REVENUE CYCLE INSIGHT LAB
Practical insights for better revenue cycle performance.

REVENUE LEAK QUICK AUDIT

12 Questions to Identify Hidden Revenue Cycle Friction in 15 Minutes

LOOK BENEATH THE KPI.

A revenue cycle can look healthy on the surface while unnecessary work, preventable rework, and revenue leakage continue underneath the headline metrics.

This quick audit gives healthcare leaders a structured way to identify where those problems may be hiding - and where to investigate first.

Designed for	Revenue cycle leaders, healthcare executives, practice leaders, finance leaders, and operators.
Time	Approximately 10-15 minutes.
Approach	Directional diagnostic, not a universal benchmark.

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How to Use the Audit

For each question, select the description that most closely reflects your current operation. Do not overthink the score. The objective is not to produce a perfect number; it is to identify where to investigate first.

GREEN - 0	The process is generally controlled, visible, and sustainable.
WATCH - 1	The process works, but there are inconsistencies, manual dependencies, or limited visibility.
INVESTIGATE - 2	The process regularly creates rework, delays, revenue risk, or dependence on manual intervention.

1. Front-End Revenue Integrity

1. How consistently is eligibility verified before services are delivered?

[ ] GREEN - 0	Eligibility is verified reliably before service, with exceptions clearly identified and managed.
[ ] WATCH - 1	Eligibility is usually verified, but staff still correct coverage problems manually or discover issues after service.
[ ] INVESTIGATE - 2	Eligibility problems frequently reach billing, create claim corrections, or contribute to denials and patient-balance problems.

2. How often are registration or demographic errors discovered after the claim has entered the revenue cycle?

[ ] GREEN - 0	Errors are uncommon and upstream controls catch most issues before billing.
[ ] WATCH - 1	Errors occur often enough to require recurring manual correction.
[ ] INVESTIGATE - 2	Registration or demographic issues are a meaningful source of claim edits, rejections, denials, or rebilling.

3. Can you clearly identify which authorization or referral failures are creating downstream revenue risk?

[ ] GREEN - 0	Authorization and referral requirements are visible, tracked, and connected to downstream outcomes.
[ ] WATCH - 1	The organization tracks authorization activity, but root causes and financial impact are not consistently understood.
[ ] INVESTIGATE - 2	Missing or incorrect authorizations are regularly discovered after service or after claims are submitted.

4. When eligibility, authorization, or registration problems occur repeatedly, is the underlying workflow redesigned?

[ ] GREEN - 0	Recurring problems trigger root-cause analysis and upstream process improvement.
[ ] WATCH - 1	Problems are tracked, but fixes often rely on reminders, training, or additional staff effort.
[ ] INVESTIGATE - 2	The organization repeatedly corrects the same downstream problems without eliminating their upstream cause.

2. Claim Production & Submission

5. What does your clean claim rate actually measure?

[ ] GREEN - 0	The organization has a clearly defined methodology and understands what is - and is not - counted as a clean claim.
[ ] WATCH - 1	The metric is reported consistently, but leaders cannot easily explain how pre-submission edits, corrected claims, clearinghouse rejections, or manual intervention affect it.
[ ] INVESTIGATE - 2	A clean claim percentage is reported, but there is little clarity around how the metric is calculated.

6. How much work occurs before a claim becomes "clean"?

[ ] GREEN - 0	Most claims move through the workflow with minimal manual intervention.
[ ] WATCH - 1	A meaningful portion of claims require staff review, edits, corrections, or workqueue intervention before submission.
[ ] INVESTIGATE - 2	Strong clean-claim performance depends heavily on employees manually fixing claims before they leave the organization.

7. Do you know which claim edits occur most frequently - and why?

[ ] GREEN - 0	High-volume edits are monitored, root causes are understood, and recurring issues are systematically reduced.
[ ] WATCH - 1	Edit volumes are available, but recurring edits remain part of the normal workflow.
[ ] INVESTIGATE - 2	Staff routinely work the same edits without a structured effort to eliminate their source.

8. Is time to bill measured alongside clean claim performance?

[ ] GREEN - 0	Leaders can see both claim quality and how quickly services move from documentation to submission.
[ ] WATCH - 1	Both are measured, but delays are not consistently segmented by provider, payer, service line, location, or root cause.
[ ] INVESTIGATE - 2	Clean claim rate receives significant attention while claim holds, unbilled inventory, or time to bill receive much less visibility.

3. Downstream Performance & Sustainability

9. Can your denial reporting identify preventable root causes - not just denial categories?

[ ] GREEN - 0	Denials are connected to actionable root causes and ownership for improvement.
[ ] WATCH - 1	Denials are categorized and trended, but root-cause analysis varies by team or payer.
[ ] INVESTIGATE - 2	Reporting primarily tells the organization what was denied rather than why the process allowed it to happen.

10. Are recurring payer issues distinguished from internal process failures?

[ ] GREEN - 0	The organization can separate payer behavior, contract issues, system problems, and internal workflow failures.
[ ] WATCH - 1	Teams generally know the difference, but the distinction is not consistently visible in reporting.
[ ] INVESTIGATE - 2	Payer issues and internal operational problems are frequently mixed together, making ownership and escalation difficult.

11. Do strong aggregate KPIs hide underperforming segments?

[ ] GREEN - 0	Major KPIs can be segmented by payer, provider, service line, procedure, location, or other meaningful dimensions.
[ ] WATCH - 1	Segmentation exists, but leaders primarily manage from enterprise-level averages.
[ ] INVESTIGATE - 2	Headline performance looks healthy, but the organization cannot easily identify where poor performance is concentrated.

12. What would happen if one of your most experienced revenue cycle employees disappeared for 30 days?

[ ] GREEN - 0	Processes are documented, standardized, visible, and transferable across the team.
[ ] WATCH - 1	Performance would decline in certain areas because experienced staff hold important operational knowledge.
[ ] INVESTIGATE - 2	Specific KPIs, queues, payer workflows, or processes depend heavily on one or a few employees knowing what to fix, check, escalate, or work around.

Your Score

Add your points across all 12 questions. Use the total as a directional signal, then look at where your points are concentrated.

0-6 GREEN

Your operation appears to have relatively strong visibility and process control. The next opportunity may be smaller areas of unnecessary work, hidden variation, or opportunities for simplification and automation. Pay particular attention to any individual question where you scored 2 points.

7-13 WATCH

Performance may be acceptable while manual work, recurring corrections, or limited visibility are creating friction underneath the metrics. Look at where your points cluster: front end, claim production, or downstream performance.

14-24 INVESTIGATE

Your results suggest meaningful process debt may be present. Identify the two or three highest-friction areas, quantify the operational and financial impact, and investigate root causes before adding staff or technology.

The Most Important Part of the Audit

Your total score is only a signal. Before moving on, answer these three questions:

1. Which question received the highest score and creates the greatest financial or operational risk?

2. Which recurring problem consumes the most staff time today?

3. Which metric would deteriorate fastest if one key employee were unavailable for 30 days?

What to Do Next

A useful revenue cycle assessment should move beyond whether a KPI is simply "good" or "bad." Use your results to investigate the work required to produce the number, the source of recurring rework, the processes that depend on employee expertise, and the areas where aggregate metrics may be hiding variation.

- What work is required to produce the number?
- Where does rework originate?
- Which problems repeat every week or every month?
- Which processes depend on employee expertise rather than system design?
- Where are aggregate metrics hiding variation?
- Which manual interventions could be eliminated instead of automated?

> **The objective is not simply to improve a metric.**
> It is to build a revenue cycle that can produce strong performance with less unnecessary work.

About Revenue Cycle Insight Lab(TM)



Revenue Cycle Insight Lab(TM) provides practical perspectives, frameworks, and tools for healthcare leaders working to improve revenue cycle operations, analytics, technology, AI, automation, and performance.

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Note: This tool is intended as a practical management framework, not a validated benchmarking instrument. Interpret results in the context of your organization, payer mix, service lines, technology, staffing model, and operating environment.