

Health care revenue cycle management (RCM) refers to processes that affect cash flow, such as creating, submitting, analyzing, and ultimately paying for patient medical bills.

Revenue cycle management issues cost hospitals between 4% and 5% of gross revenues per year. Another 13% of a hospital's yearly lost revenue is caused by billing errors, insurance underpayments, denials, and bad debt.

-- Cap Gemini Ernst & Young

Of the 5+ billion health care claims submitted each year in the U.S., more than 25% are still submitted on paper and processed manually.



HEALTHCARE

Healthcare Revenue Cycle Management and IT

The Challenge

While healthcare organizations are focused on quality care and patient safety, tremendous cost pressures make revenue cycle management (RCM) a front-and-center issue. With approximately 25% of US hospitals operating on negative margins, a hard look at RCM processes and workflows is imperative.

RCM Requires IT

IT must improve efficiency and streamline processes to better manage cash flow and increase revenue. From patient registration and scheduling to billing and collections, seamless access to integrated data across departments speeds operations and simplifies error-prone tasks, such as coinciding services with medical codes to generate “clean” bills and insurance claims.

Healthcare organizations that master RCM through IT are also well-positioned to comply with evolving transparency laws and deliver higher quality care. As stated by PricewaterhouseCoopers, “technology enables organizations to fully realize a hospital’s latent potential for delivering higher quality care in increasingly efficient ways through the use of information technology and process redesign.”

High-performing IT Requires TeamQuest Software

A study by PricewaterhouseCoopers concludes that higher investments in IT improve hospital business performance. However, you can’t just throw money at hardware and expect returns. Higher investments in IT require careful, deliberate planning, so as not to impose new burdens and complexities instead of alleviating them.

TeamQuest provides top-tier performance and capacity management software for right-sizing and optimizing infrastructure to support efficient RCM workflow across the enterprise. The objective, accurate data TeamQuest software provides is extremely valuable for determining the right amount of capacity to purchase and the right configurations to use to get the most from your IT investment.

