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Think you know how revenue cycle management works? **Think again.**

Revenue Cycle Myths

That Could Be Costing Your Health System Millions

Despite its critical role in shaping financial performance and patient experience, revenue cycle management (RCM) remains shrouded in myths. These misconceptions limit innovation and cost hospitals millions in lost revenue each year.

This document debunks 10 persistent myths and reveals the realities behind modern revenue cycle strategy.

By Sid Mehta, Chief Growth Officer, Access Healthcare

Myth #1:

RCM is Only About Billing and Collections

The Reality:

RCM is an End-to-End Strategy That Can Shape Financial Health

RCM starts long before a bill is ever generated. It is an end-to-end strategy that begins before a patient even walks through your door. More than **50 percent of providers cite data inaccuracies at registration as the primary cause of denials.** Recent data also shows **22 percent of patients experience care delays due to insurance verification issues.**

RCM isn't simply about getting paid. It's an end-to-end strategy where every patient touchpoint is a chance to optimize cash flow and minimize denials.

Myth #2:

AI Will Replace RCM Staffing Teams

The Reality:

AI Empowers People, Not Replaces Them. It Makes Skilled Staff Indispensable.

Smart RCM organizations use AI to automate repetitive tasks, uncover insights, and flag issues before they become costly problems. This frees up skilled professionals to focus on what truly matters: **solving complex challenges, engaging with patients, and driving financial results.**

AI is a powerful ally to identify high-risk claims before submission and flag coding errors in real time. But human judgment is still needed to navigate clinical complexity, regulatory shifts and payer quirks—areas where experienced RCM professionals shine.

RCM Outsourcing Means Losing Control Over Financial Performance

Myth #3:

The Reality:

The Right RCM Partner Gives You More Control— Not Less

Many healthcare leaders fear losing visibility to their financial performance. The reality is the right partner increases control through real-time dashboards, performance metrics, and embedded workflows. Additionally, outcome-based contracts should tie vendor performance directly to net collections, denial rates and turnaround time.

Outsourcing RCM isn't about letting go of control but **leveling up in consistency and measurable outcomes.**

RCM are Challenged by Language, Culture, and Time Zones

Myth #4:

The Reality:

Offshore RCM Teams are Highly Skilled, Culturally Attuned, and Operate 24/7

Today's offshore teams spend months being rigorously trained in U.S. healthcare protocols, speak fluent English, and align their hours to your operations—bringing 24/7 value without sacrificing quality. Offshoring your RCM doesn't mean lower quality. It means extended capability with greater capability and capacity.

Myth #5:

All Offshore Vendors Are the Same

The Reality:

Offshore RCM Vendors Vary Widely in Quality, Specialization, and Results

Treating offshore vendors as interchangeable is a mistake that can cost hospitals millions. Some specialize in transactional tasks like claims entry or payment posting, while others bring strategic capabilities like denial prevention, complex A/R resolution, and analytics-driven decision-making.

Top-tier RCM partners will invest **in long-term client growth through outcome-based contracts, dedicated account manager, up-to-date HIPAA compliance, and continuous process improvement.**

Myth #6:

You Can't Outsource Coding Without Risk

The Reality:

Outsourced Coding Can Be Accurate, Compliant, and Risk Managed

Certified coding partners often outperform internal teams in both accuracy and compliance with many maintaining accuracy rates above 95 percent. When paired with transparent reporting and continuous improvement, outsourced coding is a force multiplier, especially when in-house teams are stretched thin or bottlenecked.

Myth #7: Automation Only Works for Large Systems

The Reality: Providers of All Sizes Benefit From Automation

Providers of all sizes benefit from automation. Even modest investments in robotic process automation (RPA), predictive analytics, and claim scrubbing can shrink claim cycle times, lower operational costs, and enhance patient billing experiences. A recent study found that automating rule-based tasks like patient registration, claim edits, and denial flagging **reduces administrative burdens, minimizes errors, accelerates reimbursements, and improves collections for smaller and mid-sized practices too.**

Myth #8: Offshore Teams Lack Education and Training

The Reality: Most Offshore Teams are Highly Trained and Credentialed in U.S. Healthcare

Today's offshore workforce features certified professionals who receive rigorous, specialized training in US healthcare systems, coding standards, and compliance protocols. Many team members hold respected credentials from organizations like AAPC and AHIMA, and they regularly update their expertise on ICD-10, CPT, and HCPCS standards. **Offshore teams consistently achieve exceptional accuracy and fast turnaround times.**

Myth #9:

Offshore is too Risky for Protected Health Information (PHI)

The Reality: Most PHI is Permissible Under HIPAA and Can Be Secured at U.S. Standards

HIPAA permits offshore handling with proper safeguards. The key is partnering with firms that meet U.S. security standards, maintain BAAs, and perform regular audits. Offshore partners often hold HITRUST or SOC 2 certifications, employ two-factor authentication, industry-standard encryption at rest and in transit, and perform routine third-party audits, matching or exceeding U.S. onshore security practices. Becker's Hospital Review recently confirmed that blended domestic-offshore coding models can **improve accuracy, speed, security, and cost without sacrificing compliance.**

Myth #10:

Offshore Support Means Staff Reductions

The Reality: Strategic Outsourcing Can Stabilize Internal Teams and Reduce Burnout

RCM outsourcing helps **mitigate staffing shortages, reduce training burdens, and maintain consistent operations without exacerbating burnout.** Offshore models also allow organizations to quickly scale support during volume spikes, new service launches, or seasonal demands without added hiring or layoffs. This flexible capacity helps maintain stability amid growth and keeps internal staff from being stretched thin.

These 10 myths distort how many healthcare leaders think about RCM. But when replaced with facts, they pave the way for smarter decisions, greater efficiency, and measurable improvement. Outsourcing isn't about cutting corners or losing control. It is about finding the right partners, building scalable and secure workflows, and freeing your internal teams to focus where they add the most value. When done with a strong RCM partner, outsourcing is a strategic advantage.

Sid Mehta is Chief Growth Officer at Access Healthcare, where he leads the company's new business initiatives, drives market expansion, and oversees client onboarding and long-term engagement success.

Want to dig deeper?

For detailed examples, stats, and real-world takeaways, check out Part 1 and Part 2 of our Myths vs. Reality blog series:

Part 1

Part 2

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