**27ᵗʰ Annual Revenue Cycle and Finance Conference**
**Building Beyond: Leading the Future of Revenue & Finance**

# FROM CHAOS TO CLARITY:
## UNLOCKING VALUE THROUGH
## A CENTRALIZED AUTHORIZATION MODEL

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# AGENDA

Session Overview
> The challenge: fragmented, inefficient prior authorization processes
> The opportunity: centralization as a lever for financial and operational transformation

What we'll cover today:
> The case for centralization
> EHR tools that drive efficiency
> Governance, staffing, and sustainability
> Real-world results and lessons learned

*How would you rate the maturity of your organization's prior authorization process?*

- Decentralized and inconsistent
- Partially centralized
- Fully centralized and standardized

# THE AUTHORIZATION LANDSCAPE

| Scheduling | Insurance Verification | Authorization | Clinical Coordination | Billing |
|---|---|---|---|---|

| Who schedules?
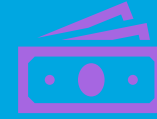
Enough lead time? | Who enters and verifies insurance? | Who processes?

Keep up with payer policies? | Sufficient clinical notes?

Timely P2Ps? | Clean claims?

Denial and appeal process? |

# COMMON STUMBLING BLOCKS

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| | | | |
|---|---|---|---|
| Multiple departments, varied workflows, and manual handoffs | Short lead time between scheduling and date of service | Long payer turnaround times | Lack of clinical info to support service |
| Preventable denials and write-offs | Payer rules and regulations | Registration accuracy | Patient Engagement |

# THEMES OF A SUCCESSFUL CENTRALIZED AUTH MODEL

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| | | | | | |
|---|---|---|---|---|---|
| Centralization enables predictable throughput | Ensures high quality and productivity standards | Clear and consistent direction from leadership | AI incorporated and the ability to leverage robotic process automation | Standardized workflows and technology reduce manual friction | Greater ability to analyze operational impact of denial avoidability |

| Key Benefits | |
|---|---|
| Clear ownership and accountability | Career ladder for staff |
| Streamlined communication | Bridged gaps by nurse involvement |
| Consistent performance metrics | Proactive payer approach |
| Enhanced patient experience | Decreased administrative burden |

# Common Partnerships

*What is your biggest pain point in your current authorization process?*

- Missing clinical documentation
- Short lead times from scheduling to service
- Insurance eligibility issues
- Payer rules and regulations
- Others?

# WHERE TO START?

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*Items to ponder in advance!*

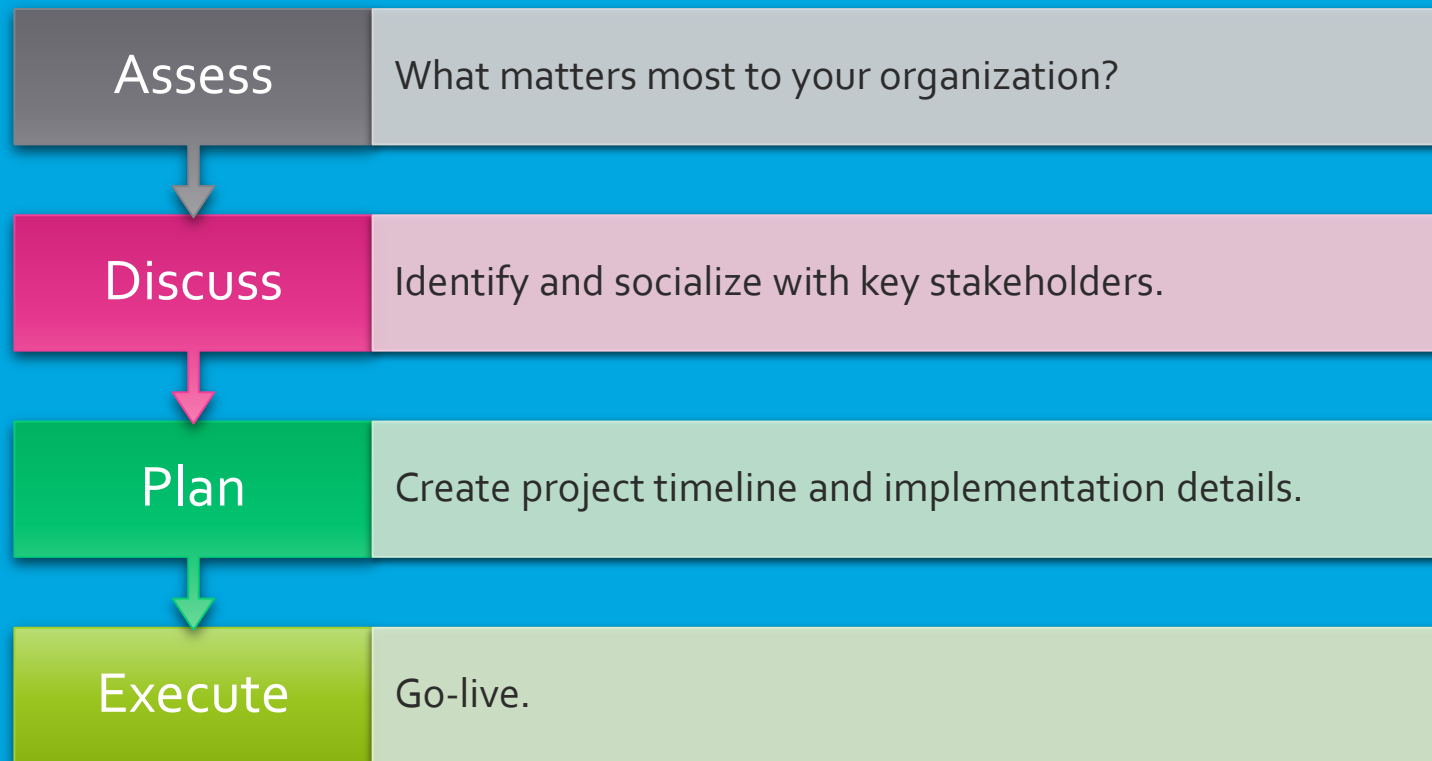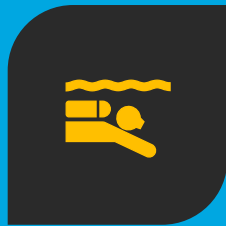| | | | | |
|---|---|---|---|---|
| Who to involve? | Marriage of physician and financial leaders, and their goals | Communicate early and often – consistency of message and progress is key | How to prep/decide if centralization is right for you/your org? | Technology enablement – is your org able to support the initiative? |
| Key service line integration for high cost areas – surgery, infusion, interventional radiology, cardiology | Identify highest areas of no auth denials and write-offs and root cause | Prep work in advance – make your case…with data | Resource Review – staff analysis, FTE re-allocation | E-newsletters – how to keep with denial prevention strategies? |

# THE APPROACH

| | |
|---|---|
| **Assess** | What matters most to your organization? |
| **Discuss** | Identify and socialize with key stakeholders. |
| **Plan** | Create project timeline and implementation details. |
| **Execute** | Go-live. |

# TIPS FOR SUCCESS

LEVERAGE AND GROW YOUR PROFESSIONAL NETWORK

DIVE INTO THE CLINICAL WORLD – UNDERSTAND PROVIDER BEHAVIOR

BECOME AN EHR SUBJECT MATTER EXPERT – KNOW YOUR SOFTWARE CAPABILITIES INSIDE AND OUT
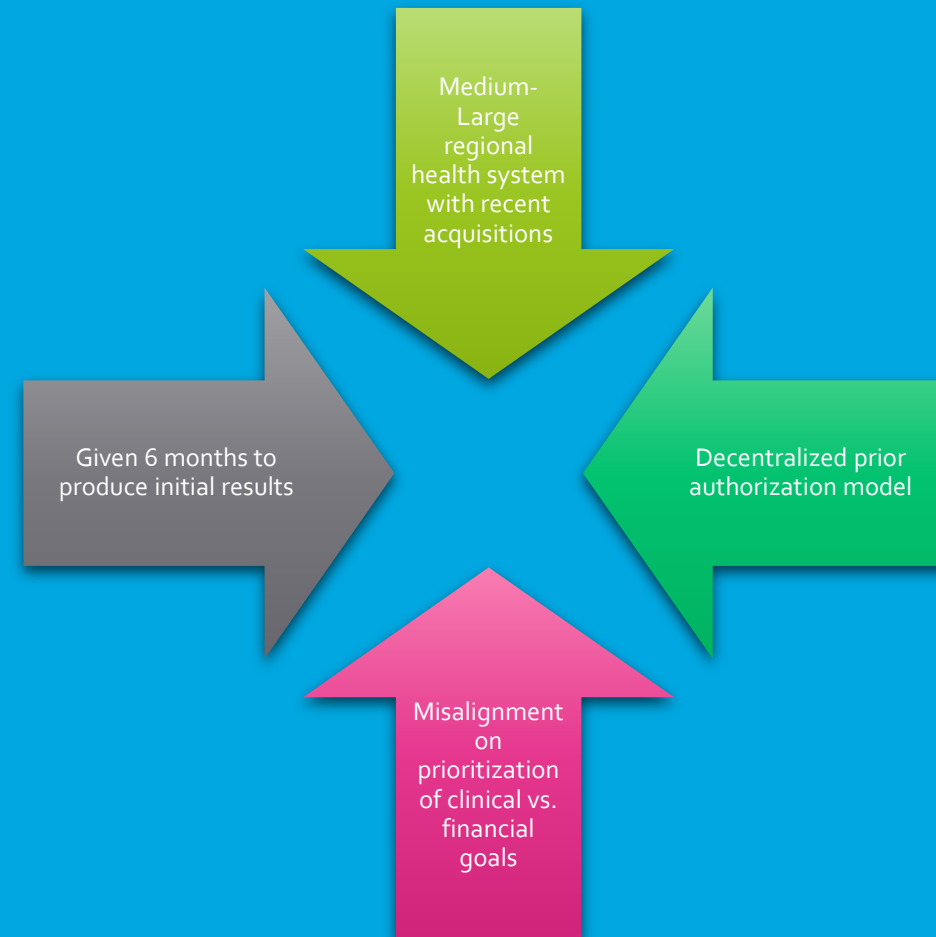
PRODUCTIVITY AND QUALITY MEASUREMENT - TRACK KEY KPIS TO KNOW WHERE YOU STARTED AND WHERE YOU NEED TO GO

DEVELOP AND SURROUND YOURSELF WITH A STRONG TEAM

# CASE STUDY – EXAMPLE HEALTH SYSTEM

Medium-Large regional health system with recent acquisitions

Decentralized prior authorization model

Given 6 months to produce initial results

Misalignment on prioritization of clinical vs. financial goals

# GOALS

Case Study

**1** Reduce average prior auth turnaround time from 10+ days to 3 days

**2** Decrease prior auth related denials by 15%
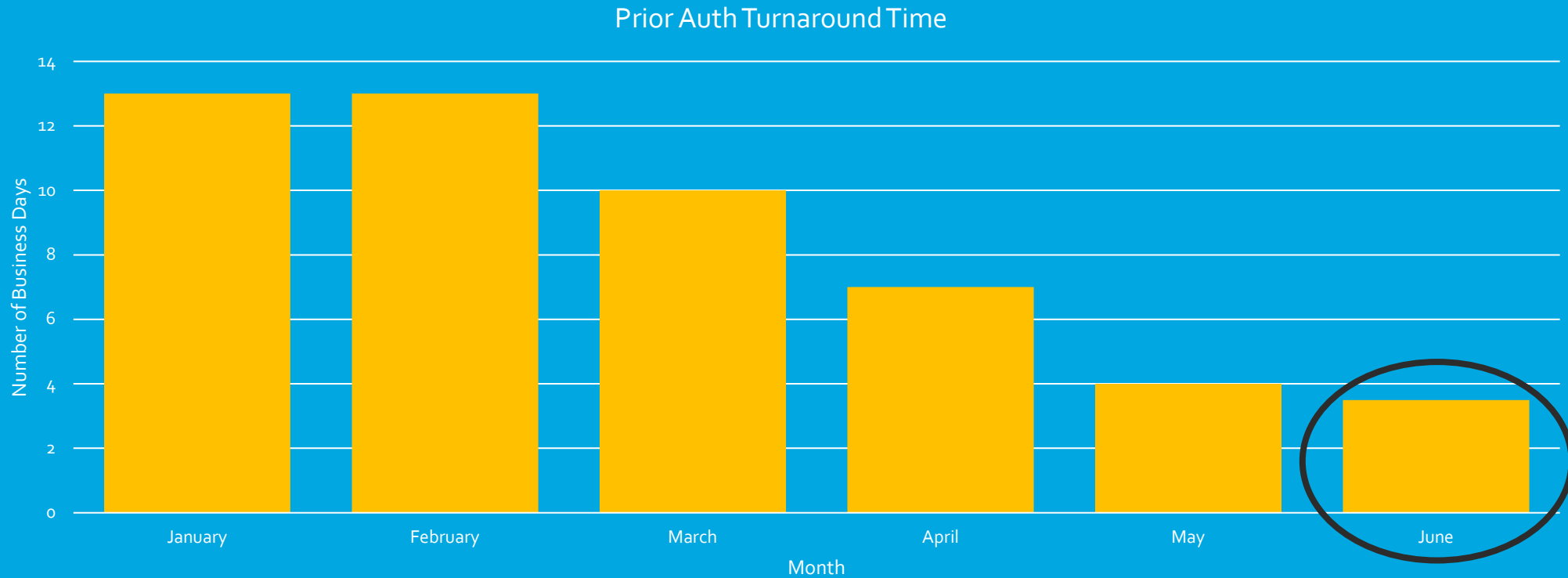
**3** Improve surgical procedure scheduling throughput by 10%

# SURGICAL SCHEDULING THROUGHPUT KPI

## (GOAL IS TO IMPROVE THROUGHPUT BY 10%)

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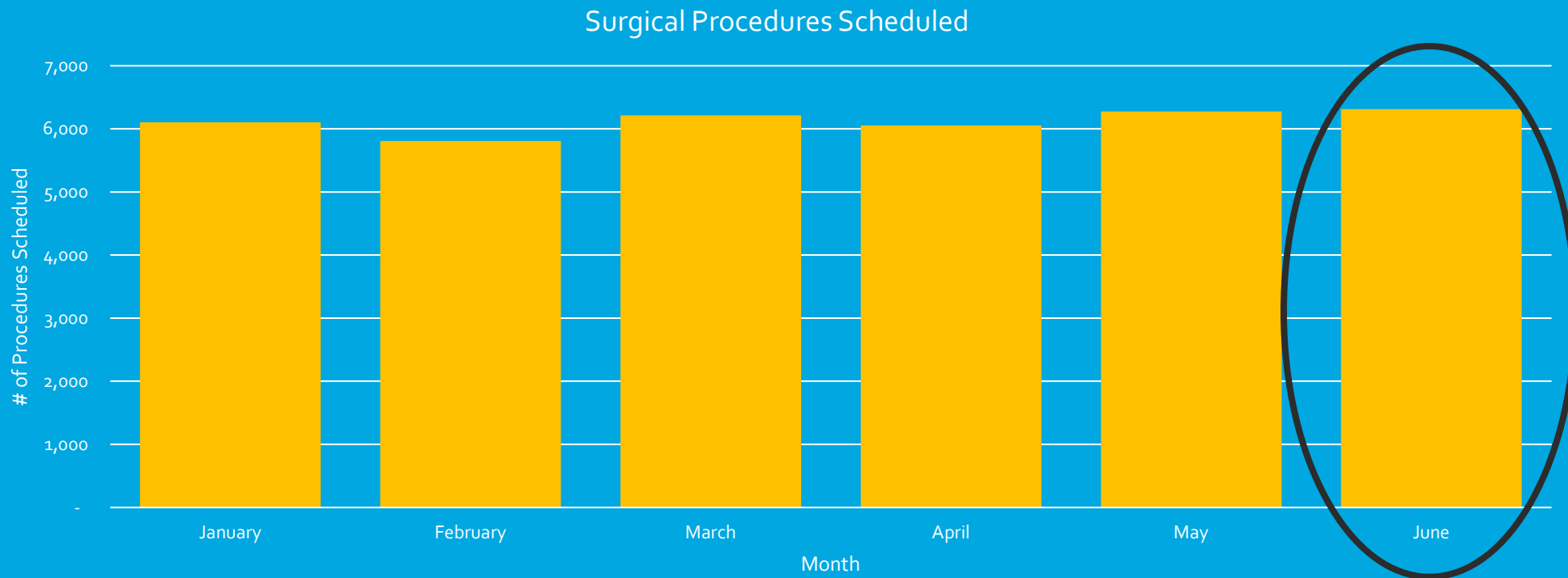massachusetts-rhode island chapter

Case Study



Surgical Procedures Scheduled

Goal = not met
* External dependencies at play

# OPERATIONAL AND FINANCIAL BENEFITS

Connecting Authorization Efficiency to the Bottom Line

A centralized model converts prior authorizations from a fragmented, high-variance cost center into a controlled, measurable revenue protection and cost optimization function.

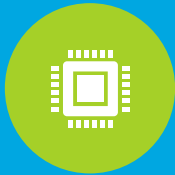## Health systems that centralize authorizations typically see:

| Net revenue lift on impacted services | Reduction in avoidable denials | Labor cost efficiency gains | Faster cash acceleration |

# LEVERAGING EHRS FOR AUTHORIZATION EXCELLENCE

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Streamline routing logic with standardized WQs, worklists, or other work drivers

Performance dashboards for accountability

Eligibility tools embedded within the EHR to support auth requirement checks

Payer rules and questionnaire engine

AI and automation

Data interoperability

Reporting and analytics for transparency

# PARTNERSHIP WITH IT



Understand technology enablement in your system. Leverage out-of-the-box functionality and new tools as your EHR releases more automated workflows.
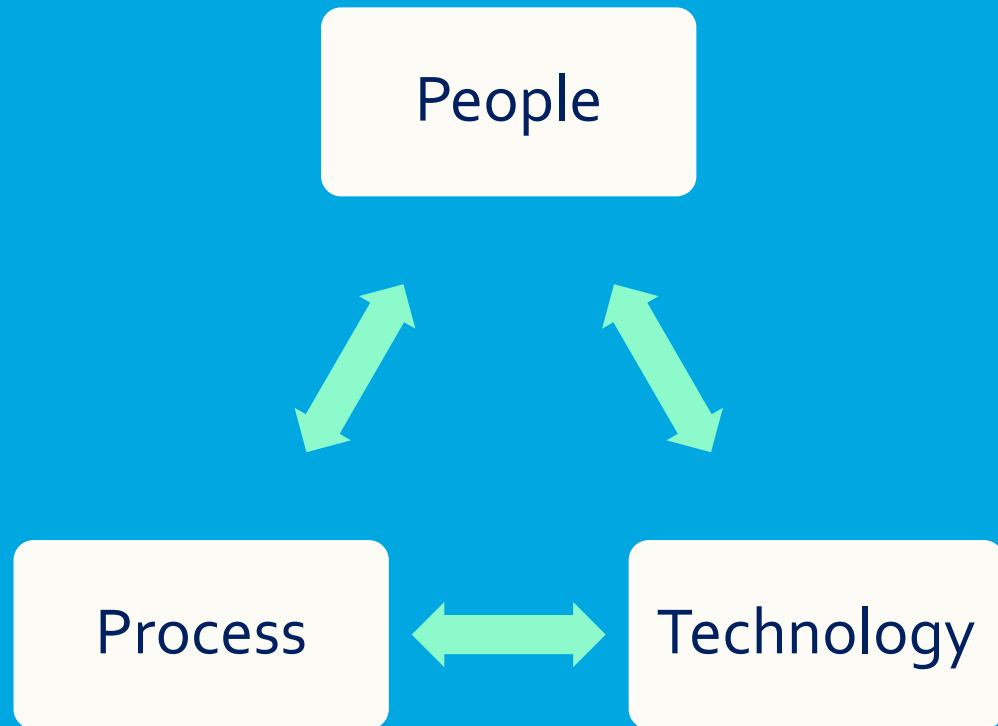
Be in-the-know for upgrades and releases. Be sure to communicate consistently with your software technical support team.

Ensure prioritization alignment and that IT has the dedicated resources to support the initiative.

# GOVERNANCE, POLICY, AND PEOPLE

People

Process

Technology

- Identify and partner with a physician champion

- Define clear governance and escalation paths

- Standardize policies across sites and service lines

- Align staffing roles (Schedulers, Auth Specialists, Financial Counselors)

# STRATEGIES THAT DRIVE SUSTAINABLE PERFORMANCE

Create an Authorization Governance Council that ties in to a Denials Governance Council

Develop unified and standard authorization policies

Build tiered staffing models by complexity and service line

Define performance KPIs: turnaround time, denials, productivity per FTE

# CHANGE MANAGEMENT MATTERS

- Address tenured staff resistance early

- Engage frontline users in workflow design

- Communicate wins and progress

- Train for skill-building, not just system usage

# Common Pitfalls ⚠️

1. Underestimating cultural resistance
2. Lack of data transparency
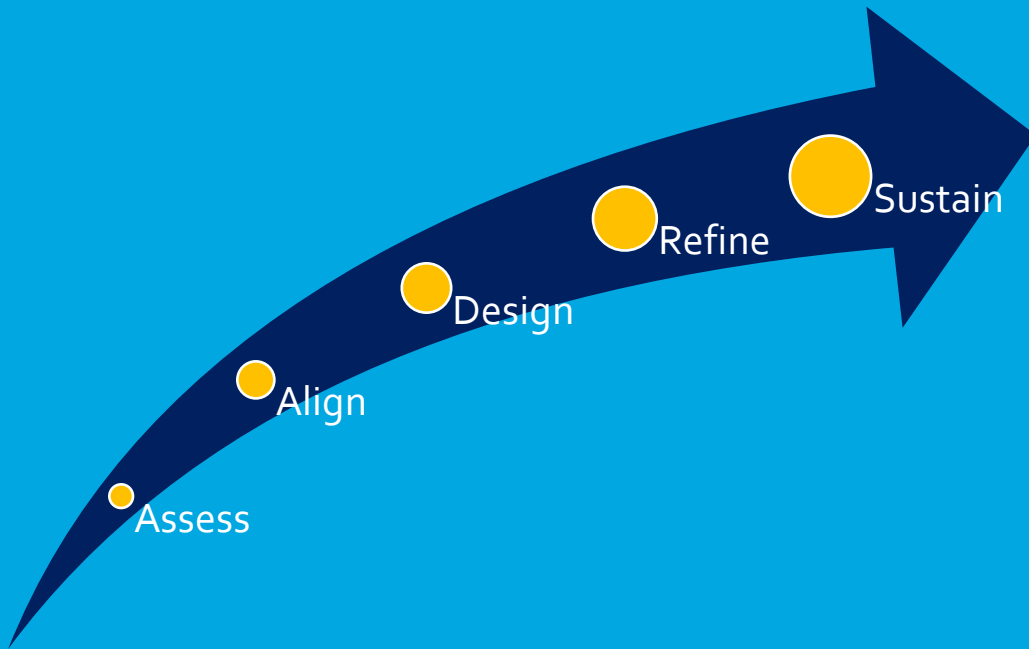3. Technology implemented without operational readiness

# Lessons Learned 📖

1. Centralization requires culture change
2. Leadership alignment is critical
3. Early wins build long-term momentum

# Measuring Outcomes 📏

1. Understand which KPIs are important to your organization
2. Consistent measurement and report out of progress

# ROADMAP TO CENTRALIZATION

Sustain

Refine

Design

Align

Assess

- Assess Current State
- Align leadership and define goals
- Design centralized model
- Optimize EHR tools
- Develop governance and policies
- Pilot and refine
- Scale and sustain

# "FROM CHAOS TO CLARITY" MEANS...

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authorization  cobra  eligibility
infusion
scheduling  challenge
cpt  diagnostic test
referral  EHR
urgent
patient
portal  elective
frustration
med nec
documentation  payer
in network  surgery
diagnosis
provider  out of network
password

- Aligning **people, process,** and **technology**

- Embedding **accountability** and **visibility**

- Delivering **measurable financial and operational results**

Authorization centralization isn't a technology project – it's an organizational transformation.

# Questions?

# THANK YOU!

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# APPENDIX

# OPERATIONAL BENEFITS --> FINANCIAL OUTCOMES

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## Standardization & Scale

- Operational Improvement
  - Single workflow, single intake, consistent documentation
  - **Central payer rules repository and authorization playbooks**
  - Reduced variation across sites, departments, and specialties
- Financial Impact
  - Fewer technical and medical necessity denials
  - Lower rework and appeal costs
  - **Reduced write-offs from missed or expired authorizations**
- Key KPIs*
  - Authorization completeness rate
  - Missing/invalid auth denials
  - Appeal overturn rate

## Labor Productivity & Cost Efficiency

- Operational Improvement
  - **Task specialization (payer teams vs service-line generalists)**
  - Volume smoothing and workload balancing
  - Reduced duplicate work across clinics and hospitals
- Financial Impact
  - Lower cost per authorization
  - Reduced FTE growth despite volume increases
  - **Ability to redeploy labor to higher-value revenue cycle work**
- Key KPIs*
  - Authorizations per FTE per day
  - Cost per authorization
  - Overtime utilization

* Important to measure current state (decentralized) and bump up against ideal state(centralized) to track success

# OPERATIONAL BENEFITS --> FINANCIAL OUTCOMES

## Throughput, Access, and Case Capture

- Operational Improvement
  - Faster auth turnaround times
  - Earlier identification of barriers
  - **Proactive escalation before scheduled service**
- Financial Impact
  - Reduced procedure cancellations
  - Increased surgical and diagnostic case capture
  - **Improved capacity utilization (ORs, imaging, infusion)**
- Key KPIs*
  - Auth turnaround time (routine)
  - Day-of-service cancellations (auth related)
  - Scheduled case leakage

## Cash Acceleration and AR Performance

- Operational Improvement
  - Fewer post-service denials
  - **Cleaner claims on first submission**
  - Reduced time spent in denial follow-up
- Financial Impact
  - **Faster cash realization**
  - Lower AR days
  - Improved predictability of revenue
- Key KPIs*
  - DNFB related to auth issues
  - AR days (auth-related services)
  - Denial recovery lag

* Important to measure current state (decentralized) and bump up against ideal state(centralized) to track success