Task-2(Goal-3)

Revenue Cycle Management (RCM) Basics

RCM helps healthcare providers track patient services from the first appointment to final payment. It ensures steady cash flow and reduces claim-related issues.

1. Claim Submission

When a patient receives treatment, the provider submits a claim to the insurance company for payment.

1. The treatment details are recorded and assigned proper medical codes.
2. The claim is reviewed for errors before submission.
3. The insurance company evaluates the claim and either approves or denies it.

2. Claim Reconciliation

Once the insurance company pays, the provider must verify that the payment is correct. This process prevents revenue loss.

1. The provider checks if the payment matches the expected amount.
2. Any missing or incorrect payments are identified and followed up.

3. Claim Denials

Claims can be rejected due to errors, missing information, or policy issues. Handling denials properly ensures providers receive the correct payments.

1. Common reasons for denial include incorrect patient details, missing prior authorization, expired insurance, or duplicate claims.
2. Providers must review the denial, correct errors, and resubmit them to avoid revenue loss.

Why does RCM matter?

A well-managed RCM system helps healthcare providers maintain financial stability. It ensures timely and accurate payments while reducing claim rejections and denials.