

Optimizing Accounts Receivable (AR) Vendors in Epic Hospital Billing

Advisory strategies for Epic workflow enhancements, dashboard development, KPI alignment, and vendor guidance to accelerate cash recovery.

Executive Summary

Hospitals using Epic can significantly enhance AR performance through high-level vendor optimization rather than overhauling vendor partnerships. This white paper provides advisory strategies focused on Epic workflow enhancements, dashboard development, KPI alignment, and vendor guidance. These approaches can reduce DSO by 15-25% and accelerate cash recovery.

15-25%

Reduction in DSO

~\$2M/mo

Additional recovered
revenue

>90%

Target collection rate

11→21%

Denial appeal success

Current Challenges in AR Vendor Management

Epic's hospital billing module generates claims efficiently, but AR follow-up falters due to fragmented vendor oversight, inconsistent data visibility, and misaligned performance tracking. Vendors often struggle with "black holes" in Epic workqueues caused by over-filtering or limited dashboard access.

Decentralized billing exacerbates issues, where vendors fail to deliver proportional AR reductions despite costs.

The Core Problem

Fragmented vendor oversight and limited Epic workqueue visibility create blind spots that delay collections, inflate costs, and prevent organizations from realizing the full value of their vendor partnerships.

Key Optimization Strategies

Shift to advisory optimization by refining Epic tools and providing vendor guidance for sustained results.

- **FHIR File Transfer Optimization:** Guide vendors on leveraging existing FHIR file transfers for seamless access to live workqueues, denial details, and payer remits, minimizing manual reconciliation while supporting AI-driven predictions.
- **Workqueue and Dashboard Enhancements:** Reorganize Epic HB holding queues, including closeout review WQs based on vendor-applied billing indicators; build custom SlicerDicer and Radar dashboards for AR aging and root-cause analytics.
- **KPI Development:** Establish outcome-focused KPIs such as >90% collection rates, <40 DSO on aged AR, and >20% denial recovery; align with Epic-specific SLAs for charge capture and appeals.
- **Vendor Performance Guidance:** Offer advisory reviews on denial trends, selection criteria for Epic-certified partners, and strategies for high-dollar clinical appeals using Epic Revenue Guardians.

Impact at a Glance

Before Optimization	After Optimization
Fragmented vendor oversight	Centralized dashboard visibility
Workqueue blind spots	Reorganized WQs with vendor indicators
11% denial appeal success	21% denial appeal success rate
Misaligned performance tracking	Outcome-focused KPIs and SLAs
Manual reconciliation processes	FHIR-enabled automated data exchange

Advisory Roadmap

Assessment Phase • Weeks 1-2

Analyze AR aging with SlicerDicer; evaluate vendor benchmarks and gaps.

Workflow Refinement • Weeks 3-6

Build/reorganize WQs and dashboards; test visibility for vendors.

KPI & Guidance Alignment • Weeks 7-10

Develop KPIs; provide training and selection advisory for optimization.

Ongoing Monitoring

Deploy shared dashboards; facilitate monthly performance reviews and escalations.

| Proven ROI and Case Insights

Leveraging specialized AR vendors for denial appeals, instead of internal staff, increased success rates on clinical denials (authorizations and medical necessity) from 11% to 21%. This improvement represented an additional ~\$2M per month in recovered revenue.

| Recommendations

Advise prioritizing Epic-certified vendors with RCM expertise. Refresh RFPs with KPI and interoperability focus. Conduct regular audits to adapt to 2026 prior auth reforms.

Ready to optimize your AR vendor performance?

Let's connect to identify practical opportunities to strengthen revenue cycle performance and maximize vendor ROI across your Epic environment.

[**joe@canopiicollaborative.com**](mailto:joe@canopiicollaborative.com)

canopiicollaborative.com