

## FOR IMMEDIATE RELEASE

## New Research from Knowtion Health and HFMA Finds Denials Now Pose the Greatest Financial Threat to Hospitals

BOCA RATON, Florida, June 26, 2025 – As reimbursement pressures escalate, a new research report released by Knowtion Health, featuring joint research with the Healthcare Financial Management Association (HFMA), reveals a stark warning for hospitals: nearly half of revenue cycle leaders now view **payer denials as the single greatest threat** to their organization's financial performance.

Titled *Keeping Pace with Payers: Hospital Survival Strategies for a Shifting Reimbursement Landscape*, the report is based on a nationwide survey of 147 revenue cycle leaders and offers fresh insights into how hospitals are rethinking denial strategies in the face of overwhelming volume and complexity.

"Denials are no longer just a back-office issue—they are a front-line threat to financial stability," said Jayson Yardley, Knowtion Health's Chief Executive Officer. "This research confirms what many hospital leaders are feeling: The old ways of managing denials simply aren't sustainable anymore."

Key findings from the report include:

- **48% of leaders** say denial volume now surpasses all other revenue threats, including declining reimbursement, labor shortages, and analytics gaps.
- **Payer delays are getting worse:** 47% report that appeals now take more than twice as long as they did three years ago.
- Information overload: Half of respondents have seen a significant increase in payer requests for information over the past year.
- **Operational gaps persist:** 38% cite difficulty prioritizing denials based on revenue impact as their top barrier to recovery.
- **Staffing is under strain:** Hospitals report growing difficulty recruiting talent for appeal writing, denials analytics, and clinical documentation improvement.

The report also outlines how leading organizations are shifting course—with smarter automation, shifting processes around niche areas of the revenue cycle, and more aggressive appeal strategies designed to ensure collection of properly reimbursable claims and preserve cash flow.

"This moment calls for courage," Yardley added. "Revenue cycle leaders must be willing to abandon outdated processes and invest in the tools, insights, and partnerships needed to reclaim lost revenue and stay ahead of evolving payer behaviors."

The full report is now available as a complimentary download at https://www.knowtionhealth.com/denials-research-report

## About Knowtion Health

Knowtion Health is a leading provider of technology-enabled revenue cycle management services. The company leverages Al-driven technology and deep domain expertise to reduce denials and underpayments across all denial types, low balance accounts and complex claims, while enhancing patient experience and satisfaction. Recognized as an Inc. 5000 fastest-growing company, Knowtion Health is a multi-year recipient of the Black Book award, which



honors top partners as ranked by healthcare providers. Knowtion Health is a portfolio company of Arsenal Capital Partners, a leading private equity firm specializing in building technology-rich, market-leading healthcare and industrial growth companies, and Sunstone Partners, a premier private equity firm focused on accelerating growth in technology-enabled services and software companies. For more information, visit <u>KnowtionHealth.com</u>

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