v2.0 — Business Glossary

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CARC

Claim Adjustment Reason Code — a standardized code explaining why a claim was adjusted or denied.

RARC

Remittance Advice Remark Code — additional explanation codes accompanying CARC codes on an EOB.

Prior Authorization

A payer requirement to obtain approval before rendering a service to ensure coverage.

Denial Rate

The percentage of submitted claims denied by payers; a key revenue cycle performance indicator.

Overturn Rate

The percentage of denied claims successfully reversed through appeals; measures appeal effectiveness.

First Pass Rate

The percentage of claims paid on first submission without requiring rework or resubmission.

Net Collection Rate

The percentage of collectible revenue actually collected after contractual adjustments.

Revenue At Risk

The total denied amount that has not yet been recovered and may be written off.

Prevention Value

The estimated revenue that can be protected by preventing denials before they occur.

Step Therapy

A payer requirement to try lower-cost treatments before approving more expensive alternatives.