

e-book

# An Rx for pains in RCM staffing

A shortage of 124,000 physicians in ten years. 200,000 nurses needed each year.<sup>1</sup>

We know about healthcare provider shortages. But support staff, including revenue cycle management (RCM) teams, are getting hit hard by staffing issues too.

A report from R1 RCM showed that a stunning 48% of executives said their RCM teams were experiencing a “severe” labor shortage, and that shortage was impacting organizational revenue.<sup>2</sup>



The employee shortfall in RCM has become a vicious cycle, as understaffing contributes to operational inefficiencies, errors, and poor patient financial experiences. That results in reduced revenue, which means thinner margins for hiring additional staff, and it goes back around again.

The bad news keeps coming. The *Study on Allied Health Workforce Retention* found that 60% of healthcare support staff expect to leave their job within the next five years.<sup>3</sup>

But it's not just future shortfalls that are the issue - healthcare payments staff experiencing serious problems right now.

## Can you *really* do more with less?

The demand for skilled individuals in healthcare revenue cycle management and medical debt collection currently exceeds the supply, leading to understaffed teams.

This shortage often leads to an attempt to “do more with less,” but those efforts are fruitless. Instead, increased workloads for existing staff instead often leads to burnout, errors, and decreased productivity, delays in billing, and a backlog of unpaid accounts receivable.

Those problems trickle down to the patient financial experience, affecting patient satisfaction with providers, willingness to pay, and understanding of their financial responsibilities as overworked employees are unable to devote time to help explain billing and insurance issues.

So, sure, you could do more with less, but at what cost? But here's the good news. We're in an unprecedented situation, but we've got unprecedented solutions to meet it head-on.

Let's dive into your options to alleviate the pains of RCM understaffing.



<sup>1</sup> “Fact Sheet: Strengthening the Health Care Workforce.” American Hospital Association.

<sup>2</sup> “Nearly half of providers are behind on revenue goals amid RCM department labor shortages, report shows.” MedCity News.

<sup>3</sup> “Sounding the Alarm on Healthcare Staffing.” Global NewsWire.



# Option 1: Location, location, location

With the shift to remote work, organizations face new challenges in managing remote teams, maintaining productivity, and ensuring data security.

But in terms of attracting and retaining employees, those challenges can't be the deciding factor.

McKinsey & Company's most recent survey indicates that a flexible working arrangement (e.g. working from home or a hybrid) was in the top three most important motivators for people looking for a new job.<sup>4</sup>

And a Robert Half survey reported: "Nearly one-third of workers (32%) who go into the office at least one day a week are willing to take a pay cut for the ability to do their job remotely all the time. When asked by how much, the average response was 18%."<sup>5</sup>



In other words, healthcare RCM managers who want the best need to provide arrangements the best employees expect.

In Prodigal's recent webinar, "Tips for hiring and retaining top collections agents," the panel members talked about offering remote work and flex time, but incentivizing them as rewards tied to performance, an interesting compromise for organizations worried about losing oversight.<sup>6</sup>

And there are ways to keep in touch with agents even outside the office - it's common to do training in person even if day-to-day operations are remote, or to have quarterly off-sites, or, as we'll discuss further in the technology section in a few pages, use new solutions designed to keep remote teams close.



**Try it:**

**Explore technology to make your team comfortable and compliant with remote work.  
Offer remote or hybrid options as a reward for performance.**

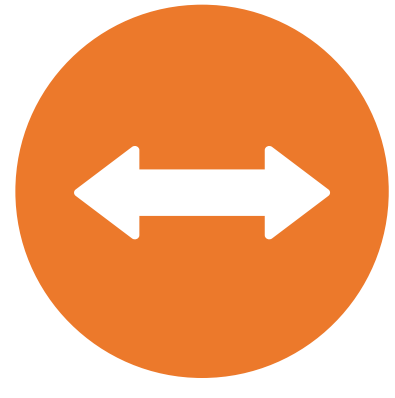
<sup>4</sup> "Americans are embracing flexible work—and they want more of it." McKinsey & Company.

<sup>5</sup> "The State of Remote Work: 5 Trends to Know for 2023." Cision PR Newswire.

<sup>6</sup> "Tips for hiring and retaining top collections agents." Prodigal.



## Option 2: Outsourcing options



Outsourcing offers an extra layer of distance that might make those same leaders nervous, but last year's *PatientPay* study showed that 61% of healthcare organization executives plan to outsource their revenue cycle process over the next 24 months.<sup>7</sup>

That could be a smart move, as revenue cycle management and medical debt collection require a unique skill set that combines knowledge of healthcare billing and coding, insurance regulations, financial analysis, and effective communication.



Finding individuals with these specialized skills can be challenging. But business processing outsourcing organizations with expertise in hiring and training for that knowledge can create ready-to-go teams to help you optimize revenue collection and minimize debt.

There's an immediate benefit to RCM departments in handing over the stresses of recruitment and retention to an outsourcing partner.



Another option with outsourcing is looking for an organization which works with offshore or nearshore teams.

Like other outsourcing partners, offshore/nearshore teams have proven experience in hiring quality talent, but their locations mean they are able to offer pay and advancement opportunities that are trickier to match onshore, according to Global Healthcare Resource.<sup>8</sup>



**Try it:**

**Research and interview outsourcing partners for onshore, offshore, and nearshore operations.**

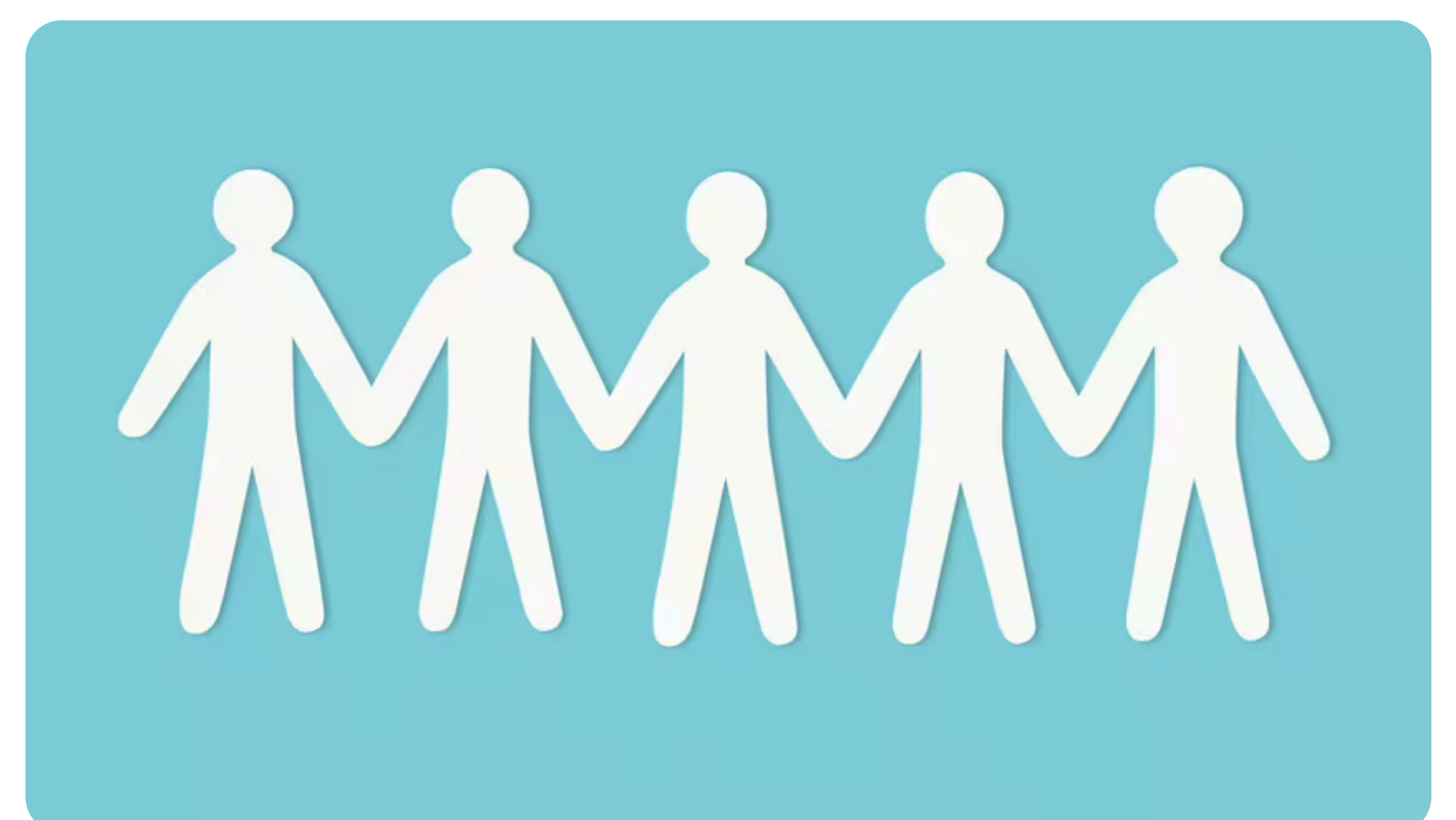
## Option 3: Defeating employee turnover

The high turnover rate among employees is another significant challenge affecting healthcare RCM. Understaffing, the complexity of RCM duties, and the demanding nature of payment and collections can lead to stress and dissatisfaction in your team members.

Consequently, employees may look for better opportunities elsewhere, causing high levels of turnover. That's an issue for any number of reasons, including a lack of institutional knowledge and experience, but it's also expensive.

With the job market this tight, the cost of recruiting and onboarding new personnel is increasing, so we have to figure out how to retain the employees we've got.

But how?



<sup>7</sup>"61% of Providers Plan to Outsource Revenue Cycle Management Tasks." RevCycle Intelligence.

<sup>8</sup>"Seven Myths About RCM Offshoring," Global Healthcare Resource.



## Hire or retain?

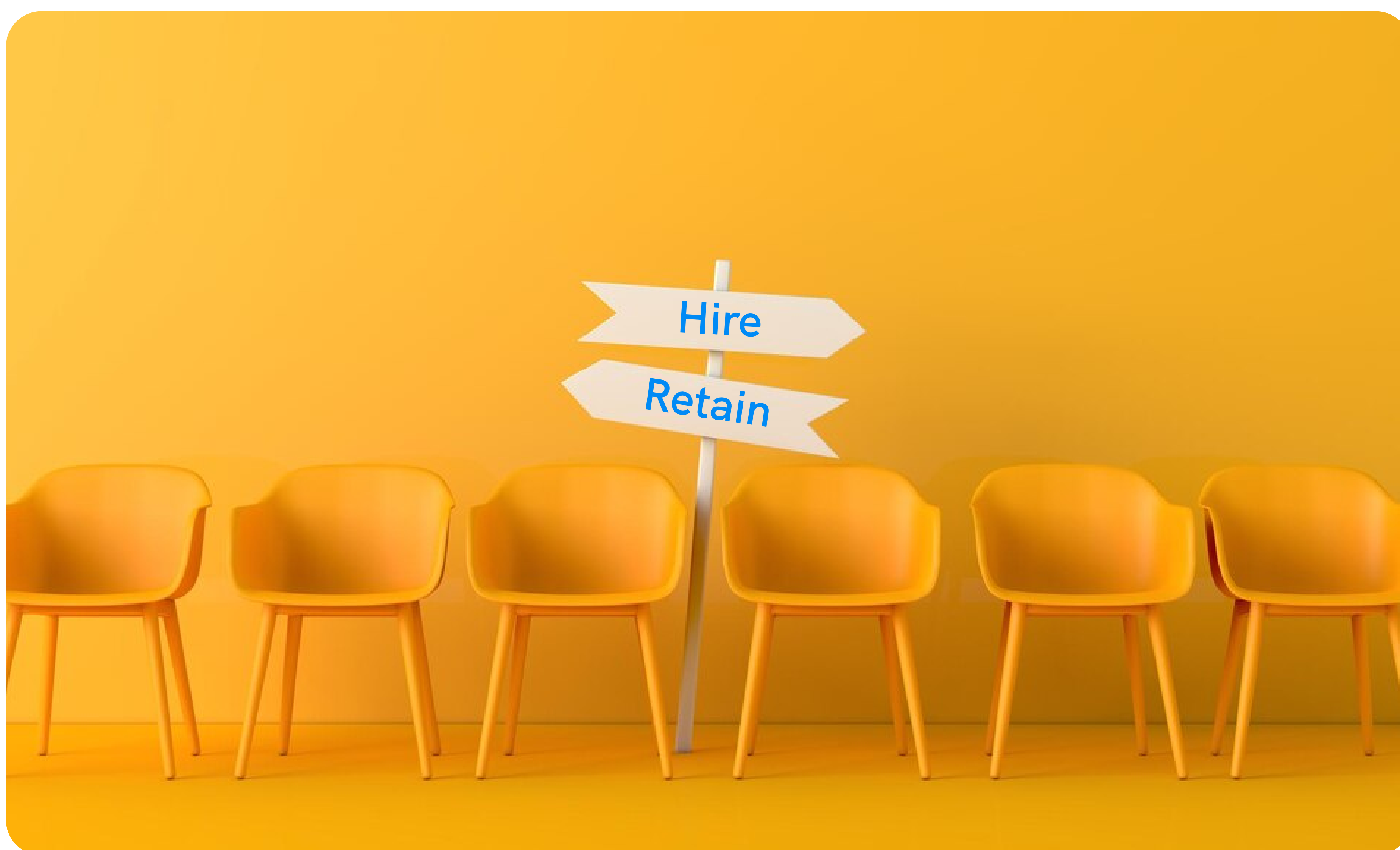
Everyone's focused on recruiting, recruiting, recruiting, desperate to fill the empty spaces on their teams.

And that's expensive. The Society for Human Resource Management (SHRM) estimates an average cost per hire of \$4,700.<sup>9</sup>

But talent management consultants E.L. Goldberg & Associates say that when you include "soft" costs (such as managers' time in reviewing, interviewing, and discussing candidates), the cost of recruitment might be as much as three times the empty position's salary.

And *The New York Times* points out that soft-cost drain keeps going. New employees need time to ramp up, and their trainers are pulled away from their own duties, causing a double drain on productivity.<sup>10</sup>

"For nearly two years, companies have complained that they are caught in an unending cycle of hiring and training workers, only to see them leave in a matter of weeks or months. Constant recruiting and training drains management resources, and new hires often do not stick around long enough for that investment to pay off. Veteran employees are often asked to pick up the slack, leading to burnout," that article argues.



So maybe we should be thinking differently, focusing on those 60% of staff members who are thinking about leaving their jobs.

"Our study shows that putting a higher priority on hiring tactics instead of retention could be exacerbating the healthcare talent situation, given that so many current employees do not expect to be staying," noted Tom Rametta, president of Ultimate Medical Academy.

"Employers appear to be underestimating the magnitude of future potential losses of healthcare workers. Retention efforts have never been more important given the velocity of turnover in the industry."

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<sup>9</sup>"The Real Costs of Recruitment." Society for Human Resource Management.

<sup>10</sup>"Wave of Job-Switching Has Employers on a Training Treadmill." *The New York Times*.



## Getting good people to stick around

But how do you get your best people to stay?

In Prodigal's "Tips for hiring and retaining top collections agents" webinar with Clint Daoud of Unifin, and Chris Schumacher of Optio Solutions, LLC, both leaders noted that solid training and mentoring programs help to improve performance and employee satisfaction, ultimately leading to better retention rates.

"We find that training and mentoring helps with reducing our attrition," said Clint.

At Optio, Chris said that they've shifted from asking supervisors to be trainers to having a national sales trainer, responsible not only for onboarding new agents but for offering continuing training.

An effective initial ramp program, followed with a structured process for training and support, has made a difference at both Optio and Unifin in keeping their employees around. And it's a rewarding relationship for both agents and managers.

Larry Baker of RGS Financial, in the "How to keep collectors from burning out" webinar from AccountsRecovery.net, agreed.<sup>11</sup> "I think part of the best part of this job is helping them see what [agents] can do and accomplish in this industry, and help them build a career."

According to Work Institute, 52% of all turnover happens in the first year. But with an effective onboarding program, 69% are more likely to stay 3+ years.<sup>12</sup>



Chris also pointed out that investing in employees who genuinely want to learn and improve, rather than the "trouble" cases, is a great strategy. It's easy to let the representatives who have been around for a while and who are performing well go on auto-pilot. But that would be a huge error, explained Gordon Beck of Valor Intelligent Processing in the webinar on avoiding agent burnout.

"Losing somebody that's been with you for five years and is racking in 10 grand a month in revenue is backbreaking, especially in this day and age where attrition is higher than usual and keeping people employed and happy is harder than ever. It's absolutely imperative to our business that we don't lose people in the mind. Because once you've lost somebody in the mind, it's very hard to bring them back from that."

### Try it:



Ask your HR team to devote 50% of recruitment time to training plans instead.  
Develop a formal one-on-one mentoring and coaching program.  
Adjust schedules to allow for rotating weekly training.

<sup>11</sup> "How to keep collectors from burning out." AccountsRecovery.net.

<sup>12</sup> Work Institute.



## Rethinking compensation

In an industry with ever-shrinking margins, discussing pay and benefits can be painful for managers and executives.

Paul Shorrosh, CEO of AccuReg, a revenue cycle solutions provider, said, "Nationwide, I think the field is still in crisis. There's so much competition for these employees, and health systems are not doing well financially; profit margins are low. So it's hard to attract and retain good-quality employees. It's true across health systems; it's definitely a crisis, we hear it everywhere we go."<sup>13</sup>

But making sure RCM and medical debt representatives are well-compensated can make a huge difference in retention and motivation.

"I've always been a firm believer of allowing [agents] to live at a wage that is above standard," said Clint from Unifin in the webinar on tips for retaining top agents.

"Our average tenure is somewhere close to three years. They do stick around. A lot of that has to do with: we do pay a competitive salary, offer proper and great benefits, and an uncapped bonus," he explained of Unifin's packages.



In that same webinar, Chris said Optio offers education benefits, and has agents who stay for three or four years while working on a degree.

Reinforcing that alternative way of thinking, in Prodigal's webinar on "How to stop the riskiest agent mistakes," Tomekia Mitchell of Rash Curtis & Associates talked about how companies choose to incentivize patient financial representatives makes a difference in how they work.

Focusing on bonuses, she explained, "creates a culture of, 'How much can I get? How soon can I get it?'"

Because Tomekia's team deals with medical debt, she wants to create a culture of empathy more than a culture of greed.

"You're going to have somebody get on the line and tell you why that debt was generated. It could be from cancer, it could be from a child passing away, and you have to have some sort of compassion coming into the door." Because of that, she works to incentivize employees on statistics like their QA score rather than payments received.



### Try it:

Benchmark pay against competitors, including options for remote workers.  
Revise incentives to reward the behavior that actually matters to your team.

<sup>13</sup>"Can Automation Fix Revenue Cycle Management's Staffing Problem?" Healthcare Innovation.



## Holistic thinking

But all of these leaders stress compensation *packages*. In other words, it's not only about money.

Remembering those survey results about offering employees remote or hybrid work arrangements, or the webinar comments about training improving retention, this difficult staffing moment is an opportunity to think not only about wages and paid benefits, but also about an employee's total experience at work.

And making sure employees are genuinely benefiting from their benefits is a vital managerial strategy for keeping folks around, especially if they are compensated for performance.

It's all well and good to offer vacation time, but if employees don't take it, they are more likely to burn out, especially if they are in one of those "do more with less" situations.

"It's very important that your agents are using their PTO and time off correctly. Sometimes we need to refresh and reset. It's very important that it's planned, scheduled, and they understand the importance of that when they are getting burned out. What I've noticed is a lot of times some agents that seem really burnt out, they don't use their PTO strategically. They use it for a sick day here or there, so they don't ever really get that chance to reset," said Larry from RGS Financial.



### Try it:

Analyze benefits usage and restructure plans to support popular or desired benefits.

Create a system and cultural plan to encourage staff to take PTO without sacrificing incentives.



## Option 4: Supporting your staff via your tech stack

Over the next decade, the U.S. Bureau of Labor Statistics predicts an average rate of increase for medical support staff jobs (+7%)<sup>14</sup>, but a decrease in the need for billing and financial representatives (-3%)<sup>15</sup>.

That's good news for a tight labor market. (Finally!)

The reason behind that shift? Technology finally has the power, thanks to AI, to relieve people of repetitive, rote tasks, such as those involved in coding and billing, and the rise of self-serve technology for patients to get answers and make payments.

As Shantanu Gangal, CEO of Prodigal, which provides AI-powered solutions for consumer finance teams, including RCM payment departments, explained, "Anything you are doing several times a day or that you spend several hours in a month doing is something you should figure out how you can automate."<sup>16</sup>



<sup>14</sup> "Data for Occupations Not Covered in Detail." U.S. Bureau of Labor Statistics.

<sup>15</sup> "43-3021 Billing and Posting Clerks." U.S. Bureau of Labor Statistics.

<sup>16</sup> "LLMs in ARM webinar recap." Prodigal.



# New answers for teams failed by technology

The healthcare revenue cycle is a complex process that requires multiple steps and interactions between different stakeholders. In the past, technology has helped move to streamline some of these steps, making inroads in records, coding, and automated billing, but significant complexity remains.

For example, technology has not been able to entirely automate the payments process, a problem that complex insurance and HDHPs continue to exacerbate. Medical account collection is labor-intensive, requiring manual follow-up and empathetic and clear communication with patients.



In a time where patient responsibility for healthcare costs is on the rise, effective patient financial engagement is crucial for successful RCM and medical debt collections.

Many patients are reluctant to pay their medical bills, and RCM and medical debt collection teams must manually contact patients to explain insurance and bills and discuss payment responsibilities and arrangements.

The use of outdated technology and lack of automation can further exacerbate staffing issues. Without the right tools, tasks that could be automated, such as patient eligibility verification or claim submission, become manual labor. This not only wastes valuable staff time but also increases the likelihood of errors.

In the past, payments departments heard a lot of promises about how technology would resolve all their issues, only to be stuck with faulty automated coding or transcription-dependent speech analytics tools that delivered endless false positives and negatives.

But AI and machine learning (ML) have ushered in a new era.



## Try it:

Formally evaluate your tech stack to compare promises made vs. promises kept, ROI, feature wish list, problems, and opportunities for improvement.



# Transforming RCM teams with the right tech stack

In Prodigal's webinar on employee retention, Chris from Optio highlighted the importance of technology such as speech analytics and collaboration tools, to improve agents' performance and communication.

"The tools that we have developed in the last five years drastically change the ability to be successful with mentoring and helping, encouraging."



The shift to remote work has forced us to rethink how we can use technology to stay connected, and for managers and representatives to work together effectively to support patients and deliver revenue.

AI has made real-time monitoring of agent/patient interactions possible, as opposed to older solutions that relied on post-call processing. This means agents can get the immediate support they need and managers can rely on having a similar level of insight into their team's work as they did when they had a floor to walk.

And tools that allow teams to collaborate remotely in real time also increase agent success, giving them fast access to managers and peers, and giving leaders insight into performance even from a distance.



The remote work environment has made evaluations tricky, said Zenon Butts of General Revenue Corporation in Prodigal's webinar on stopping the riskiest agent mistakes.

"Now we're 100% collector remote, so we have no choice but to make sure that everybody's compliant through tools. And we have to have facts, and we have to have data and you have to have recordings."

Whether it's remote work collaboration software that allows departments to work together even when they're apart, or generative AI-powered solutions to deliver real-time agent assistance, call audits, or automated, standardized notes, it's time to rethink your RCM team's tech stack to help alleviate staffing woes.



## Try it:

Make a wish list of needed technology to accommodate remote or outsourced work, evaluate KPIs or important metrics, and uncover training needs *before* you shop for solutions.



# New times require new thinking

What's that oft-quoted definition of insanity?  
Doing the same thing over and over and  
expecting different results?

Frantic hiring efforts haven't paid off. It's time to  
try something new.

"The answer is technology: automate everything  
you can; and we're so data-intensive in  
healthcare that there's a lot of opportunity  
there. And second is digital: allow your  
employees to focus on high-value work," said  
Paul from AccuReg.

Because AI puts us in a position to think  
differently, we can consider what responsibilities  
we entrust to our technological solutions and  
what we want to make sure is handled by  
representatives.

The Healthcare Financial Management Association's (HFMA) Richard Gundling recommends  
"broader thinking about how to use the human staff, and matching it up with AI and robotic  
processes, so that purely transactional processes like payment processes can be automated.  
Meanwhile, patients are responsible for more of their healthcare costs, so there needs to be  
more advisement, as well as time and energy devoted to collections."



## Try it:



Survey staff to uncover the repetitive tasks they'd love to see automated and the duties  
they wish they could spend more time doing. Measure KPIs to uncover opportunities to  
rescue time and reallocate resources.

# Meet the 3 AI-powered solutions that will transform your team



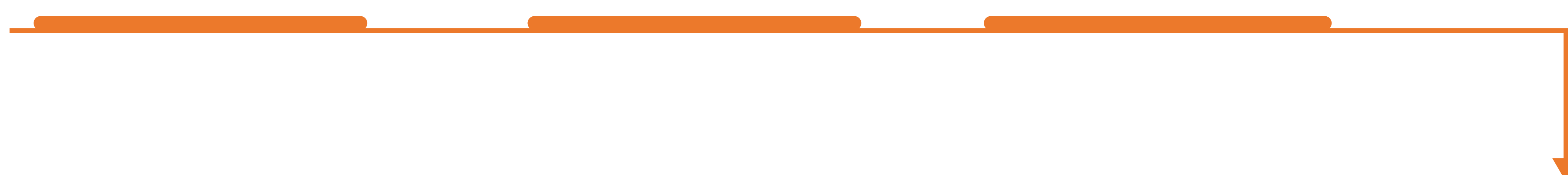
**ProInsight**



**ProAssist**



**ProNotes**



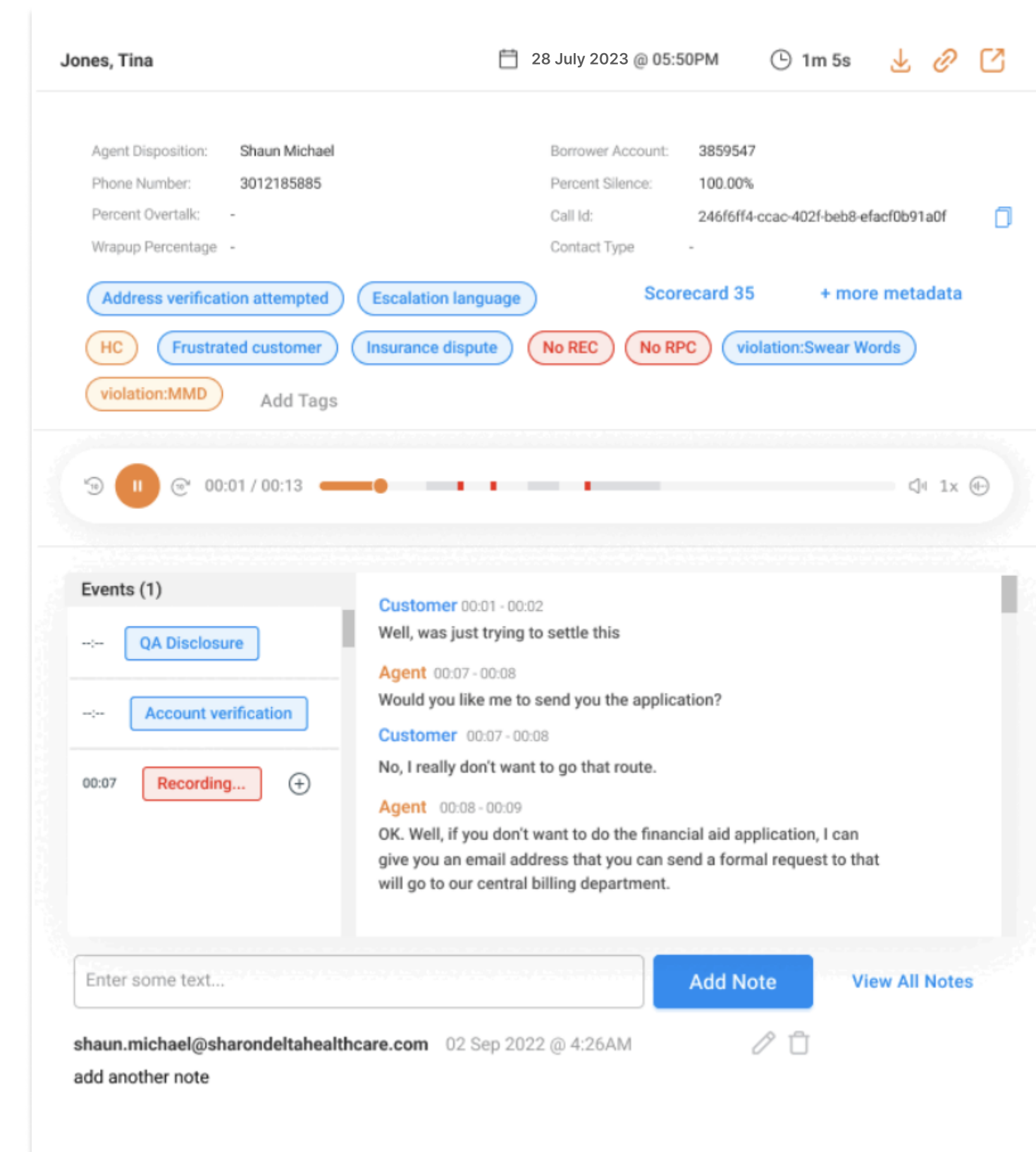




## ProInsight

# Evaluation and insight

Whether it's lightning-fast, 100% compliance and QA coverage or business insights to improve training and coaching or deliver insights to elevate business processes, AI can deliver it all. Evaluate, tag, score, and flag every single patient interaction and use that detailed information to improve your team and your business.



## ProAssist

# Real-time agent assistance

Imagine if you could coach every one of your agents through every patient financial interaction. AI trained specifically for consumer finance can do it for you - offering reminders, identifying complaints, and reducing ramp time for new agents by 50%.

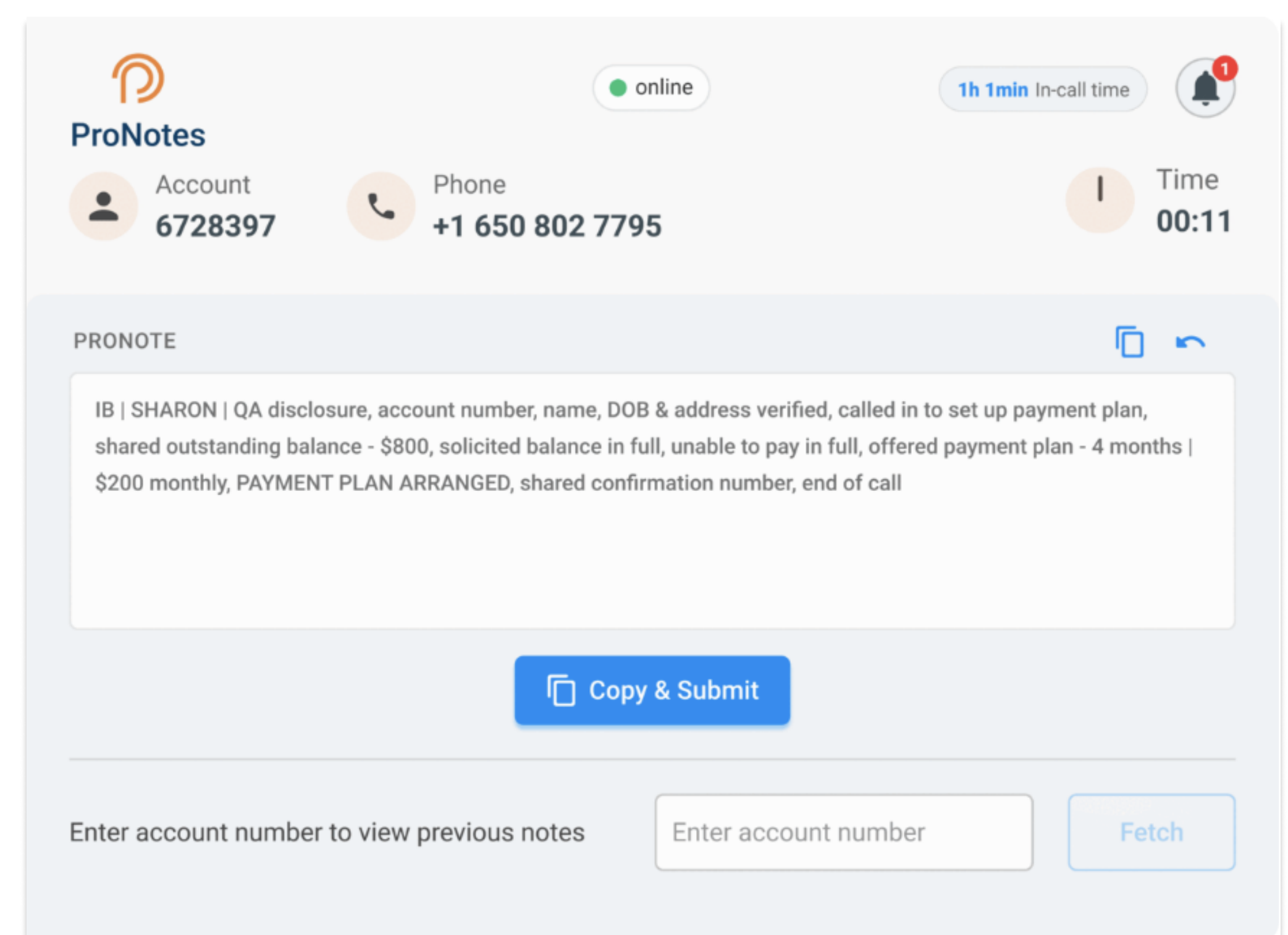


## ProNotes

# Automated notes

After-call work is a drag on employee productivity and morale, but it's vital. Handing that repetitive task over to AI eases the administrative workload for your agents and ensures transaction notes are complete, standardized, and finished in seconds.

Bonus: agents are freed up from that rote work to be able to give their energy and attention to patients.





## Summing it up

Addressing RCM's current and future staffing problems requires a multifaceted approach, including targeted recruitment, training, and technology implementation.

With these tactics, revenue cycle management teams can enhance their processes, maximize payments, and ensure financial stability in an ever-evolving landscape.



## Ideas to try

- Implementing remote or hybrid working arrangements
- Contracting with agencies with RCM experience
- Outsourcing or building teams offshore or nearshore
- Focusing on retention above hiring
- Ongoing training opportunities for agents
- Mentorship/career path guidance program
- Revised holistic compensation packages
- Cultural shifts to encourage use of benefits like PTO and rewarding on quality scores
- Re-evaluating your tech stack
- Deciding which processes can be automated
- Shifting low-value, low-reward work away from agents
- Freeing agents from repetitive work to allow them to focus on patient satisfaction
- Using generative AI to transform agents' work experience and deliver business insights





Prodigaltech.com

# Get a free personalized demo

In your customized product tour, learn how AI can maximize your RCM team's payments and revenue through improved agent productivity.

[Request a demo](#)