

Unmasking Denials

The Hidden Costs of Revenue Recovery

Claim denials are nothing new. Most healthcare organizations know they're a big issue, but the true cost often goes unnoticed. You see the clues every day: dashboards, workflows, reports. Yet, the full impact remains hidden. Look closer, and the real cost of denials becomes clear. **It's time to uncover the truth.**

Clue #1 The Problem Is Bigger Than It Looks

At first glance, denial rates may seem manageable. But digging deeper tells a different story.

Denials account for

~11%

of all claims

Insurers deny

10–20%

of claims, some far more

Hospitals collect only

94%

of expected revenue within six months

Clue #2 A Denial Doesn't End the Story

A denied claim doesn't disappear. It leaves a trail.

- Once a claim is denied:



Clue #3 The Real Costs Aren't on the Claim

The unpaid balance is only part of the story.

Hidden behind each denial:

Labor costs from rework, appeals and follow-up

Opportunity costs as teams focus on recovery instead of prevention

Write-offs driven by cost-versus-recovery tradeoffs

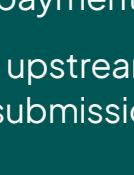
Patient friction from delayed or confusing billing

Over time, the cost to collect can rival—or exceed—the value of the claim itself.

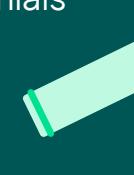
Clue #4 Patterns Are Being Missed

Most organizations don't lack denial data. They lack visibility.

Denial data is often:



Spread across multiple systems



Tracked differently by different teams



Reviewed after the fact, rather than in real time

Without clarity, the same denial reasons repeat. The same payer behaviors go unchallenged. And the same costs continue to accumulate quietly.

Clue #5 Prevention Is Becoming the Priority

Many organizations are shifting their focus on denials upstream—treating prevention as a strategic imperative rather than a recovery task.

Across the industry, [revenue cycle leaders](#):

76%

71%

rank automation as a top priority, with denials and underpayments as the highest-impact areas

prioritize patient experience over revenue, underscoring the need to get claims right the first time

71%

67%

are automating prior authorization and denials to cut manual errors and payer friction

see the greatest AI and automation value in denials and underpayment management

This shift reflects a growing understanding that every preventable denial adds cost, delays cash flow and creates unnecessary patient friction.

Organizations are responding by:



Prevention lowers the cost to collect and eliminates friction before reaching the patient.

Case Findings

What Becomes Possible



With clearer insight and the [right tools](#):

- Preventable denials decline

- Appeals focus on claims that truly matter

- Underpayments are identified and recovered

- Staff time is spent where it delivers the highest return

The outcome isn't just better recovery—it's a lower cost to collect and a more sustainable revenue cycle.

Case Closed

The Bottom Line

Denials aren't just lost revenue. They're hidden cost.

Until you uncover them, they'll keep eroding performance.

Learn how you can partner with FinThrive to prevent denials and lower your cost to collect.

The hidden story becomes visible.

FinThrive

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