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# CONQUERING PANDEMIC LOSSES

## *with Artificial Intelligence for Revenue Cycle Management*

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The coronavirus pandemic has brought the healthcare industry to the brink, wreaking havoc on operations and revenue. Hospitals in particular are facing severe financial strain and searching for strategies to maintain solvency. Improved Revenue Cycle Management (RCM) is key to maintaining cash flow through this crisis and paving a more resilient path forward. The dramatic improvements needed can only be accomplished at the speed and scale required with the help of Artificial Intelligence (AI).

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### THE PANDEMIC'S IMPACT ON REVENUE

No event in our lifetime has strained the healthcare industry as severely as the coronavirus pandemic or necessitated a more urgent response. The American Hospital Association estimates a catastrophic financial loss of \$323 billion for hospitals and health systems from March 1st through the end of 2020.<sup>1</sup> Expenses are up, revenues are down and the infrastructure is pushed to the limit. Months of canceled elective surgeries, a dramatic increase in uninsured patients, skyrocketing PPE expenses and new equipment purchases all play a part in the current crisis. While the CARES Act and Paycheck Protection Program offer some relief, providers still face an uphill battle to maintain funds in this time.

**AHA estimates \$323 billion in financial losses for hospitals and health systems from 3.01.20-12.31.20**

### CUE ARTIFICIAL INTELLIGENCE FOR RCM

The current crisis can only be mitigated by deploying AI across RCM processes. The COVID-19 pandemic has revealed systemic weaknesses in RCM that must now be addressed with utmost urgency. AI is the only tool that can foster RCM efficiencies with the speed, flexibility and scalability to meet the demands of the current environment. AI is commonly used throughout the medical industry for disease detection, clinical studies and more. While its application to RCM processes is newer, 75% of healthcare leaders say they are actively implementing or planning to execute an AI strategy.<sup>2</sup>

**75% of healthcare leaders  
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AI grapples with the core challenge of RCM by filtering huge quantities of data and automating manual processes. It is most effective in scenarios with significant data, codified rules and replicable tasks - precisely the scenarios inherently challenging for humans. It accomplishes tasks that are time consuming, tedious and inefficient by capturing, categorizing and analyzing raw information. When paired with the right staffing structure, AI generates natural synergies, allowing your personnel to focus on more sophisticated tasks. Staff can then dedicate more time engaging with patients, insurance companies, regulators and other stakeholders.

## FLIP THE SWITCH

By applying AI to the RCM process, organizations can flip a switch to generate revenue, reduce costs and stabilize finances. This means financial survival in the short term and organizational resilience in the long term. AI reduces human touches, lowers costs, increases accuracy across transactions and improves accounts receivable timelines. Once implemented, it continues to learn and achieve better outcomes. All of this is to say it yields cash faster.

Solutions in the market address all areas of the RCM process from coding to collections. In the current environment, providers should focus on solutions like predictive analytics, which quickly move the needle on revenue collection. These types of AI solutions identify information to direct next steps in the process.

An example of this is insurance claim analysis, in which AI catches claim errors early, enabling staff to make corrections and prevent denials. On the patient side, AI can analyze and predict a patient's propensity to pay their claim, allowing staff to prioritize which claims to pursue and in what order. In that same vein, AI can also identify patients whose claims may qualify for community or hospital-sponsored charity programs. AI for predictive analytics front-loads RCM, offering valuable insight that guides the process and directs efficiencies from beginning to end.

## HOW TO SELECT THE RIGHT AI SOLUTIONS

When evaluating AI vendors in this precarious time, it is important to find the right company. The best way to do this is by selecting an AI partner entirely dedicated to healthcare industry RCM, and better yet, one that has an established track record of success. Look for vendors with customizable solutions that effectively integrate with and enhance, your established RCM processes. Identify solutions that directly improve specific and clearly defined metrics of success based on your RCM needs, whether that be improvements to claim denial percentages, the quantity of outstanding claims, days claims remain outstanding, or overall revenue collection. And lastly, once an AI partner is selected, track success against these pre-selected metrics. Set goals and identify milestones that clearly illustrate a return on investment.

***When considering an AI partner for RCM, look for the following characteristics:***

- **100%** healthcare industry focus
- **ESTABLISHED** track record of success
- **CUSTOMIZED SOLUTIONS** that streamline your processes
- **SOLUTIONS** that most effectively improve revenue collection

## BUILDING A MORE RESILIENT ORGANIZATION

By implementing AI solutions for RCM, healthcare organizations can streamline administrative processes, improve cash flow and build a stronger financial infrastructure to weather the current pandemic and prepare for future crises. AI will help providers properly finance their organizations so they can focus on the most important goal: providing better patient care. Effectively managed and properly financed organizations are able to attract better staff, purchase newer equipment, invest in research and technology, and enhance patient care and outcomes. Over time, better outcomes improve your reputation, creating a snowball effect that attracts more patients and brings in more revenue.

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### CONCLUSION

The coronavirus pandemic has turned the healthcare industry on its head in 2020. No organizations were equipped to cope with the virus or its collateral effects. As providers attempt to stabilize their organizations, it is clear that drastic changes and innovations are necessary. Healthcare organizations that weather this pandemic will look dramatically different as they emerge from its grip.

There is no going back to a pre-pandemic normal, but there are ways to prepare for the new normal. Whatever the next crisis may be, we can be certain there will be one on the horizon. Critical innovations and advancements like those offered by AI will make organizations more flexible and resilient, preparing them for future challenges. Organizations that are able to most effectively leverage these tools will be positioned for long-term stability and success in any environment.

For more information, contact Meduit: **(877) 615-6360**



**ABOUT MEDUIT** Meduit is one of the nation's leading revenue cycle solutions companies with decades of experience in the RCM arena, serving more than 850 hospitals and physician practices in 47 states. Meduit combines a state-of-the-art accounts receivable management model with advanced technologies and an experienced people-focused team that takes a compassionate and supportive approach to working with patients. Meduit significantly improves financial, operational and clinical performance, ensuring that healthcare organizations can dedicate their resources to providing more quality healthcare services to more patients. For more information, please visit [www.meduitrcm.com](http://www.meduitrcm.com).

<sup>1</sup> <https://www.aha.org/system/files/media/file/2020/06/aha-covid19-financial-impact-report.pdf>

<sup>2</sup> Source: OptumIQ Annual Survey on AI in Health Care, Optum, September 2018