CO-45 Appeal Templates Package

Proven Templates for Recovering Underpayments

How to Use This Package

This package contains four ready-to-use appeal letter templates plus supporting documentation tools. Each template targets a specific scenario where CO-45 adjustments may be incorrect and appealable.

Before filing any appeal:

- Verify the allowed amount doesn't match your contract
- Confirm the error is the payer's, not a billing mistake
- Gather all required documentation
- Check the appeal deadline for your payer

Template 1: Wrong Fee Schedule Applied

Use when: The payer applied an outdated fee schedule, wrong contract year, or incorrect tier.

[PRACTICE LETTERHEAD]

Date: [Date]

[Insurance Company Name]
[Claims Appeals Department]
[Address]
[City, State ZIP]

RE: Appeal — CO-45 Adjustment Dispute
Patient Name: [Patient Name]
Patient ID: [Member ID]
Date of Service: [DOS]
Claim Number: [Claim Number]
Total Amount in Dispute: $[Amount]

Dear Claims Review Department:

We are formally appealing the CO-45 adjustment applied to the above-referenced claim. The allowed amount does not match our contracted rate, indicating an incorrect fee schedule was applied during processing.

DISCREPANCY DETAILS:

CPT Code	Billed Amount	Your Allowed	Contract Rate	Difference
[Code]	$[Amount]	$[Amount]	$[Amount]	$[Amount]

Per our signed contract effective [Contract Date], the allowed amount for CPT [Code] should be $[Correct Amount], not $[Incorrect Amount].

We believe [select one]:
☐ The 2025 fee schedule was applied instead of the current 2026 schedule
☐ The non-participating rate was applied despite our in-network status
☐ An incorrect geographic locality rate was used
☐ The wrong conversion factor tier was applied

REQUEST:
We respectfully request this claim be reprocessed using the correct contracted fee schedule. The additional payment owed is $[Amount].

ENCLOSED DOCUMENTATION:
• Copy of original claim
• Explanation of Benefits showing CO-45 adjustment
• Contract fee schedule excerpt highlighting correct rate
• Comparison chart showing discrepancy

Please process this appeal within 30 days per [state] prompt pay requirements.

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For questions, contact [Name] at [Phone] or [Email].


Sincerely,


_____

[Billing Manager Name]
[Title]
[Practice Name]
[NPI: XXXXXXXXXX]
[Tax ID: XX-XXXXXXX]
[Phone]
[Email]
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Template 2: Incorrect Network Status Applied

Use when: Claim processed as out-of-network when provider is in-network.

[PRACTICE LETTERHEAD]

Date: [Date]

[Insurance Company Name]
[Provider Dispute Resolution / Appeals Department]
[Address]
[City, State ZIP]

RE: Appeal — CO-45 Adjustment / Network Status Error
Patient Name: [Patient Name]
Patient ID: [Member ID]
Date of Service: [DOS]
Claim Number: [Claim Number]
Rendering Provider NPI: [NPI]

Dear Provider Dispute Resolution Team:

We are appealing the CO-45 adjustment on the above claim. This claim was processed at out-of-network rates despite our active participating provider status with your network.

PROVIDER NETWORK STATUS:
• Provider Name: [Provider Name]
• NPI: [NPI Number]
• Effective Date of Participation: [Date]
• Contract ID: [Contract Number if known]
• Network: [Network Name — e.g., "BlueCard PPO"]

PAYMENT DISCREPANCY:

Item	Your Payment	Expected In-Network
Allowed Amount	$[Amount]	$[Amount]
Payment (80%)	$[Amount]	$[Amount]
CO-45 Adjustment	$[Amount]	$[Amount]

The allowed amount of $[Amount] reflects non-participating rates. Our contracted in-network rate for CPT [Code] is $[Amount], which would result in an additional payment of $[Amount].

We have verified our credentialing status through your provider portal as of [Date], confirming active participation. Screenshot attached.

REQUEST:
Please reprocess this claim as in-network and issue the additional payment of $[Amount] reflecting our contracted rates.

ENCLOSED:
- Original claim
- EOB showing CO-45 adjustment with non-par rates
- Provider portal screenshot showing active network status
- Contract participation agreement (first page with effective date)

Please respond within 30 days. Contact [Name] at [Phone] with questions.

Sincerely,

_____

[Billing Manager Name]
[Practice Name]
[NPI: XXXXXXXXXX]

Template 3: Modifier Affected Reimbursement Rate

Use when: A correctly applied modifier should have increased the allowed amount.

[PRACTICE LETTERHEAD]

Date: [Date]

[Insurance Company Name]
[Claims Appeals Department]
[Address]
[City, State ZIP]

RE: Appeal — CO-45 Adjustment / Modifier Recognition
Patient Name: [Patient Name]
Patient ID: [Member ID]
Date of Service: [DOS]
Claim Number: [Claim Number]

Dear Claims Review Department:

We are appealing the CO-45 adjustment on the above claim. The claim included modifier [XX], which should have increased the allowed amount. It appears the modifier was not recognized during processing.

CLAIM DETAILS:
• CPT Code Billed: [Code]-[Modifier]
• Modifier Used: [Modifier Number and Description]
• Expected Impact: [Describe — e.g., "Modifier 22 indicates increased procedural complexity, warranting higher reimbursement"]

PAYMENT COMPARISON:

Scenario	Allowed Amount
Without Modifier Recognition	$[Amount paid]
With Correct Modifier Recognition	$[Expected Amount]
Underpayment	$[Difference]

CLINICAL JUSTIFICATION:
[Brief explanation of why modifier was medically appropriate — 2-3 sentences]

Per your fee schedule, modifier [XX] should result in [percentage or dollar] adjustment to the base allowed amount. This was not applied.

REQUEST:
Please reprocess this claim with proper modifier recognition and issue additional payment of $[Amount].

ENCLOSED:
• Original claim showing modifier
• EOB with CO-45 adjustment

- Operative/procedure notes supporting modifier use
- Fee schedule excerpt showing modifier payment policy

Contact [Name] at [Phone] with questions.

Sincerely,

_____

[Billing Manager Name]
[Practice Name]
[NPI: XXXXXXXXXX]

Template 4: Medicare Two-Tier Conversion Factor Error (2026 Specific)

Use when: Medicare applied wrong QP vs. non-QP conversion factor.

[PRACTICE LETTERHEAD]

Date: [Date]

[Medicare Administrative Contractor Name]
[Address]
[City, State ZIP]

RE: Redetermination Request — Incorrect Conversion Factor Applied
Beneficiary Name: [Patient Name]
Medicare ID (MBI): [MBI]
Date of Service: [DOS]
Claim Control Number: [CCN]

Dear Medicare Redetermination Department:

We are requesting redetermination of the above claim. The CO-45 adjustment
indicates an incorrect 2026 conversion factor was applied during processing.

PROVIDER QUALIFICATION STATUS:
- Provider Name: [Name]
- NPI: [NPI]
- 2026 QP Status: [QP or Non-QP]
- APM Entity: [If applicable]

CONVERSION FACTOR DISCREPANCY:

Factor	Rate	Applied?
QP Conversion Factor	$33.57	[Yes/No]
Non-QP Conversion Factor	$33.40	[Yes/No]

Based on our [QP/Non-QP] status, the correct conversion factor is $[Amount].
The remittance indicates the [incorrect tier] rate was used.

PAYMENT IMPACT:

CPT Code	Work RVU	Correct CF	Expected Allow	Actual Allow	Difference
[Code]	[RVU]	$[CF]	$[Amount]	$[Amount]	$[Amount]

REQUEST:
Please reprocess this claim using the correct conversion factor for our
provider classification and issue additional payment.

ENCLOSED:
- Medicare Remittance Notice showing CO-45
- QPP Participation Status Documentation

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    • RVU Calculation Worksheet

  This redetermination is filed within 120 days of the initial determination
  dated [Date].

  Sincerely,


  _____

  [Billing Manager Name]
  [Practice Name]
  [NPI: XXXXXXXXXX]
  [PTAN: XXXXXX]
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Appeal Documentation Checklist

Print and use for every appeal to ensure completeness.

Required for ALL Appeals:

Item	Included?	Notes
Original claim (CMS-1500 or UB-04)	☐	
EOB/ERA showing CO-45 adjustment	☐	
Appeal letter (use appropriate template)	☐	
Contract fee schedule excerpt	☐	
Comparison showing discrepancy	☐	

Additional by Appeal Type:

Wrong Fee Schedule:
☐ Current year fee schedule highlighted
☐ Contract effective date documentation

Network Status Error:
☐ Provider portal screenshot (dated)
☐ Participation agreement first page
☐ Credentialing confirmation letter

Modifier Issue:
☐ Medical records supporting modifier
☐ Operative/procedure notes
☐ Modifier policy from payer manual

Medicare CF Error:
☐ QPP status documentation
☐ APM participation letter
☐ RVU calculation worksheet

Appeal Deadline Tracker

Record deadlines immediately upon identifying appealable adjustments.

Claim #	DOS	Payer	Determination Date	Deadline	Days Left	Status

Standard Deadlines Reference:

Payer	Deadline
Medicare	120 days from determination
Medicaid	Varies by state (60-90 days typical)
BCBS	180 days (varies by plan)
UnitedHealthcare	90 days
Aetna	120 days
Cigna	90 days
Humana	180 days

Quick Reference: When to Appeal vs. Write Off

Scenario	Action
Allowed matches contract exactly	✅ Write off — valid adjustment
Allowed is lower than contract	⚠️ APPEAL — payer error
Wrong year fee schedule	⚠️ APPEAL — payer error
Processed as out-of-network	⚠️ APPEAL — network status error
Modifier not recognized	⚠️ APPEAL — processing error
Your coding was incorrect	❌ Correct and resubmit (not appeal)
Duplicate claim adjusted	✅ Write off — valid adjustment
Exceeded contract limits	✅ Write off — valid adjustment