



Conversational AI Drives Better Outcomes for Healthcare Revenue Cycle Management

Fulfilling a mission of caring and healing requires funding, and for many healthcare organizations that funding comes from being reimbursed quickly and accurately for the services they provide. This makes revenue cycle management (RCM) one of the most critical and impactful operational areas for providers and hospitals.

Because the revenue cycle is fundamental to the financial survival of healthcare organizations, many are increasingly turning to RCM and revenue cycle outsourcing (RCO) providers to address gaps and shortcomings impacting payment outcomes.

To meet the growing needs and expectations of healthcare organizations and their patients, RCM companies are embracing digital transformation and

advanced technologies such as conversational artificial intelligence (AI) to accelerate the RCM workflow. Savvy outsourcing providers are transforming their operations to improve payments, reduce costs and drive better patient experiences as they move through their financial journey in healthcare.

More Than Billing and Collecting Payment

The Healthcare Financial Management Association (HFMA) defines the healthcare revenue cycle as "all administrative and clinical functions that contribute to the capture, management, and collection of patient service revenue."



RCM Companies Face Their Own Set of Challenges

As the complexity of the healthcare industry continues to grow, traditional approaches to managing the revenue cycle are failing to keep up with the needs of the organization — leading to billing errors, costly inefficiencies, slower revenue cycles and lost revenue.

For example, claim denials cause substantial revenue leakage for healthcare providers. According to the Medical Group Management Association, 69% of U.S. healthcare leaders say their organization's claim denials have increased, with an average jump in denials of 17%.¹ Another survey shows that 33% of hospital executives say that average claims denial rates are 10% or more, approaching dangerous levels for financial risk and stability.²

Yet, RCM outsourcing and service providers have their own set of challenges. Tasked with meeting their clients' goals of accelerating the revenue cycle, reducing error and denial rates, cutting operational costs and improving the patient experience, providers also face:

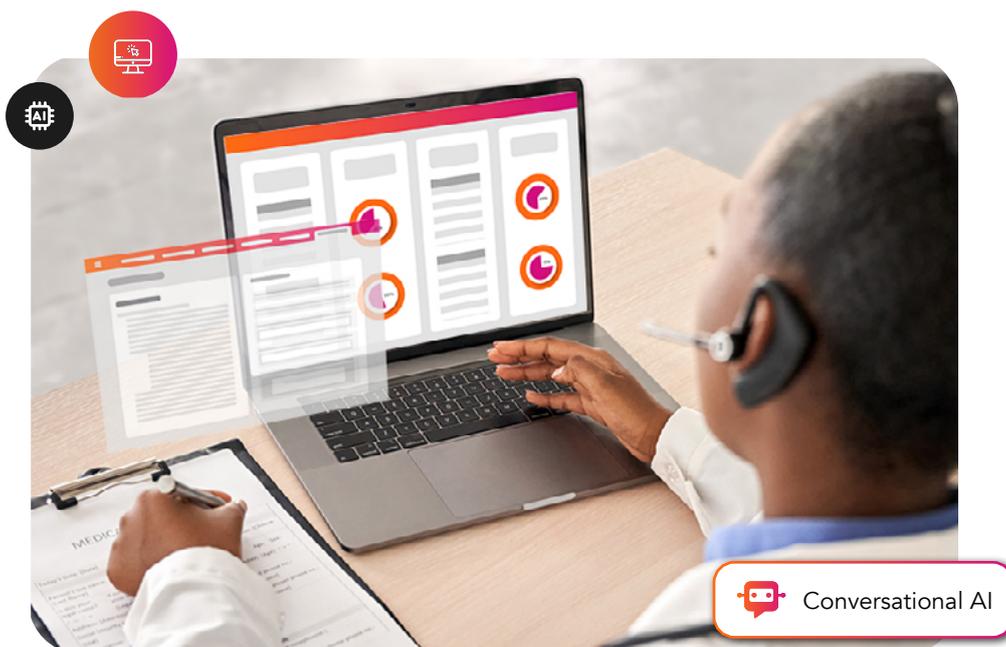
- Increasing complexity that leads to longer training times, lower productivity and transactional mistakes that impact collections

- Manual tasks and knowledge gaps that increase the risk of error and slow the revenue cycle
- Growing operating costs that further shrink profit margins at the same time healthcare clients seek to reduce their own cost to collect
- Agent attrition and talent shortages that lead to capacity gaps and slower processing

Healthcare Systems Turning to RCM Outsourcers

"Revenue cycle management remains the most pressing strategic focus in health systems nationwide, with system transformation vendors, solutions optimization consultants and RCM outsourcing firms in huge demand as the industry confronts the lingering effects of the pandemic on financial operations."

Source: ["Black Book™ Announces Eleventh Annual Revenue Cycle Management Technology and Outsourcing Solutions Top Client-Rated Honors,"](#) GlobeNewswire, November 2021



¹"6 Keys to Addressing Denials in Your Medical Practice's Revenue Cycle," MGMA, March 2021

²"More than 30% of Hospitals Are Near the 'Danger Zone' of Denial Rates," Jeff Lagasse, Healthcare Finance, June 2021



Conversational AI and Automation Transform RCM Services

To achieve the kind of improvements their healthcare clients expect, service providers and outsourcing companies must digitally transform and optimize the tasks and conversational journeys within the RCM process. Only through advanced technology such as conversational AI and automation can RCM companies overcome persistent issues around workforce, performance and economic pressures while delivering improved patient experiences.

For example, RCM companies can use conversational AI and automation in conjunction with existing RCM workflow tools to:

 **Automate pre-call preparation:** RCM account representatives/agents often spend a significant amount of time manually compiling data from systems and deciding on actions for each account and claim before placing outbound calls. This pre-processing time could take between two and five minutes, depending on the skills and knowledge of the representative. Automation can reduce this time by 30-60% by automatically collating and scrubbing data and using AI-powered recommendations to guide the agent in decision making and questions.

 **Optimize conversations and outcomes:** Automated, real-time alerts with next best action helps agents find information faster and ensures that no required questions are missed during calls with payers or patients. AI-powered in-call agent assistance reduces average handle time, minimizes repeat calls, improves agent productivity and helps agents become proficient more quickly, reducing errors and delays caused by gaps in agent knowledge.

 **Automate after-call work:** Traditional RCM approaches often mean that agents need as much as 25% of their time to complete after-call work (ACW) such as summarizing the call,

updating systems and taking follow-up actions. These manual efforts impact average handle time and agent productivity. Conversational AI can automatically create and present call summaries and dispositions, segregating notes for multiple claims and enabling the agent to focus on the conversation. Likewise, customer relationship management (CRM), billing and other systems are automatically updated. Eliminating these time-consuming tasks can reduce ACW by as much as 80% while improving accuracy.

AI Delivers Better Outcomes for Everyone

The revenue cycle is the lifeblood of healthcare organizations, providing the cash flow needed to fulfill health and wellbeing objectives. Outsourcing the RCM process to a third party requires trust that the outsourcer can deliver on the promise of efficient, effective processes that optimize RCM outcomes. Healthcare organizations want to know that an outsourcer can accelerate the revenue cycle, reduce lost revenue and streamline overhead costs, while also delivering the best experience for patients.

RCM companies that transform their operations with advanced technologies such as conversational AI and automation are best positioned to win new business and retain existing clients. By deploying conversational AI and automation to optimize the RCM process, outsourcers can:

- Cut the amount of time agents spend on pre-call and after-call work
- Shorten average handle time to improve productivity and scalability
- Increase accuracy and reduce transactional errors
- Improve quality and performance management while reducing costs
- Enhance patient experience and minimize patient frustration with complex medical billing issues



Adopting conversational AI and automation delivers better outcomes for everyone involved in the revenue cycle — providers, hospitals, payers, patients and the outsourcing companies that support them all.

