

# EVALUATE, PLAN, VALIDATE AND FUND: LAYING THE GROUNDWORK FOR RCM TRANSFORMATION

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This year promises many new opportunities to apply technology to improve the healthcare revenue cycle. The recent HIMSS conference, for instance, featured many exciting use cases for machine learning and artificial intelligence (AI). However, before rushing to implement any of the latest solutions, let's step back for a moment.

While there is plenty of emerging revenue cycle technology, there is also still a fair amount of complexity when it comes to implementing these capabilities. Most organizations typically have a significant amount of disorganization to deal with on the back end of their billing processes, as well as disparate technology systems that don't work together. Many organizational leaders also are growing tired of only achieving incremental improvements to the revenue cycle through stand-alone revenue cycle management (RCM) technology, especially with rising total administrative costs and cost to collect.

That means we simply cannot afford to implement "quick-fix" RCM technologies that fail to support future goals. In an industry known for emphasizing quarter-by-quarter financials, we must begin taking a longer view. Rather than trying to establish 2019 implementation priorities, think about using the rest of 2019 to set the foundation for a holistic RCM transformation.

Perhaps the question to ask this year is: "Where do we want to be in three years – in terms of process efficiency, cash flow and an experience that delights our patients?"

## MAP RCM TO THE PATIENT JOURNEY

Answering that question requires a holistic assessment of the entire revenue cycle, especially as it relates to the patient journey. Although that's not a small undertaking, it allows healthcare organizations to build a thoughtful, realistic roadmap for long-term RCM transformation. In turn, such planning helps organizations realize greater value from all their RCM technology investments. Consider these four steps:

**EVALUATE:** Although some healthcare organizations are further along when it comes to more efficient and patient-centered RCM, most are just starting to explore due to a wide variety of situational limitations. Escaping such constraints

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will require you to map out the entire patient journey end-to-end. Then, look at the map to identify areas of potential revenue cycle satisfaction for patients, as well as their most significant pain points.

**PLAN:** After evaluating your RCM strengths and weaknesses, prioritize those processes in which technology has the greatest potential to remove waste, create capacity or give back operational expense. When deciding which solutions to implement, remember to take a broader, longer-term focus. Your organization should avoid the temptation of “quick wins” and instead focus on a viable long-term path that will meet your holistic, collective objectives. By generating a long-term plan, you will also incrementally create business value and move toward a more well-defined end-state vision. The most impactful digital transformation might come from phasing in the adoption of a comprehensive platform, as well as combining digital self-service technology and other automation capabilities — some of which may take hold quickly, while others may require more time.

Digital self-service offers a good example of where efficiency and patient satisfaction intersect. Not only does self-service technology speed processes and relieve staffing concerns, it can also give patients a more modern, retail-like experience. Direct access to online financial information and payment options, for instance, gives patients what they want, when they want it. In a world where consumers routinely use digital self-service for everything from banking to booking airline flights, it can make the healthcare patient financial experience feel more comfortable and familiar.

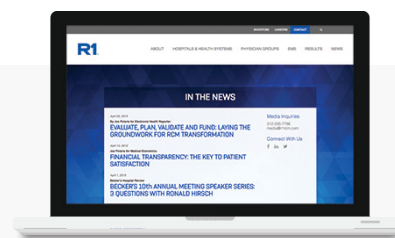
Other emerging automation capabilities include robotic process automation (RPA) technologies that work “behind the scenes” to enable the total digitization of both patient-facing and non-patient-facing RCM processes. Further layering AI over RPA can make it smarter and more effective. Through continual data mining and predictive modeling, AI can improve the intelligence programmed into RPA technologies to result in faster, higher-quality RCM workflows.

**VALIDATE:** No one is more qualified to develop an organization’s transformational RCM roadmap than internal stakeholders. Be careful, though, that the roadmap doesn’t become a narrow-focused internal planning exercise, developed without any external validation. Be sure to vet the plan through a well-informed external viewpoint. Get insight from organizations that have gone through similar initiatives, have made mistakes and are willing to share what they’ve learned.

**FUND:** Proactively planning a durable RCM technology strategy can help keep organizations from spending money on short-term solutions that end up hindering progress. Leaders need to understand that throwing money at a short-term solution will only end up costing more long-term and not produce the kind of quality results your organization is looking for. If your RCM strategy is well-planned and designed to create efficiencies and continuous performance improvement, it will resonate with your leadership teams and create its own funding mechanism while paying back huge dividends in the long run. A well thought out, year over year plan also gives organizations a chance to figure out the best way to budget for technology implementations each year.

## REAL TRANSFORMATION TAKES TIME

The pressure to implement immediate RCM solutions may be strong, but a visionary roadmap is the key to successfully creating a more efficient and patient-centered revenue cycle. So, take your time. Let 2019 be a year to evaluate, plan and validate. Then, with your roadmap firmly in hand, you can enter each new year with the clarity and funding needed to drive positive transformation.



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