

A COMPLETE GUIDE TO INCREASING

REVENUE IN HEALTHCARE

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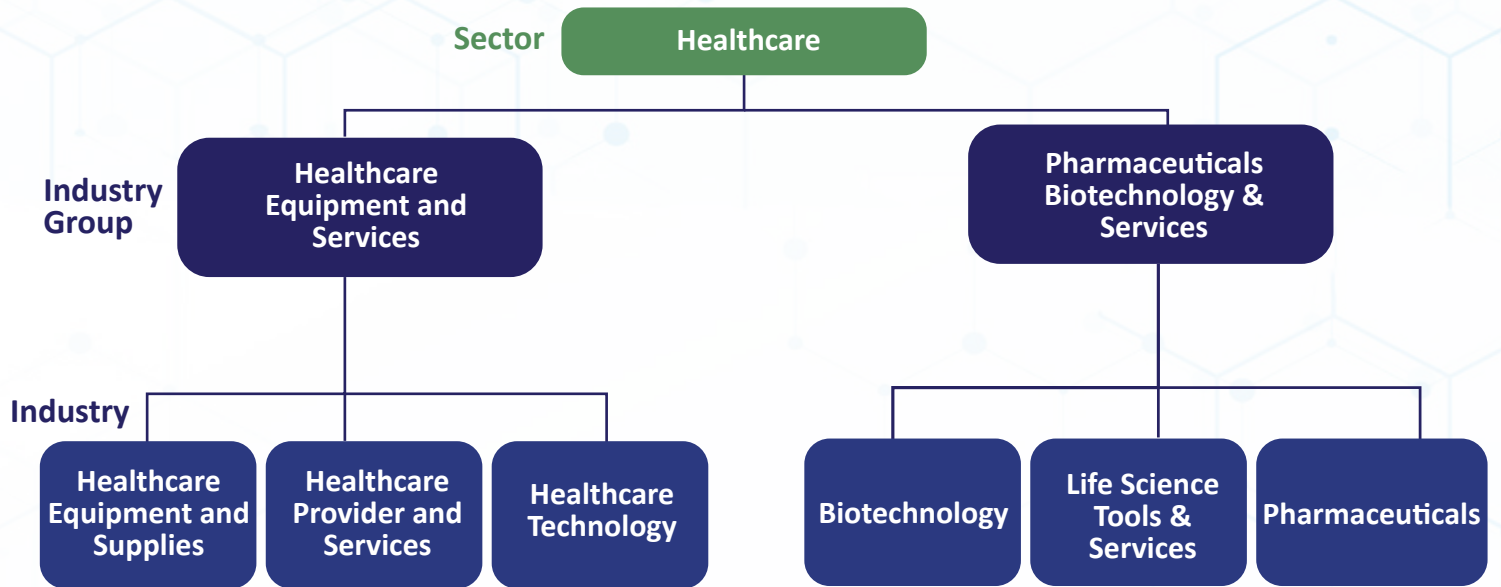
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INTRODUCTION

Managing revenue in healthcare is a complex process that spans from workforce management to operation management and often extends beyond. Maintaining the highest standard of collaboration within different departments while identifying potential gaps in the structure of the organization can be a complex task. Despite these challenges, the global healthcare revenue cycle management market is projected to experience an annual growth rate of over **12.5% from 2023 to 2032**. However, healthcare management must navigate the delicate balance of enhancing revenue without compromising the quality of operations.

UNDERSTAND THE HEALTHCARE INDUSTRY

Healthcare-Global Industry Classification Standard (GICS)



When discussing the healthcare sector, the first thing a person can imagine is hospitals or nursing homes. However, the healthcare industry is a broader sector that includes multiple industries. Under the umbrella of the healthcare industry, two major sectors come – one is healthcare equipment and services, another one is pharmaceuticals, biotechnology, and life science. These two sectors can be further divided into multiple subdomains:

1 Healthcare Equipment and Supplies - The industry is closely associated with manufacturing healthcare equipment such as crutches, bandages, MRI machines, X-Ray machines, etc. but not limited.

2 Healthcare Provider and Services - This industry is well known as healthcare facilities providers which directly deal with consumers such as hospitals, rehabilitation centers, nursing homes, and animal shelters.

3 Healthcare Technology - Every industry needs innovation, and this sector engages in exploring areas of improvement in healthcare practices – research and development (R&D)

4 Biotechnology - This industry expands research practices with all living organisms and manufactures solutions to benefit all living creatures.

5 Pharmaceuticals - This healthcare sector generally researches and chemically formulates drugs and vaccines, further manufacturing at large scales.

6 Life Sciences Tools and Services - This industry includes companies that provide analytical tools, clinical testing, and general contract research services.

HOW DO WE DEFINE REVENUE IN HEALTHCARE SECTOR?

In the healthcare industry, revenue denotes the monetary compensation generated from providing healthcare products and services. The effective management of the revenue cycle is fundamental to the advancement of revenue in the healthcare industry. Proficient revenue cycle management can substantially bolster revenue growth, rendering it a critical factor in maintaining the financial health of healthcare industries.

WHAT ARE THE DRIVERS THAT IMPACT REVENUE GROWTH?

Healthcare Expenses:

Global economic development influences healthcare expenditure, facilitating revenue growth in the industry.

Growth in Healthcare:

The development of the healthcare industry acts as an essential catalyst in driving revenue expansion within this sector.

Technology Advancement:

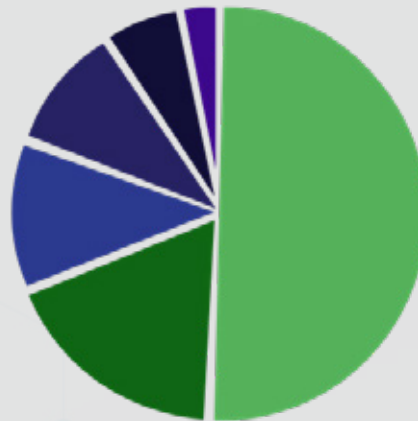
The recent integration of technology in the healthcare industry is making revenue grow at high speed.

Innovation:

Every sector invests more in research and development, from life science to biotech to medical. The global Biotechnology market was \$1.4T in 2022, where the healthcare segment holds the **highest share of 50.69%**, indicating revenue in healthcare will grow in the future.

Global Biotechnology Market Share, by Application, 2022 (%)

- Health
- Food & Agriculture
- Industrial Processing
- Natural Resources & Environment
- Bioinformatics
- Others



\$1.4T

Global Market Size, 2022

Source: www.grandviewresearch.com

WHY IS REVENUE SLIPPING IN THE HEALTHCARE SYSTEM?



As mentioned above, healthcare revenue is affected by how well it manages its operational and administrative work. Alongside this, the gap in the revenue cycle management structure is one of the apparent reasons for the revenue slipping away.



CHALLENGES IN THE REVENUE GENERATION PROCESS

Healthcare Regulations and Compliance

The frequent introduction of new regulations and compliance in the healthcare industry has become one of the main issues. However, the healthcare service industry and pharmaceutical companies are majorly impacted by frequent changes.

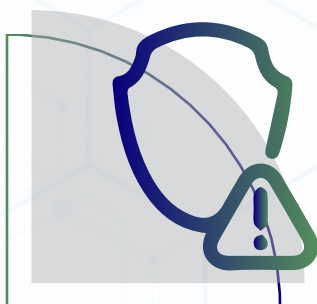


Skilled Professionals

The healthcare industry is rapidly adapting the new technology. However, understanding the complexity of advanced technology creates roadblocks in revenue generation. The scarcity of skilled professionals who can integrate technology and healthcare smoothly makes the process more challenging.

Data Analytics Challenges

Healthcare is not completely tech-aligned, which presents data analytics issues. But with the emergence of big data, it has become harder for management to catch up with technological advancements. One of the difficulties management has is a lack of data analytics skills in managing healthcare and research data. Integrating technology and data analytics into the healthcare industry can be difficult.



Data Security Threat

Digital healthcare experience has become a trend leading to a significant risk to data security. Between 2017 and 2021, the number of medical identity theft cases submitted to the Federal Trade Commission increased by more than **532%**. A **HIMSS survey reported that 20%** of healthcare cyber security professionals agreed in revenue loss due to cyber-attacks.

WHAT STRATEGIES SHOULD BE IMPLEMENTED TO INCREASE REVENUE IN THE HEALTHCARE INDUSTRY?

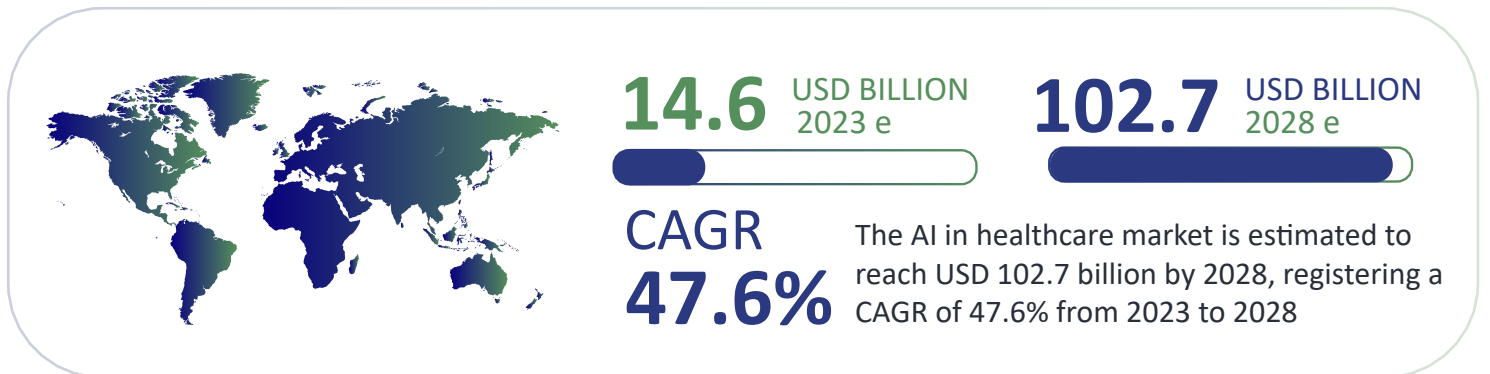
Every healthcare industry has a different set of operations and management cycles. Unbalance and unregulated processes can impact healthcare revenue generation. Even though the workflow structure of every healthcare domain is different, some key strategies can be implemented to grow revenue in the overall healthcare sector:

Optimize Revenue Cycle

To enhance the revenue structure, it is mandatory to mitigate the loss. As each industry possesses its unique revenue structure, management needs to assess each gap carefully. This will help in monitoring and identifying the system error and solve the problem as quickly as possible. This, in turn, optimizes the revenue cycle and will impact the growth in the revenue.

Artificial Intelligence in Healthcare

AI in the healthcare market is anticipated to witness a **CAGR of 47.6%** growth by 2028. This growth trend indicates the potential for AI-powered technologies to revolutionize the healthcare sector, continuing investment and innovation in this field.

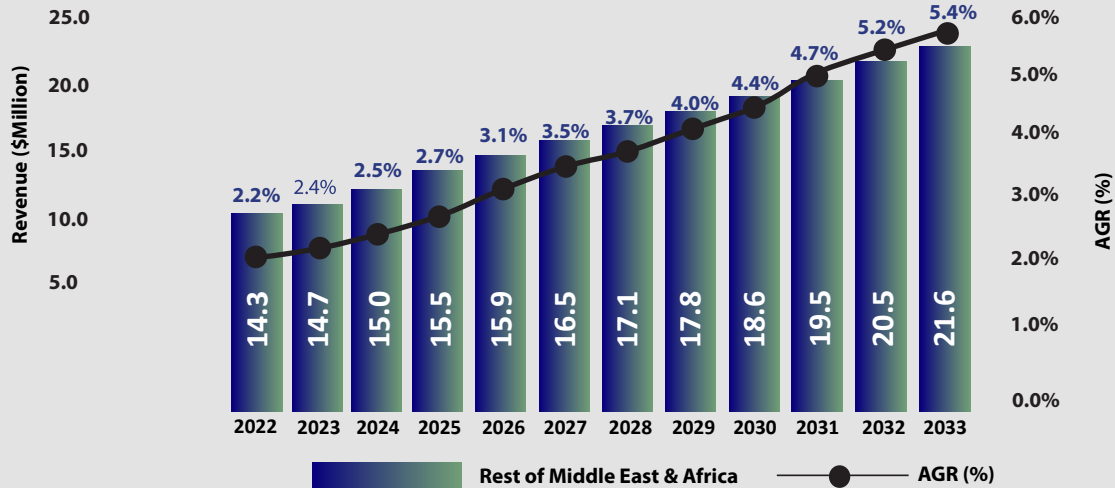


The primary healthcare sector which will be highly influenced by AI integration is robotic surgery, virtual nursing assistants, dosage error reduction, clinical trial participant identifier, automated image diagnosis, workflow management, and preliminary diagnosis. This adaptation of AI technology in health would provide significant growth in revenue.



Automation in Healthcare

Figure 172 Rest of MEA Automation in Biopharma Industry Market by Value, 2023-2033 (US\$ Mn, AGR (%))



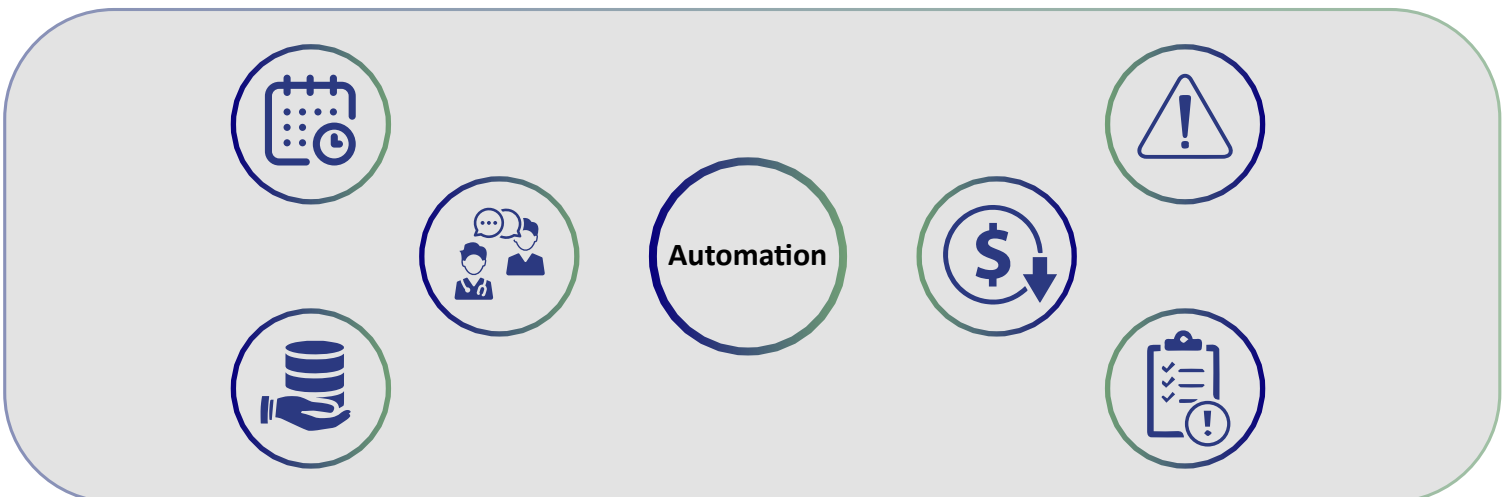
Automation in the biopharma industry is projected to grow at a **CAGR of 5.7% by 2033**, showing immense growth potential.

Area for improvement with automation:

- 1
Production Rate
- 2
Billing Process
- 3
Client Management
- 4
Monitoring of clinical and discovery phase
- 5
Better control of production phases

In this scenario, digital and automated solutions are essential to managing all operational activities in every healthcare industry, from pharmaceutical to biotech and everything in between.

Here are a few sectors which can utilize automation technology in revenue generation:



Automation Technology



Supervisory Control and Data Acquisition (SCADA)

Advanced Process Control (APC)



Distributed Control Systems (DCS)

Enterprise Resource Planning (ERP)



Programmable Logic Controllers (PLC)

Laboratory Information Management System (LIMS)



Manufacturing Execution System (MES)

Customer Relationship Management (CRM)



Human-machine Interface (HMI)

Corrective and Preventive Actions (CAPA)



Track and Manage KPIs

Every industry performs a unique work structure. With definite KPIs, managers of every department can analyze employees' performance. Moreover, employees will have a clear vision of goals and achieve the target. This operational improvement in healthcare industries can increase healthcare revenue and assist in better workflow management.



Educate Employees

The rapid advancement of technology in healthcare can make it challenging for employees to adapt quickly. This would indirectly impact revenue growth. Educating and training employee about technology integration in revenue cycle management boost revenue in the healthcare industry.

Accountability

It might seem easy to criticize someone for making a wrong decision that directly or indirectly impacts revenue growth. But adopting a more structured and meticulous approach to the revenue cycle is imperative if businesses want to avoid fundamental errors. Determining and establishing key responsible areas in every department allows management to take more precise action on mistakes and solve the issue immediately. It also allows management to identify the individual or department responsible within the organization and hold them accountable for their actions. It ensures that they are actively working towards achieving targets and increasing revenue.



Metrics Determination

Every metric management assesses directly or indirectly relates to revenue generation with quality products or services. Although the method may vary from person to person or business to business, it enhances the efficiency of your organization. Determining the right metric helps every department to work towards a common goal for the organization.



CONCLUSION



Generating high revenue in healthcare is directly linked with the industry administration and operational process. Medical service providers must consider efficient workflow management and automation services to maintain profitability. The above strategies will help you to remove the obstacles your business face in everyday operations, resulting in revenue growth.

ABOUT MEDICOREACH

MedicoReach is a leader in the field of healthcare marketing. We provide accurate and quality data to support the multichannel campaigns of healthcare organizations. With the high-quality data, we help marketing and sales professionals reach out to targeted healthcare executives and professionals to increase brand awareness. Our data solutions are designed with utmost perfections and expertise. With a dedicated team and best-in-class healthcare email and mailing lists, we help marketers connect with prospect efficiently. we offer a wide range of healthcare email and mailing lists which include physicians email list, nurse email list, pharmacist email list, dentists email list and contact us for more details.



1640 Highland Falls DR, Ste #302,
Leander, Texas 78641



www.medicoreach.com



+1 -888-664-9690



sales@medicoreach.com



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