

# Claim Denials Prevention: Strategies from 400+ RCM Leaders

What 400+ revenue cycle management (RCM) leaders say about today's biggest financial challenge

Healthcare organizations face rising denial rates, shrinking reimbursements, and increasing payer complexity. To understand what's driving claim denials and how organizations are strengthening claim denials prevention, Inovalon surveyed more than 400 revenue cycle leaders across acute, ambulatory, and post-acute care.

## The Scale of the Problem

Claim denials outrank every other revenue cycle challenge



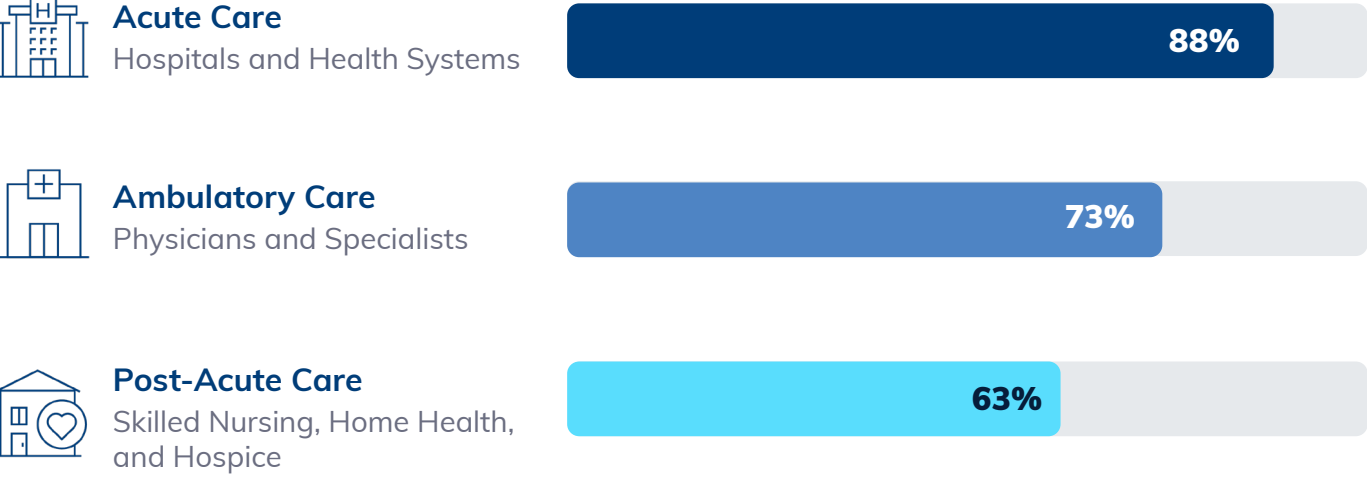
Preventing denials is just as important as managing them. No other revenue cycle issue received as many "top challenge" ratings in Inovalon's survey, highlighting how widespread the problem has become.

As reimbursements shrink and operating costs rise, revenue preservation has become just as critical as revenue growth. For many organizations, claim denials have shifted from a back-end billing issue to a broader financial challenge.

“Payer claim denials have increased significantly, and it takes more staff time to file reconsiderations and appeals.”

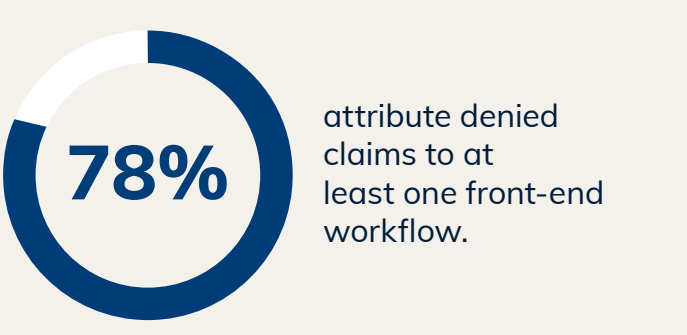
“Staff spends countless hours refiling claims, researching and submitting additional information, etc.”

## Claim denials as a significant challenge by care setting



Leaders rating claim denials as a significant challenge, by care setting

## Root Causes



The three leading contributors to claim denials all occur before a claim is ever submitted, reinforcing that stronger front-end workflows are the foundation of successful claim denials prevention. More than half (**58%**) identified front-end workflow breakdowns as the leading cause of denials.

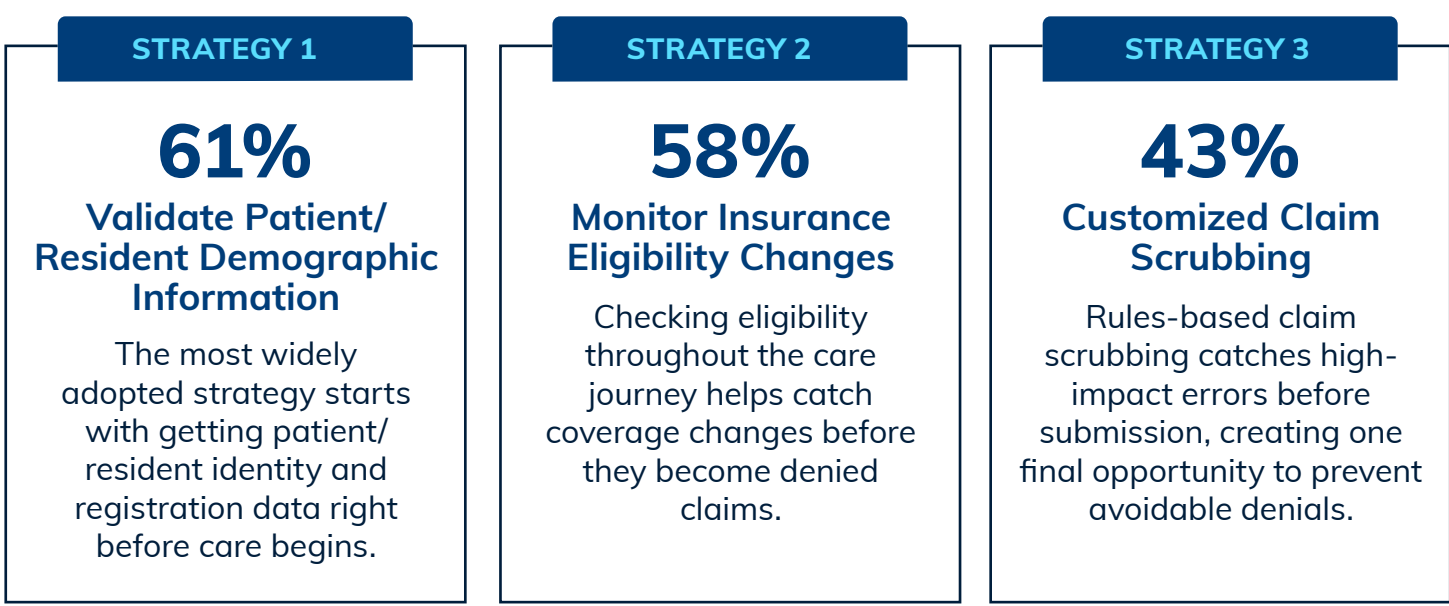


“Denials especially for coverage lost or change in insurance. We’ve hired an external company to assist with appeals.”

## Claim Denials Prevention Strategies

What organizations are doing to stop denials before they happen

Across all care settings, organizations are strengthening claim denials prevention by improving front-end workflows. The most common strategies focus on validating patient or resident information and monitoring insurance eligibility before claims are submitted.



“[Complete] insurance verification prior to visit, ensure authorization is not needed, and make sure demographics are correct.”

“Claim denials due to the patient switching insurance during care. To mitigate the risk, we check eligibility every month.”

“Taking extra time and using additional staff to confirm coverage.”

## The Road Ahead

### AI is the next frontier in claim denial prevention

Revenue cycle leaders ranked claim denials prevention and management more often than any other revenue cycle workflow as AI's biggest opportunity.

“The process of denial management remains very manually intensive. We must find ways to automate that.”

Healthcare organizations are looking to AI to help:

- 1 Enhance claim scrubbing to catch errors before submission
- 2 Predict which claims are most likely to be denied
- 3 Assist with appeal letters and supporting documentation
- 4 Track denial trends and surface root-cause analytics in real time

## Get the Full Research Report

See how more than 400 revenue cycle leaders are approaching claim denials prevention, with care-setting comparisons, front-end workflow strategies, and AI insights to help reduce preventable denials.

[Read White Paper](#)