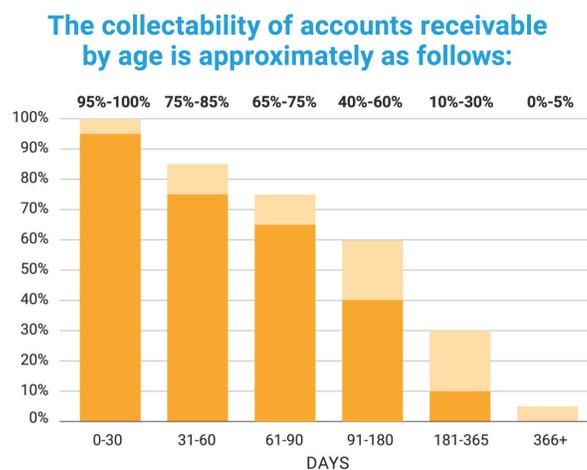


Best Practices for Outsourcing to Drive COVID-19 Recovery



COVID-19 has accelerated the trend toward outsourcing revenue cycle tasks, according to a recent report by *Modern Healthcare*. Outsourcing at the right time presents a proactive strategy to reduce costs and drive financial recovery.

Even before the impact of the pandemic, many providers were leaving a good portion of unresolved insurance accounts untouched due to staffing shortfalls, budget constraints or an influx of volume. Left unworked, those accounts will age out, becoming less collectible over time, as shown in the chart below:



Source: *Insurance Outsourcing, a Race Against Time* (a Meduit white paper)

Best practices dictate working accounts every 30 days. If that is not possible, outsourcing at the right time can balance internal team efforts with maximizing cash generation, as shown in the following three case studies.

continued on next page

Best Practices for Outsourcing to Drive COVID-19 Recovery

continued

CASE STUDY 1:

A mid-sized regional hospital was able to increase its collections by five times through outsourcing. The hospital's business office worked accounts in-house for 120 days, then outsourced at day 121. Outsourcing resulted in a total ROI of nearly \$1.5 million per month.

Outsourcing generated
ROI of nearly
\$1.5M
PER MONTH

Outsourcing resulted
in increased
recovery rate of
10%
in month 1

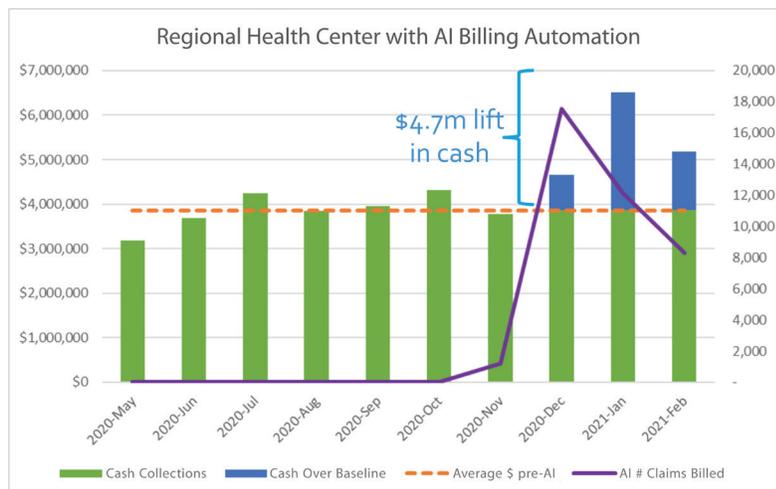
CASE STUDY 2:

A multi-hospital system engaged an outsourcing partner to leverage AI solutions to resolve small balance accounts that were not getting worked in a timely fashion. By doing so, the hospital system increased its recovery rate by 10% on aged accounts in the first month alone.

CASE STUDY 3:

A regional health center had claims backlogs due to staffing challenges. Working with a third-party RCM organization, the health center leveraged AI technologies to complete approximately 60% of the claims volume, generating a cash acceleration of \$4.7M over the baseline average in a three-month period.

Outsourcing resulted in
acceleration of
\$4.7M
over baseline in
three-month period



You can read more about these case studies in the AAHAM Spring Journal article *Best Practices for Outsourcing Accounts Receivable to Maximize Revenue Collections*, authored by Meduit CEO Jeff Nieman.

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