

How Healthy is your Revenue Cycle?

Revenue Cycle processes have been affected greatly by important decisions and changes that have taken place in hospitals and group practices throughout the years. These changes have led to a significant increase in attention to other areas of organizational structure. According to an article in the July 2007 issue of HFMA magazine, “the new generation of revenue cycle management is as challenging as any yet faced, as financial managers must grapple with consumer-directed healthcare, DRG rebasing, newly resurgent PPOs, and price-transparency pressures, among other issues.”¹

Key Performance Indicators (KPIs) have come to the forefront of many discussions involving Revenue Cycle. Increased emphasis has been placed on patient access, health information management and insurance verification. “There are considerable differences between the new generation of KPIs and those that appeared in the July 2005 issue of hfm. In particular, three entirely new sections are included here: physician practice management, managed care contracting, and pay for performance: clinical decision support/finance.”¹ The once constant in all of the change that is taking place in the Revenue Cycle arena is that hospitals and physician practices need a firm grasp of where they’re coming from to decide where to go next.

¹ Hammer, David C. *The Next Generation of Revenue Cycle Management: The Revenue Cycle is Changing. Are your Revenue Cycle Operations Keeping Up?* HFM, July 2007, 49-50.