

Scaling Smart: Aligning Physician Billing for Growth

How hospitals can strengthen physician billing performance through the right balance of people, process, and technology.

I. Expansion Without **Alignment** Physician Enterprise Growth Is **Outpacing Billing Alignment** 46% 24% 2010 **Today** Hospital-Employed Physicians Hospitals continue to grow their employed physician networks, and physician billing has become a central source of hospital revenue. \$2.38M Revenue per employed physician The financial opportunity is not up for debate. The challenge is that billing operations have not evolved as rapidly. When new practices are added, the lack of

II. The Challenge: **Physician Billing Performance Lags Behind**

Physician billing often trails hospital billing.

Physician billing lags because variation is built into the process; every step becomes harder to control. Information doesn't flow smoothly from the point of care to billing, and leadership can't easily see those differences across specialties. Delays and denials build from the foundation up.

> **\$19.7 B** spent by hospitals appealing denied claims in 2022

16% of Medicare Advantage and 14% of commercial claims denied on first submission

Physician billing underperforms because the process lacks uniformity, and without that consistency, errors and denials keep revenue from moving as it should.

III. The Financial Impact

alignment in how work is documented and

billed puts pressure on existing systems.

Inconsistency Drains Cash Flow

Denied claims and slow reconciliation reduce the cash available to support operations.

Across Medial Groups:

of claims are denied on first submission

for over 120 days Until billing operations are rebuilt for consistency,

physician groups within hospitals will continue to trail the performance of the larger system.

of A/R remain unresolved

IV. The Strategic Fix

Build physician billing as infrastructure, not an afterthought.

Knack RCM integrates charge capture, coding, denial management, and A/R follow-up into a single, coordinated process designed for hospital-owned physician practices.

Automation handles repetitive, rules-based tasks

Analytics surface payer patterns early

Experts focus on resolution, compliance, and process **improvement**

The result is physician billing that scales with <u>enterprise growth</u> and performs with hospital-level consistency.

V. What Structured Billing Delivers Scalable Billing. Predictable Results.

Structured, consistent physician billing delivers measurable gains:



A/R days **y** up to 25%



Clean-claim rates ↑ to 98%



improved forecasting

Steadier cash flow and



Clean-claim rates ↑ to 98%

VI. The Takeaway

When billing is integrated into the larger revenue cycle, the organization gains visibility and control across every point of reimbursement. Knack RCM partners with health systems to align physician billing with

Strong hospital performance starts with consistent physician billing.

the same structure and reliability as hospital billing.



knackrcm.com



https://www.mgma.com/mgma-stats/not-so-graceful-aging-half-of-practices-saw-days-in-a-r-increase-in-2021