

Solutions for Staffing Shortages that **Accelerate the Revenue Cycle**



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Welcome to the Meduit Podcast. I'm Jeff Nieman, the CEO of Meduit, one of the largest full-service healthcare revenue cycle solutions companies in the country. Today we'll be talking about solutions for staffing shortages that accelerate the revenue cycle. I'm joined by my colleague Greg Rassier, Chief Strategy Officer of Meduit. Welcome, everyone. Let's get started. Greg, can you give us a quick update on the overall impact of the COVID-19 pandemic on staffing issues and healthcare providers revenue cycles?

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– Greg Rassier

GREG Absolutely. Thank you. 2022 was one of the worst financial years for hospitals and health systems since the start of COVID-19. Kaufman Hall reported this back in January in their National Hospital Flash Report. Approximately half of the US hospitals finished the year with a negative margin as growth and expenses outpaced the revenue improvements. Labor costs are a big part of these expenses. Labor typically comprises up to 60% of a hospital's operating budget, but those costs have increased over 19% from 2019 to 2021. Obviously, there's a rising in labor costs, been driven by the competitive labor market out there. We garner for those same staff for different roles and hospitals relying on more expensive contract labor to meet those staffing demands.

JEFF What can we expect this year in '23?



GREG Volume trends are increasing again for hospitals, so that's positive. However, the staffing crunch is still evident, especially in the revenue cycle positions that we monitor so closely. Staffing volumes are typically cyclical in nature, but unfortunately, those labor pressures are unlikely to recede this year. Providers, they're going to need to think outside the box on how to address staffing issues, and subsequently how to drive a healthy revenue cycle.

JEFF In our last podcast, we talked about how outsourcing insurance accounts can help providers deal with staffing shortages and support the revenue cycle at the same time. Let's take the discussion just a little deeper and include outsourcing self-pay accounts receivable. How can outsourcing insurance and self-pay help providers?

GREG Yeah, I was talking with a client just recently, same question came up. It can be very confusing for patients when they get a medical bill in the mail. Patients often struggle with understanding what portion of bill they are responsible for, what portion the insurance covered and why the outcome is what it is. The right interaction with the patient at the right time, with the right mechanism of patient contact, can mean the difference in a provider getting paid or not. When you think about outsourcing your self-pay accounts, it's important to look for a dedicated team that knows how to talk to patients and how to answer their billing and insurance questions. Those call center folks have become more problem-solvers, not necessarily what you consider typically someone collecting the patient liability. The same can be true for finding the right subject matter experts to solve insurance claims. They're – whether it's denials, or aging, or even government complex AR, you need a subject matter expert that can handle those specific issues inside the revenue cycle.

JEFF Can you break down some of the additional financial challenges that patients face regarding billing?

... there are apps and programs that actually walk the patient through their hospital bills, explaining their full financial responsibility and how to pay that bill.

– Greg Rassier

GREG Absolutely. As we know, some patients definitely have budget constraints that limit them from paying their medical bill in full in one payment. We think of this gap between their current outstanding medical bills and what their ability to pay is. So with that gap, at Meduit, we found that most patients want to pay their bill, but they may have a need for some more flexible solutions to be able to do so. There are patient financing programs for payments that are out there that allow the patient to work with their medical bills and get them into their monthly budget allowance. These programs are typically a win/win for



both the patient and the provider, because the patient can then pay their bill over a period of time. That allows them to meet that budgetary gap, and the provider receives full payment for the service. We're also trying to change the culture of the patient behavior because we think about the historical, send a statement, review it, don't understand exactly what's going on. We're trying to add more self-service options via digital solutions, such as portals, texts, email, chat, etc. This cultural shift will help the patient get more engaged in their own revenue cycle and their own billing process. In addition, there are apps and programs that actually walk the patient through their hospital bills, explaining their full financial responsibility and how to pay that bill. It also gives them access to different components. How to reach out to their explanation of benefit, how to add insurance if it may have been lost. All these tools are great, but unfortunately it typically still requires a solid patient call center behind all of this technology to help resolve a majority of the billing questions. The most important component of a self-pay account resolution is to employ a compassionate approach to working with patients regarding their bill. An empathetic and caring approach can be a game-changer when working with patients regarding their finances.

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– Greg Rassier

JEFF Let's talk a bit about artificial intelligence. How can providers leverage AI solutions to alleviate staffing pressures?

GREG AI – obviously a huge topic in the marketplace today. I think when we look at this, some of the best processes to look at for AI solutions are taking on those specific repetitive revenue cycle tasks. These technologies work 24/7 with no downtime and free the provider staff to tackle more complex challenges that require human critical thinking skills. For example, at Meduit here we've developed SARA, and SARA is short for Supervised Autonomous Revenue Associate. So, SARA grows and learns more and more every month as she processes claims. In fact, since her development in mid-2020, SARA successfully worked more than 1.7 million client accounts. Obviously, she's my most productive employee. SARA works dozens of different processes from some of those front-end pre-service efforts to get to the initial registration process, all the way back to back-end denials, management appeals. She solves multiple tasks and accomplishes the equivalent work of more than 100 full-time employees, with no downtime, no sick time, no weekends. She is fully autonomous to be able to run 24/7 for us.

JEFF Certainly a lot of work. Do you have real world financial results regarding that work that SARA's done that you can report?



GREG Yes. Deploying SARA was able to provide and create an annualized value of over \$500,000.00 for one of our partners. So, leveraging AI solutions to handle specific revenue cycle paths is an excellent place to look at supporting staffing challenges. These AI solutions are only going to grow in their capabilities as we move forward and continue to feed the machine and the learning process of how the revenue cycle flows.

JEFF Is there any benefit to a provider to outsourcing AI solutions to a revenue cycle partner rather than trying to develop them internally?

GREG We're in a very complex operating environment today, managing volume shifts and labor costs, increasing materially. One question providers should be asking themselves is do you really want to take on developing AI and automation solutions internally? Do you really want your limited capital dollars to invest in AI when your IT team may or may not have the skills to deliver something, and more importantly be able to deliver it in a timely manner? What is the speed of actual delivery for solutions in your revenue cycle today versus what does it need to be? Why spend internally when margins that you're working with right now are thin, when you could partner to launch an AI solution much more quickly and cost-effectively with the right partner? It does take some investment, obviously, to partner with an AI subject matter expert team, but the benefits in financial gain far outweigh the investment. The key is to find that right partner with real revenue cycle management experience. That expertise in developing a solution that requires the least amount of IT resources on the provider side to lift, that has the greatest possible throughput to the AR. And I mention real revenue cycle expertise. There are plenty of AI experts that don't necessarily have that healthcare revenue cycle specific experience to be able to properly implement those solutions.

... AI – as I mentioned, the right AI solution can deliver the equivalent of more than 100 full-time employees working those repetitive tasks.

– Greg Rassier

JEFF As we wrap up, what would you like to leave our listeners with today regarding strategies for dealing with staffing shortages?

GREG Hospitals, health systems, and physician groups, the partners we deal with, they should really focus on patient care. They shouldn't be worried about the revenue cycle; or more so, they should be focusing their time and capital where it directly affects the care of patients. The right partner can take the burden of resolving the revenue cycle opportunities for them. If you look for a partner that works as a seamless extension of your healthcare provider team, your team doesn't have to worry about those financials. They can do what

they do best: focus on patients. Regarding outsourcing; take advantage of outsourcing self-pay and insurance accounts. That will allow you to have a healthy balance of quality patient care and a resilient revenue cycle. Regarding AI – as I mentioned, the right AI solution can deliver the equivalent of more than 100 full-time employees working those repetitive tasks. The provider staff can then easily focus on more of the complex tasks that require human intervention and those specific problem-solving skills. A great partner that you can trust will ensure that you not only have the best staffing and revenue cycle support available, but you also have the best results for your AR.

JEFF Thank you, Greg. For more information regarding strategies for solving staffing pressures, visit [Meditrcm.com](https://www.Meditrcm.com). Thank you for listening.



Jeff Nieman, CEO, Meduit

Mr. Nieman leads Meduit's top-notch team of healthcare revenue cycle professionals to maximize performance and accelerate growth for hospitals, health systems and provider groups. Prior to joining the Meduit team, he was the chief operating officer for Navigant Cymetrix, a revenue cycle management company serving over 200 hospitals. He has also held leadership positions at Conifer Health Solutions, Humana and HCA (Hospital Corporation of America) and has a BA in Economics from Bellarmine University in Louisville, Kentucky where he graduated magna cum laude.



Greg Rassier, Chief Strategy Officer, Meduit

Greg joined Meduit in 2019 and is responsible for overseeing the company's day-to-day operations. Greg brings with him a wealth of experience as a Revenue Cycle Strategist, Executive and Consultant, where he focuses in the design, implementation and transformation of the healthcare revenue cycle and call center solutions. He is an expert at creating process efficiency and partnering with our customers to provide industry-leading revenue cycle solutions. He has over 25 years' experience in operations, process management, technology-driven automation, mergers & acquisitions, organizational assessment and consulting. In addition to his recent work as a strategic transformation consultant, he has held executive leadership roles with Convergent, Inc., and Conifer Health Solutions. He has a BA in Economics from Washington State University.