



Case Study

Optimizing Revenue Cycle Management for a Cardiology Practice

EXECUTIVE SUMMARY

A high-volume cardiology group in California partnered with SunKnowledge Inc. to overcome critical revenue cycle challenges, including rising denial rates, out-of-area (OOA) claim rejections, and delays in reimbursement. The practice faced complex payer requirements—such as Division of Financial Responsibility (DOFR) checks and IPA routing—which led to denied claims even when prior authorizations were secured. To address these issues, SunKnowledge introduced comprehensive benefit verification protocols, trained staff on payer-specific nuances, and implemented fast-track authorization workflows. Additional measures included real-time analytics for denial tracking, improved clinical documentation practices, and upfront communication of patient financial responsibilities. As a result, denial rates dropped by 75%, A/R days fell from 125 to 55, and net collections rose by 41%. Appointment cancellations decreased by 78%, and scheduling volume increased by 11%. These improvements not only stabilized cash flow and reduced write-offs but also enabled the practice to enhance operational efficiency and patient experience – leading to the onboarding of a new full-time team member to support continued growth.

IMPROVEMENTS AT A GLANCE

75%

Reduction in Denial Rate

56%

Reduction in A/R Days

11%

Increase in Scheduling Volume

41%

Increase in Net Collection Rate

CHALLENGES

The practice reported multiple pain points across their RCM workflow:

- ❶ High denial rates for services such as nuclear stress tests and echocardiograms
- ❷ Appointment cancellations due to failure to notify patients of their financial responsibility
- ❸ Delayed reimbursement from lack of prior authorizations
- ❹ Coding inconsistencies due to poor documentation practices
- ❺ Limited visibility into financial KPIs and aged A/R

ANALYSIS AND APPROACH

We implemented a multi-tiered strategy to address each issue through targeted operational interventions:

- ❶ **Prior Authorization Optimization:** Integrated a fast-track review and submission system using payer portals and fax, ensuring timely approvals.
- ❷ **Patient Responsibility Notification:** Introduced upfront estimates for patient financial liability, reducing appointment cancellations due to unexpected out-of-pocket costs.
- ❸ **Clinical Documentation Improvement (CDI):** Trained associates to review provider medical notes for CPT and ICD-10 accuracy, enhancing the quality of coding and compliance.
- ❹ **Analytics Dashboard:** Deployed real-time dashboards to monitor denials, A/R aging, clean claim rates, and collection metrics.
- ❺ **Denial Resolution Strategy:** Identified root causes of denials such as coding mismatches, modifier errors, and out-of-area exclusions under DOFR policies. Successfully overturned several aged denials through payer appeals.

Focus Area	Before Optimization
Health Plan Liability	Detailed DOFR-based benefit checks, IPA vs. Health Plan Liability validation, and Advance Beneficiary Notice (ABN) /Type of Service (TOS) procedures
Authorization	Real-time workflows and payer-specific rules enforcement
Documentation & Coding	CDI training aligned to CPT and ICD-10 accuracy
Denial Management	Appeals tracking, denial root-cause classification, and compliance review
Patient Engagement	Pre-service cost discussions and improved scheduling communication

RESULTS

ELIGIBILITY VERIFICATION (EV) AND PRIOR AUTHORIZATION (PA)

Metric	Before Optimization	After Optimization
Appointment Cancellations	95	20
Denial Rate	12%	3%
Scheduling Volume/month	1,800	2,000

The Appointment Cancellation count stood at 95 in September 2023 (before SunKnowledge was called in). By January 2025, it was down to 20 cancellations - a reduction by 79%.

The Authorization Denial Rate stood at 12% before SunKnowledge started working improving it. Post optimization, it had come down to 3% - a decrease of 75%.

Eligibility Verification and Appointment Scheduling was done for 1,800 patients in January 2024. The number increased to 2,000 by January 2025 – an increase of 11%.

ACCOUNTS RECEIVABLE (A/R) AND COLLECTIONS

Metric	Before Optimization	After Optimization
Denial Rate	25%	11%
A/R Days	125	55
Clean Claim Rate	76%	98%
Net Collections	85%	120%

KEY SUCCESS FACTORS



Real-time use of payer portals for faster prior authorization



Patient education on financial responsibility improved attendance



Staff training and CDI workflows improved coding accuracy and compliance



Transparent analytics enabled early intervention on denials and aging A/R

CONCLUSION

This case study highlights how targeted improvements in RCM – particularly in prior authorization, documentation accuracy, and denial follow-up – can deliver substantial gains in cash flow, efficiency, and patient throughput in a cardiology practice.



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