

Why Workflow Automation Works: 4 Benefits of Swapping Spreadsheets for a Streamlined, Data-Driven Approach

Inside A/R Management Workflow Challenges

A practice's ability to sustain itself financially is tied to the quality of its revenue cycle management (RCM) team, in particular, its approach to accounts receivable (A/R) management. However, managing the healthcare revenue cycle continues to grow ever-more complex, as the industry shifts toward value-based care models, and grapples with challenges that include the rise in consumerism and the growth in high-deductible health plans.

These days, even the most efficient administrative staff struggle to understand which claims need to be worked and when. On a given day, 80 to 90 percent of the active claims in A/R do not even need to be touched, so why are billing representatives wasting time on them? Because there is no visibility into which claims need to be focused on to actually generate revenue.

It's not uncommon for A/R follow-up representatives to work down manual lists of claims segmented by a payer. For practices like Neurosurgeons of New Jersey, this can be a drag — days of spreadsheets of unfulfilled to-dos, complicated claims and uncertainty over which tasks take priority.

Jonathan Parisi, Director of Business Operations and Strategy for the practice, said it wasn't out of the ordinary for staff to spend an entire month working through their lists, only to have to start all

over again at the end of the month with a new report. The process was inefficient and costly and was dragging down operations.

Enter artificial intelligence-based healthcare technology, which is projected to grow from \$2.1 billion to \$36.1 billion in 2025. Workflow-automation solutions that leverage the power of AI algorithms to assign activities and tasks based on expected results and deadlines, are transformational for practices like Parisi's. And the best part is, the return on investment can be recognized almost immediately through a reduced cost to collect.

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— **Jonathan Parisi**,
Director of Business Operations and Strategy,
Neurosurgeons of New Jersey

1 BENEFIT No More Guessing

What is the first task your administrative staff engages in at the start of each day? If you don't know the answer, workflow automation does.

Most practices have gotten by, thus far, without workflow automation technology – but it's getting harder to manage operations with outdated methods.

Without workflow automation technology, in-house billing staff start their days with long lists of claims that must be processed, unpaid balances to follow up on or denials to investigate. Many of these tasks are tedious and even confusing, so staff is left to guess how to prioritize them: Should I work Claim A first, and then Claim B? Which claim is the most critical for me to address? This kind of lack of direction costs practices precious time and money.

Now, let's look at the RCM staff's day through the lens of workflow automation technology.

When the day begins, a staff member sits down at his or her desk, logs onto their work station, and knows exactly which claim to work first, second, and so on. Because workflow automation relies on machine learning, claims are prioritized in order of importance. As a result, little time is wasted in guessing what to do or how to spend the next 8 hours.

2 BENEFIT Staff Productivity Increases

Workflow automation enables us to see which staff are performing well, and which need help to improve performance.

In addition to helping direct A/R management activities, workflow automation gives administrators insight into performance: How many claims are staff following up with on average? In an hour? In a day? Is there a drop off toward the end of the business day, after 4 p.m.?

Having this high level of insight can pave the way for important conversations about staff workloads and performance. And while this kind of oversight isn't always welcomed by staff initially, it's almost always welcomed by the top performers — the individuals who work the hardest and most efficiently, but who may not have seen their efforts or successes recognized.

Through the transparency of workflow automation, practices can regularly identify barriers to excellent performance and provide additional training, if necessary, so individuals can make improvements.

3 BENEFIT Collections Increase

With surges in nonpayment, amid increasing healthcare financial responsibilities among patients, it's more important than ever to collect every dollar you're owed.

In just two months, workflow automation technology improved accuracy, and led to a reported 15% drop in overall accounts receivable at Neurosurgeons of New Jersey, in addition to general increases in cash collections per month. In doing so, the technology facilitated a reduction in denials, underpayments and bad debt write-offs.

Because AI offers specific insight into larger problems — such as roadblocks to collection among specific patient populations — practices can get ahead of financial challenges and bottlenecks.

4 BENEFIT Administrative Costs are Reduced

By working smarter, practices can simultaneously improve cash flow and key performance metrics while saving thousands of dollars.

Workflow automation can make a difference by helping practices save on administrative costs too.

Because employees work smarter, rather than harder, they get more accomplished in a typical day, week or month.

After months of using MedEvolve's RCM Workflow, Parisi no longer needs to hire additional full-time employees to stay ahead of workloads – in fact most practices realize they are overstaffed and are able to reallocate resources to more productive activities. This is important as the practice continues to grow.

These benefits are only the beginning. As workflow automation technology continues to evolve, practices have the potential to reap massive financial benefits in their revenue cycles and beyond.

Do you want to optimize your workflow and revenue cycle management processes?

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To learn more about how MedEvolve's RCM Workflow can help your practice, contact us.