SmarterDx

Metrics that matter:

How RCM teams can assess the potential impact of an AI partner before inking a deal

Introduction

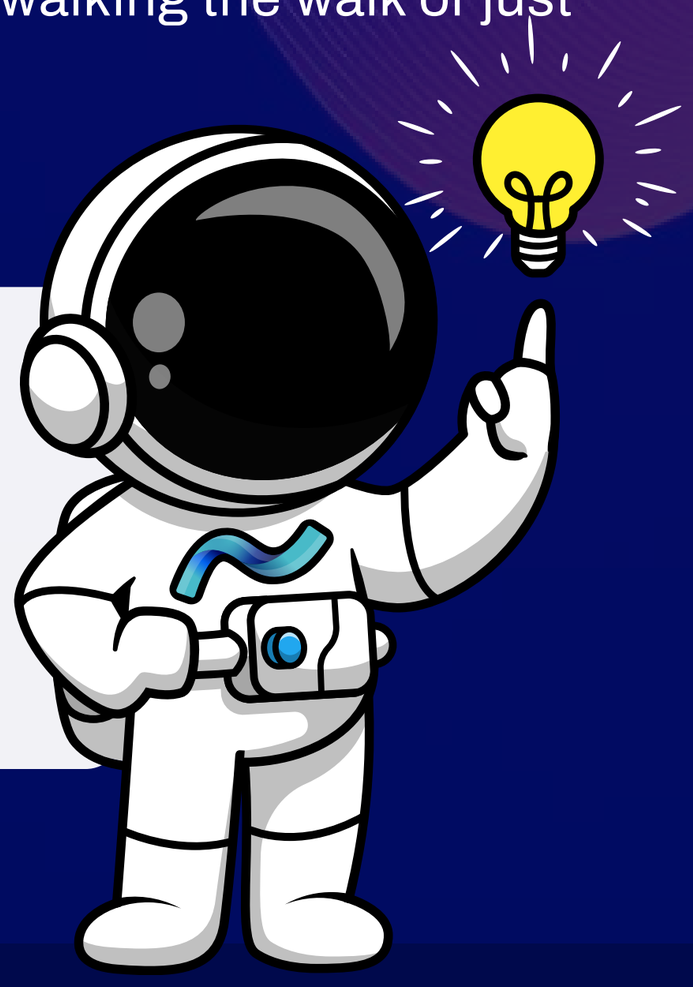
In what seems like the blink of an eye, AI is everywhere — so much so that there are often multiple solutions tailored to solve a specific problem. Want to use a virtual assistant to take meeting notes for you? The question isn't *if* there's an AI solution to meet your needs, it's *which* AI solution will best work for you.

If finding a solution for a simple task like taking meeting notes is a challenge, imagine the difficulty in selecting the best AI to meet clinical and revenue cycle needs. Just the coordination between clinical, financial, and operational requirements is enough to make one's head spin.

While we can't fix all of your AI-related problems — finding that virtual assistant is on you — **we can equip you with the knowledge you need in order to confidently identify the right AI partner for the mid-revenue cycle.**

In this guide, we'll divide and conquer by breaking down the key metrics that you should use to evaluate an AI solution into three categories — financial, operational, and quality. Within each bucket, we'll look at specific criteria to use when evaluating whether a potential partner is walking the walk or just talking the talk.

What is **clinical AI**? It's the ability of AI to assist health systems in clinical review and documentation purposes to enhance healthcare coding and compliance, improve financial outcomes, and support RCM staff.



Financial

When evaluating mid-revenue cycle AI partners, start with the numbers that matter most — like **net new revenue** and **measurable ROI**. An effective solution should do more than flag potential issues; it should drive verifiable revenue capture and recovery across the patient journey.

Metrics to measure

1 Net new revenue

Tracking net new revenue might seem like a straightforward metric to measure. Can your potential technology partner show demonstrable ROI from clients who use their solutions — yes or no? But don't let it stop there. Be sure to ask about specifics relating not only to net new revenue on an annual basis, but also inquire about average revenue impact per patient claim and impact on case mix index (CMI).

2 Recovered revenue

It might seem like *recovered revenue* and *net new revenue capture* are two sides of the same coin. After all, they both result in increased reimbursement for your health system. But in healthcare, there's a difference between revenue that you weren't getting because it fell through the cracks, and fighting for the money you're owed when claims are denied. Make sure your AI partner knows the difference (and ideally, can help you get reimbursed on both fronts).

3 Accuracy & attribution

While we're on the topic of revenue, it can be tempting to buy in to a new tech vendor who promises to find you more money. Use caution here, as it's all too easy to let the potential money cloud your judgment. Don't be afraid to ask for attribution — down to the case level.

After all, billing confusion and issues with insurance companies are two of the top headaches for hospitals[1] when it comes to reimbursements.

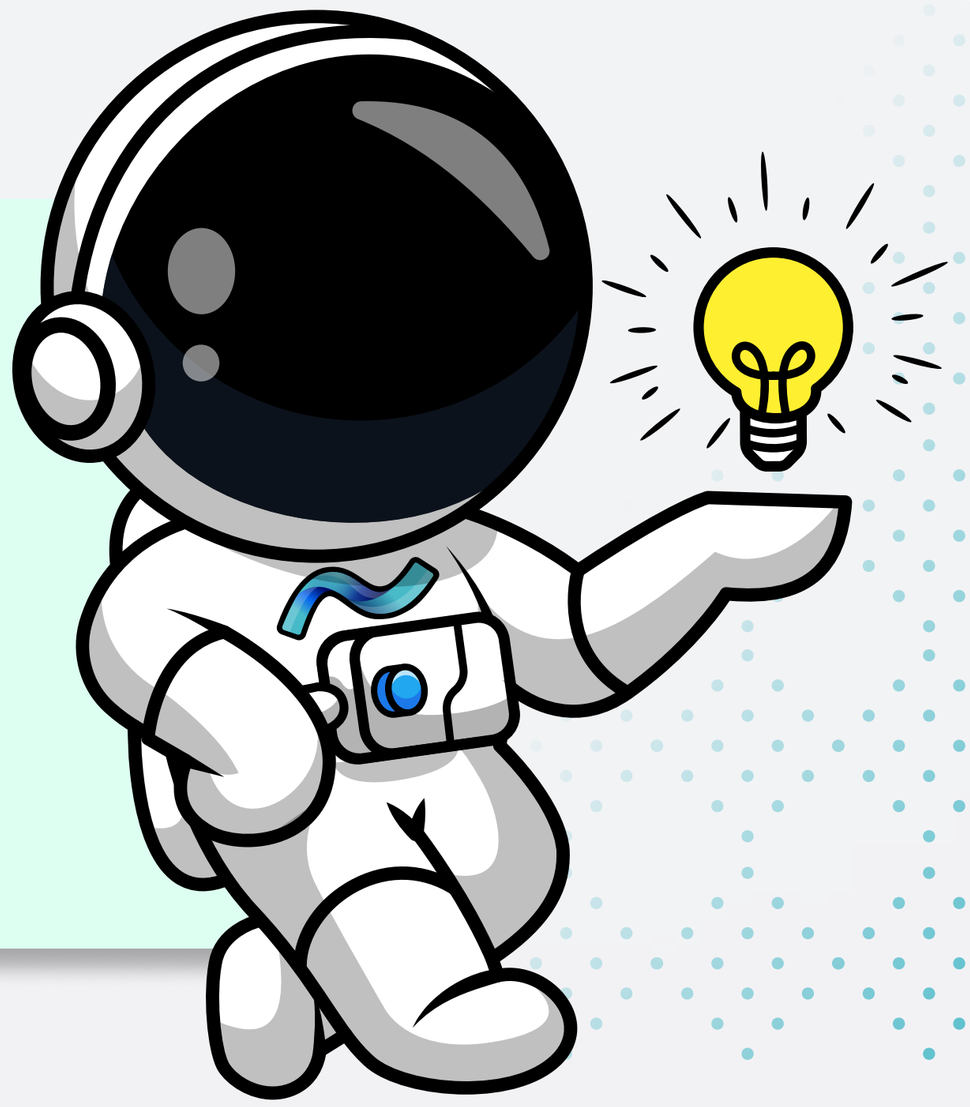
If you're not sure how the dollars match up on a patient-case level, you may be dealing with a vendor who is overpromising and underdelivering. AI vendors shouldn't offer you a black box, but a full audit trail that can help you and your team improve upstream.

Three key financial questions to ask potential partners

- ☑ How do you validate your ROI?
- ☑ Can you show us some real-world examples of clients who have met or exceeded your ROI estimates?
- ☑ What ongoing financial insights do you provide clients with post-implementation?

Key takeaway:

A clinical AI partner should make it easy for finance and revenue cycle leaders to make data-driven decisions grounded in transparency and measurable financial impact — not guesswork.



Operational

The **best clinical AI solution functions as a partner**. Think of it as a force multiplier for your teams — if a potential partner starts explaining how their platform eases the burden of administrative tasks for clinicians and clinical documentation integrity (CDI) professionals so they can focus on working at the top of their licenses…they're talking about AI the right way.

Metrics to measure

1 Documentation that works for your whole team

When it comes to clinical documentation, the EHR was built for billing and coding purposes, not for clinicians. But oftentimes team members on both sides of the chart — providers and back-office leaders alike — feel the frustration when it comes to clinical documentation. When vetting an AI partner, make sure their solution is one that works across departments. If it's working as intended, clinicians should get fewer queries and CDI teams spend less time on administrative tasks.

2 Teams that work at the top of their licenses

Oftentimes, we talk about the idea of ensuring that RCM and clinical teams are working at the top of their licenses. But that's not just good for employee morale — it means that you're getting the most out of your investment in your greatest cost: labor. With 60% of RCM leaders reporting staffing issues[2] as a major challenge they're facing, protecting the team you do have is paramount. Don't waste your team's time or your dollars by having them spend time on tedious tasks that advanced clinical AI could complete in a matter of seconds.

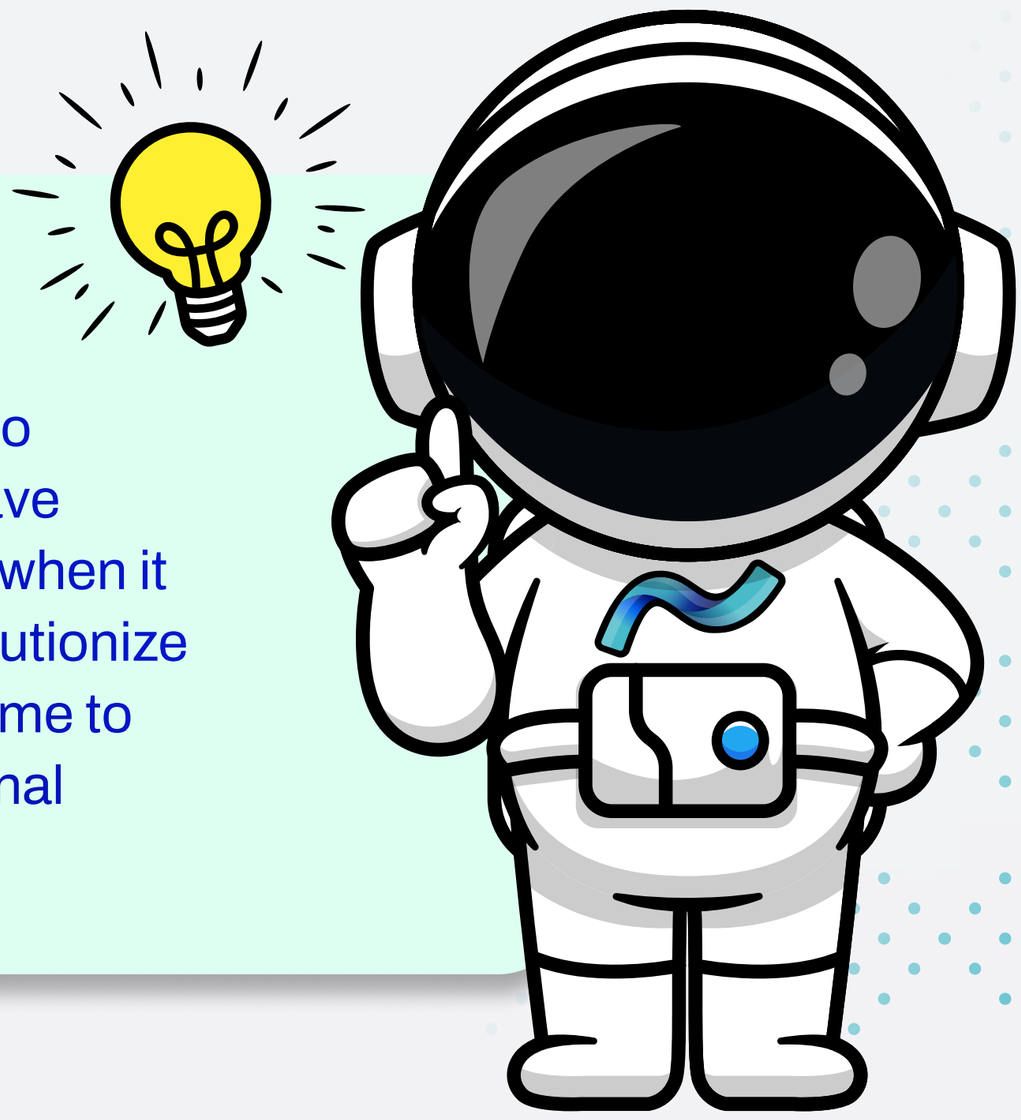
3 Denying the denials

Don’t let denials get in the way of your health system’s financial success. When it comes to denied claims, many RCM teams operate defensively. Case in point — much of their time is spent chasing down the nearly 15%[3] of denied claims after they’ve gone through the payers 6-8 week long reimbursement cycle.

And since payers were among the first to explore how AI tools could help them process claims submissions, purpose-built clinical AI systems can help health systems approach claims denials more proactively. These systems also help counteract the fact that denials are growing in volume[2] and putting unneeded strain on appeals teams — a win on multiple fronts.

Three key operational questions to ask potential partners

- ☑ Does this solution improve efficiency without introducing new workflow friction?
- ☑ If we want to start small, how do you support eventual scalability?
- ☑ What types of continual improvement do you offer, and how does updating the system work?



Key takeaway:

The right clinical AI partner needs to understand that health systems have already heard incredible promises when it comes to technology that will revolutionize their workflows. Make sure they come to the conversation with key operational metrics in mind.

Quality

Quality outcomes depend on **accurate data**. AI should enhance — not replace — the clinical insight required to capture the true complexity of care delivered to every patient.

The most powerful combination? Humans plus technology, or human-in-the-loop solutions, where clinical AI the ability to analyze every data point in a patient's chart within seconds, and CDI experts provide the nuanced clinical reasoning to check the computer's work.

Metrics to measure

1 Completeness of patient representation

Ask potential partners to clearly show how the metrics they are capturing align with the clinical picture. Hierarchical Condition Categories (HCCs), diagnosis-related groups (DRGs), and Elixhauser comorbidities should be clearly traceable to specific details documented within the patient chart.

2 Impact on downstream quality measures

When AI tools are built with clinicians in mind, it means they help ensure that the entire patient story is represented in the chart. By capturing the full spectrum of a patient's conditions — including comorbidities, relative severity, and risk factors — clinically based AI has both direct and downstream impacts on quality metrics. When surveyed, 31% of RCM leaders said[2] that they were excited about about how AI can help coding and compliance needs.

HIM is drowning in complexity

2007	2025
13,000 diagnostic codes	**78,260** diagnostic codes
3,000 procedure codes	**78,948** procedure codes
CMS: **10** quality measures	CMS: **100+** quality measures

3 Accuracy and attribution

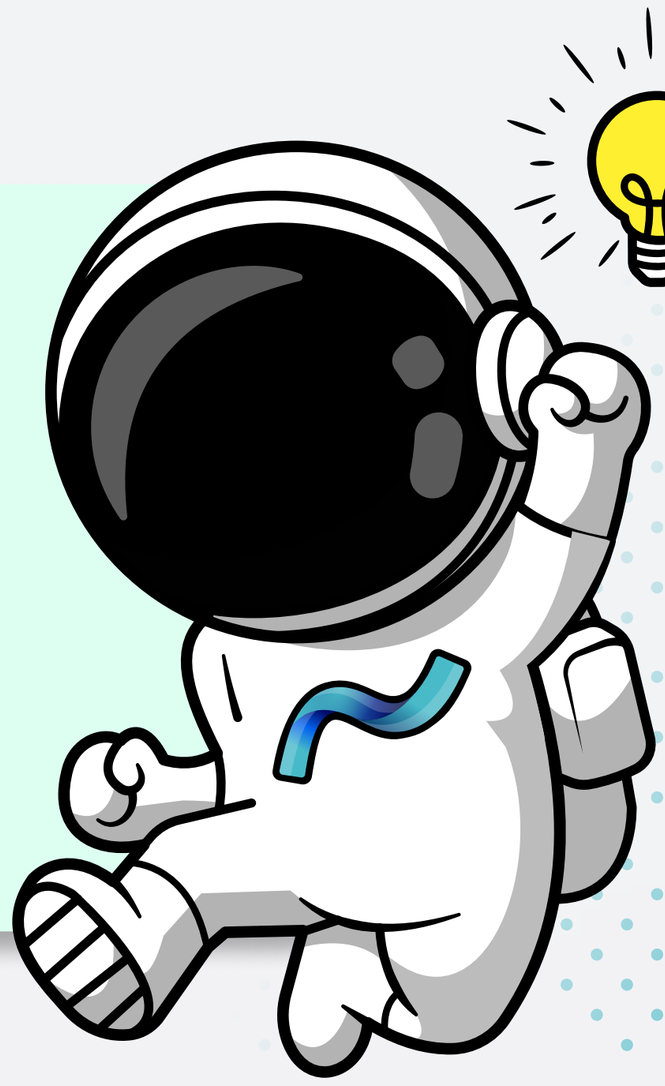
Accuracy of information and the ability to attribute each piece of a patient's story to a specific spot in their chart are foundational parts of credible quality reporting. When looking at an AI partner, be sure to understand how their tool is purpose-built with health systems in mind. When AI systems precisely capture every diagnosis, comorbidity, and intervention — and clearly attribute each data point to the patient encounter where it occurred — the resulting quality measures truly reflect the care delivered.

Three key quality questions to ask potential partners

- How do you ensure conditions and diagnoses accurately reflect the complexity of care?
- How does your AI impact downstream quality metrics in a measurable way?
- Are your suggestions attributable to the specific parts of the patient record from which they came?

Key takeaway:

Providing quality care is key to any health system's mandate — but as patient care becomes more complex, having a clinical AI partner that can parse the entire patient chart is critical to ensuring successful quality reporting.



Conclusion

In an age of AI everywhere, all the time, finding the right solution is tough — especially in healthcare. But rigorously evaluating potential solutions is the first step when it comes to figuring out the best fit solution for your health system's needs.

Even though that task is challenging in and of itself, it's a more manageable one. First, start by assessing the big picture — what are the financial, operational, and quality needs of your institution, and which one is of highest priority? Next, don't be afraid to get the answers you need. Our tips above can help guide you through that process. Finally, don't forget to download our bonus "cheat sheet" of the questions you saw at the end of each chapter. Keep it handy and use it as a reference as you meet with potential vendors — and find the one that ticks all the boxes.

Learn more about AI that's built for healthcare:
smarterdx.com

Footnotes

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AI vendor checklist

We hope you enjoyed the insights in our guide, ***Metrics that matter:*** *How RCM teams can assess the potential of AI partners before inking a deal*.

Here's your handy cheat sheet of questions from each chapter — financial, operational, and quality. Print it out or save to your desktop to keep it nearby, ensuring you'll be as prepared as possible whenever you evaluate a new AI vendor.

Three key financial questions to ask potential partners

- [ ] How do you validate your ROI?
- [ ] Can you show us some real-world examples of clients who have met or exceeded your ROI estimates?
- [ ] What ongoing financial insights do you provide clients with post-implementation?

Three key operational questions to ask potential partners

- [ ] Does this solution improve efficiency without introducing new workflow friction?
- [ ] If we want to start small, how do you support eventual scalability?
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- [ ] Are your suggestions attributable to the specific parts of the patient record from which they came?

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