

Optimizing Revenue Cycle Management from A-Z

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Revenue cycle management has never been more important in healthcare...or more difficult. The ongoing Covid-19 pandemic has altered the healthcare economy in drastic ways: slashing revenues, ballooning costs, and complicating payments. By one estimate, hospitals collectively hemorrhaged [\\$50 billion per month](#) throughout 2020.

But there are bright spots as well. For example, only [11% of Americans](#) used telehealth before the pandemic, but 76% are now onboard, opening up exciting ways for providers to raise revenues while cutting costs.

Unpredictable as healthcare finances may seem moving forward, it's clear this is an opportune time to reexamine revenue cycle management. What works, what doesn't, and what's the solution? That effort starts by considering each step in the average revenue cycle:

1. Patient registration
2. Insurance verification
3. Medical transcription
4. Medical coding
5. Charge entry and billing
6. Claim submission
7. Claim rejections
8. Payment and posting
9. Secondary claims submission
10. Denial management
11. Medical appeals
12. Refunds

One Solution to Improve Your Revenue Cycle

Healthcare accounting and finance departments have few if any means to raise revenues or lower costs themselves. But as the managers of the revenue cycle, they can ensure that revenue moves efficiently and accurately through the 12 steps outlined above. The question is how?

With the right accounting software, which probably isn't the one in place already. Many providers, especially clinics and independent practices, rely on basic accounting software like Quickbooks that can handle simple accounting obligations but not the complexity of revenue cycle management. It lacks healthcare specific features. Moreover, it's too under-powered to handle fast-moving, high-volume medical information that's now coming from more sources than ever. Realistically, Quickbooks and the like can't help accountants improve the revenue cycle – and the software may be the source of most problems.

Upgrading to a proper financial management platform turns the revenue cycle into a fine-tuned machine. Accountants have complete visibility into all financial activities, combined with powerful reporting and analytics tools to understand the performance of everything. They can also rely on automation to handle some of the most confusing, time-consuming, and error-prone parts of the revenue cycle, freeing those accountants to focus on improving the cycle rather than managing it. Perhaps most important of all right now, powerful accounting software can scale and evolve as the healthcare economy demands, keeping the revenue cycle firing on all cylinders in the face of anything.

So ask yourself, does your current accounting software make revenue management easier or harder? How has that changed since the pandemic started? If there's room for improvement, there's need improvement given that [60,000 primary care practices](#) may close because of recent financial stress.

With decades of experience in the healthcare industry combined with an expert understanding of accounting, finance, and the software that facilitates it, Dean Dorton can help any provider select and implement the right upgrade. [Contact us](#) to explore what's right for you.

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