

# The Cost of Skipping the Fundamentals in Revenue Cycle Management



## Client: Cosmaris Health\*

- **PE-backed, tech-enabled physician organization** with national growth ambitions
- Operates a **hybrid care model** (virtual + in-person) supported by a proprietary digital platform
- **~175 clinical providers** predominantly in primary care and behavioral health

\*Note: Cosmaris Health is a pseudonym.

## Engagement:

Amid rapid growth and cash constraints, Cosmaris Health (CH) realized *something was off* within its revenue cycle. They partnered with Ancore to complete a **30-day rapid assessment** to uncover what was needed to both stabilize and modernize its revenue cycle operations.

## Key Findings:

- **Minimal investment in foundational revenue cycle infrastructure:** clinical documentation existed in proprietary platform, but critical patient, billing, and coding data didn't accurately flow between disparate systems
- **Key functionality** within practice management system **was under-leveraged**, forcing staff to hunt for their tasks
- **Chronically understaffed billing team** managed manual, fragmented workflows with **unclear roles** and no policies, procedures, or job aids
- **No strategic revenue cycle leadership** to drive accountability and performance improvement

By the end of our 30-day rapid assessment, CH **had amassed 20K unsubmitted claims** stuck in its internal pipeline **and 10K in denials** – all of which required manual intervention by an already overwhelmed billing team.

| Revenue Cycle KPIs               | CH's Performance |
|----------------------------------|------------------|
| Time of Service Collections Rate | 0% ●             |
| Charge Lag                       | 24 days ●        |
| Denial Rate                      | 15% ●            |
| Days in AR                       | 140 days ●       |
| AR % > 90 days                   | 57% ●            |
| Net Collections Rate             | 53% ●            |



Due to lack of intentional setup of its revenue cycle infrastructure, Cosmaris Health had left

**\$2.5-\$6.5 million**

on the table over the last year.

The opportunity to improve net collections from 53% to an industry best-practice 97.5% represented \$2.5–\$6.5 million in additional annual revenue. **But time wasn't on Cosmaris' side.** The backlog of unsubmitted claims and denials was growing daily, and cash flow was tightening. Cosmaris needed immediate relief—paired with a path to long-term sustainability.

To make the most of limited bandwidth, we developed a detailed roadmap spanning four workstreams—front-loading the most critical efforts in the first three months, followed by clearly sequenced milestones to guide internal teams in building a stronger, more sustainable revenue cycle foundation.

The recommended workstreams prioritized outsourcing follow-up on backlogged and denied claims to provide short-term relief, given that Cosmaris' internal team was already at capacity and hiring additional staff wasn't feasible. Additional recommendations focused on addressing the root cause of recurring issues by improving the flow of clean claims from the proprietary platform into the practice management system. While early wins could be achieved within three months by cleaning up processes and data, re-engineering the platform and data pipeline would require six to nine months of focused investment from Cosmaris' technical and operational teams.

| Workstream                    | Major Milestones                                                                                                                                                                                                                                                                                                              | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|----|-----|-----|-----|
| Clear Backlog                 | <ul style="list-style-type: none"> <li>Recode / submit all unsubmitted claims</li> <li>Source and engage third party to complete AR follow-up work</li> <li>Create decision tree to work claims</li> <li>Work all open claims, rejections, denials</li> </ul>                                                                 |    |    |    |    |    |    |    |    |    |     |     |     |
| RCM Optimization              | <ul style="list-style-type: none"> <li>Hire additional resources</li> <li>Understand full breadth of PM System features</li> <li>Perform at-the-elbow skills assessments</li> <li>Reconfigure Practice Management System</li> <li>Develop and implement policies and procedures</li> <li>Develop RCM KPI reporting</li> </ul> |    |    |    |    |    |    |    |    |    |     |     |     |
| Coding Compliance / Education | <ul style="list-style-type: none"> <li>Perform audit of third-party coding vendor</li> <li>Identify provider education opportunities</li> <li>Provide payer-specific documentation guidelines</li> <li>Design / implement compliance plan</li> </ul>                                                                          |    |    |    |    |    |    |    |    |    |     |     |     |
| Platform Fixes                | <ul style="list-style-type: none"> <li>Re-engineer proprietary platform to accommodate all relevant billing fields</li> <li>Implement hard stop for patient information completeness</li> <li>Revisit TOS collections capabilities</li> </ul>                                                                                 |    |    |    |    |    |    |    |    |    |     |     |     |

#### Priority / Effort Legend

Urgent High Medium Low



## Outcome:

With clear priorities and a phased roadmap in hand, Cosmaris gained the **visibility** needed to understand the root causes of its revenue cycle challenges. The organization now has a clear **playbook** to guide next steps, enabling leadership to focus resources, align teams, and take informed action toward **long-term financial sustainability**.