



WHITE PAPER

Maintaining Your Practice Autonomy:

4 Ways to Increase Profitability and Reduce Administrative Burden



Introduction

Maintaining the autonomy of your medical practice comes with numerous benefits, including retaining full control of your business direction, leading a positive office culture, and building meaningful, lasting patient relationships, just to name a few.

However, staying independent also comes with sizable administrative and financial burdens. Physician-owned practices must not only oversee EHR management, billing and claims submission, staffing, and office infrastructure, but bear the full weight of these activities' costs as well. It's become increasingly challenging to maintain adequate margins.

In Medical Economics' 2024 Physician Report, 35% of doctors said their practice's financial condition worsened year over year.¹ Lower reimbursement rates, rising overhead costs, and a growing administrative burden were key contributors.

To remain independent in this challenging climate, practices must simplify complex, manual administrative tasks and improve profitability. This white paper reveals four strategies to simplify administrative duties and combat revenue loss to secure your practice autonomy in the increasingly competitive healthcare landscape.

4 Strategies to Increase Profitability and Reduce Your Administrative Burden

1. Simplify claims management

The process of creating, submitting, and tracking claims is one of the most burdensome activities associated with running an independent practice. An inefficient system not only consumes staffing resources, but also contributes to revenue leakage through claims denials and stalled cash flow.

Streamlining claims processing pays double dividends, reducing the labor hours required to manage claims and enhancing your ability to capture more accurate reimbursements – and the best way to streamline claims is with an automated claims management solution.

[Claims management software](#) puts your team in control of your revenue cycle. It allows you to incorporate critical front-end tasks like eligibility verification and coverage discovery into the claims submission process, which speeds up workflows and helps offset some of the most common causes of denials by making sure patient information is accurate at every step.

On the back-end, claims corrections tools and denials tracking helps staff turn mistakes into captured revenue by providing guidance on errors. This makes it easy to address ERAs and resubmit denials, keeping your revenue cycle moving.

Automated solutions can also help independent practices keep up with ever-changing payer rules. Insurance companies are constantly updating their submission requirements, and it can be hard for billing teams to ensure that claims are following the latest rules. It's almost impossible to do manually.

Claims management software ensures you're up to date on the latest requirements, so your team doesn't have to worry about payer changes. Instead, you can trust that claims are being submitted in accordance with payer requirements with automated processes that update rules for you and meet any specific rules you set for your billers within the software.

Plus, there are significant cost savings of using claims management software. According to the most recent CAQH Index, which tracks the process of digital adoption across the healthcare industry, providers and the broader healthcare system stand to save \$20 billion by expanding the use of electronic and automated administrative processes to reduce waste and improve efficiency.² When it comes to claims management, the bottom line is that automation benefits your bottom line.



Providers stand to save
a collective
\$20 billion
by better leveraging
technology to handle
administrative transactions.²

2. Utilize a truly integrated system

Fragmented workflows are disruptive and time-consuming, causing healthcare providers to lose up to 70 minutes per patient visit to manual tasks like phone calls, faxes, and redundant data entry.² Add that up across all your claims, or over the course of a week, and the wasted time quickly becomes a major drag on productivity and cash flow.

Fortunately, integrated workflows can solve this problem.

While many clearinghouses claim to be integrated, most systems fail to deliver a seamless experience. A truly integrated solution offers a single sign-on – one working environment to create, submit, and track both government and commercial claims. No more bouncing between payer portals or calling in to check on the status of a claim.

An all-in-one approach eliminates the need to switch between different systems. Instead, it empowers staff to work more efficiently by simplifying claims management and consolidating all the key steps in to one software.



Bonus:

An integrated system is also easier to train new staff on, and it's easier to maintain from a cost management perspective – it's better to invest in one comprehensive system than to juggle the costs of many disjointed solutions.



3. Leverage real-time RCM insights

While improving claims management and introducing software integration are helpful tactics to simplify workflows, improve efficiency, and reduce unnecessary costs – these steps are only the beginning. To fully optimize your front- and back-end RCM success, you need real-time analytics that deliver detailed visibility to your revenue cycle.



Improve performance visibility

End-to-end [revenue cycle analytics](#) give you access to actionable intelligence based on your unique revenue cycle. This solution takes the guesswork out of identifying your revenue cycle's weak spots. It finds common mistakes, the most frequent reasons for denials, and other challenges that can be costing you. It also provides an overview of claims performance, realized and expected cash flow, and performance on key metrics such as first-pass yield.

Additionally, payer-specific scorecards allow you to monitor payer activity in real time to see where certain insurers are causing revenue roadblocks. By drilling down within the data, you can assess how long specific insurers take to pay and their most common reasons for denials, subsequently pinpointing payer-specific rule changes that will accelerate reimbursements.

Plus, comprehensive revenue cycle visibility is one of the most effective tools for facilitating productive conversations with payers. The right data puts you in a stronger position to negotiate, which can result in more favorable contracts and, in turn, higher reimbursements.



Enhance staff efficiency and reduce denials

The next component of RCM optimization is your staff. Biller-specific performance scorecards highlight how effective your team is at processing claims and help find opportunities for workflow improvements or the need for additional training.

For example, you may have one biller who frequently submits claims that end up denied, or your billing team could have a denials problem as a whole – which is hard to address without the right data. And it's not a small issue: 40% of physicians and specialty providers say that claims denials are their top challenge³, underscoring the need for greater visibility into where denials are happening and why.

Data helps close the knowledge gap. RCM analytics put denial insights at your fingertips, making it fast and easy to see where denials are coming from and how they're affecting your revenue. Denial scorecards show your claims data by payer, biller, or even at the claim level so you can pinpoint the root cause of denials within your workflows and quickly take corrective measures to improve claims accuracy.

Plus, a lower volume of denials means less labor is required to correct errors, payments arrive faster, and fewer reimbursement dollars are left on the table.

4. Select a dependable RCM partner

Though your objective is to maintain your autonomy, you don't have to go it alone. The right RCM partner can equip you with technology, expertise, and assistance that will aid you in your mission to remove administrative hassles and maximize profitability.

Inovalon offers best-in-class customer service with white-glove enrollment, dedicated account management, and rapid custom edit turnarounds. Our direct connection to Medicare, Medicaid, and commercial payers reduce service disruptions that slow down reimbursements, while support from our denial management experts helps you improve first-pass yield with ease.

Inovalon's front-end RCM solutions, claims management software, and RCM analytics empower providers to simplify workflows and proactively address the revenue loss that puts independent practices at risk. On average, users achieve a 98% or better first-pass payer acceptance⁴ and 21% increase in cash flow⁵.

Explore our [Provider Solution](#) offerings or [schedule a consultation](#) with an RCM specialist to discover how your practice can benefit from the support of cloud-based, data-driven solutions.



1. 2024 Physician Report: Physician finances under pressure, income breakdown, Becker's Physician Leadership, December 29, 2025, <https://www.beckersphysicianleadership.com/compensation/physician-finances-under-pressure-income-breakdown>
2. "New CAQH Index Reveals \$20B Savings Opportunity to Cut Waste, Reduce Costs, and Improve Patient Access," CAQH Index Report, February 11, 2025, <https://www.caqh.org/blog/new-caqh-index-reveals-20b-savings-opportunity-to-cut-waste-reduce-costs-and-improve-patient-access>
3. "Claims Denials: Causes, Impact, and AI-Enabled Prevention Strategies," Inovalon, October 2024, <https://www.inovalon.com/resource/claims-denials-causes-impact-and-ai-enabled-prevention-strategies/>
4. Inovalon internal reporting, Claims Management Pro, January 2026
5. Inovalon internal reporting, RCM Intelligence, May 2025. Average of customer results.

About us

inovalon is a leading provider of data and solutions empowering data-driven healthcare. The Inovalon ONE® Platform brings together national-scale connectivity, real-time primary source data access, and advanced analytics into a sophisticated cloud-based platform empowering improved outcomes and economics across the healthcare ecosystem. The company's analytics and capabilities are used by nearly 50,000 active, licensed customers.

For more information, visit www.inovalon.com.inovalon

4321 Collington Road
Bowie, MD 20716
(301) 809-4000

www.inovalon.com