



## Knowtion Health Survey: Healthcare Leaders Have Low Confidence in Denials Efforts

Market Analysis Reveals Dissatisfaction with Cash/Cash Flow Amid the Tough Denials Environment

BOCA RATON, Florida – July 23, 2024 – Amid rising denial rates and underpayments, 78% of hospital CFOs and revenue cycle leaders surveyed by Knowtion Health believe hitting cash and cash flow targets will be even more important to their organization over the next three years. The findings underscore the importance of an effective denials management and accounts receivable (A/R) management strategy in a changing denials landscape.

Knowtion Health's [new market study](#), "Race for Cash: Pivoting Your Denials Strategy for a New Era," reveals the extent to which high rates of denials and underpayments, more complex payment processes, and mounting pressures to contain aging A/R have put pressure on hospitals' financial performance. Among survey findings:

- **Looming cash need:** 25% of those surveyed anticipate their organization will face significant challenges funding long-term capital needs.
- **CFO scrutiny on denials:** Cash and A/R management are getting a closer look, with 57% of hospitals experiencing denial rates of 10% or more.
- **Low confidence in current denials management efforts:** Nearly 1 in 5 revenue cycle leaders believe their organization's denials management processes are "not very effective."
- **Rapid technology shift expected:** Use of AI in denials management is minimal (49%) or non-existent (28%) among those surveyed. In three years, however, the majority of those not currently using the technology believe adoption in denials management will be "somewhat likely" (50%) or "very likely" (31%).
- **A deficit of denials expertise is pervasive:** 37% of leaders surveyed say their biggest barrier to improving revenue recovery from underpayments and denials is insufficient skilled talent. Clinical denial appeal writing was cited as a high pain point.

"The sheer volume of denials today versus even three or four years ago is overwhelming," said one revenue cycle leader. "Payers are using AI tools to mass downgrade ED levels without reviewing a single record, denying huge dollars of claims. We are audited ad nauseam by vendors hired by payers to retract payment on post-pay reviews. We can't employ enough staff with the appropriate knowledge and skillsets to effectively fight these denials."

In "Race for Cash: Pivoting Your Denials Strategy for a New Era," Knowtion Health outlines the gaps that healthcare revenue cycle teams are likely to encounter amid growing reimbursement uncertainty and A/R aging. The analysis also features five practical takeaways for revenue cycle executives on how to ready their teams.

"In a turbulent payment environment, healthcare organizations can't afford to leave dollars at risk," said Jayson Yardley, CEO of Knowtion Health. "Pressures to improve denials management and contain aging A/R are mounting, and it's clear a substantial proportion of hospital leaders don't have confidence in their organization's denials management strategy. Fortunately, there are proactive strategies that healthcare finance and revenue cycle leaders can take to better position their organization for the future, as outlined in our [denials market study](#)."

Knowtion Health serves more than 500 hospitals nationwide and manages over \$4.6 billion annually in outstanding balance accounts for clients. "At Knowtion Health, we're dedicated to tipping the balance of power in denials management back to the hospitals and health systems," Yardley said. "We look forward to continuing to help providers level the playing field in insurance claim delays, underpayments, and denials."



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Find out more and [download the market analysis](#).

**About Knowtion Health**

Knowtion Health helps hospitals and health systems maximize and accelerate revenue through effective insurance claim resolution and recovery services. Backed by deep expertise and innovative technologies, Knowtion Health's team delivers new levels of success with coordination of benefits and clinical denials, low-balance accounts, complex claims, and payer audit defense. KnowtionHealth.com—You've Got This Now.

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