

Using multiple RCM solutions isn't solving problems with denials

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Health systems have made upgrades to revenue cycle solutions one of their top priorities in recent years, but C-suite leaders may not be happy with the results when it comes to reducing denials, according to a survey from Dimensional Insight and HIMSS Analytics.

The survey collected responses from 117 senior leaders at hospitals and health systems—nearly half of them in the C-suite—with 45 percent of respondents representing facilities with more than 500 beds.

Here are five key takeaways from the survey:

1. Most use EHR solutions for their revenue cycle

70.9 percent of respondents said their hospitals or systems use their electronic health record for revenue cycle management as well as other vendors—such as 3M Health Information Systems (53 percent), Experian (31.6 percent) and Optum (26.5 percent).

Combined, almost 70 percent of hospitals use more than one vendor for RCM. 34.5 percent reported using their EHR along with three or more vendors.

2. Denials remain a challenge and multiple solutions aren't helping

Contracting with multiple vendors hasn't solved issues with denials—76.1 percent of hospitals named denials as their biggest RCM challenge, but those using multiple RCM solutions often reported having more problems with denials. For example, of the 22 hospitals or systems who reported using their EHR plus one or two RCM solutions, all 22 reported struggling with denials.

3. Mixed results on automation

When asked how much of their revenue cycle process has been automated, systems' responses were all over the place. The highest percentage (36.8 percent) reported less than 25 percent of their revenue cycle process is now under analytics-based automation. Another 13.7 percent was reached between 25 to 50 percent automation.

More than a third of respondents, however, have automated a majority of their revenue cycle—with 12.8 percent reaching between 76 and 100 percent automation.

4. Data collection hurts RCM

Behind denials, the biggest challenge for the revenue cycle has been revenue integrity. The biggest contributors to that problem have been data issues like lack of interoperability and having some systems left in silos, each cited by 67.4 percent of respondents.

“Lack of interoperability does not just affect clinical and operational decisions,” the report said. “It is hurting the bottom line. Health systems need solutions to bring data together and make it useful throughout the entire revenue cycle.”

5. Centralized governance is the norm

Most hospitals (69 percent) said their RCM governance has been centralized. Larger hospitals were more likely to have adopted centralized governance (73.2 percent of the 52 respondents with more than 500 beds).