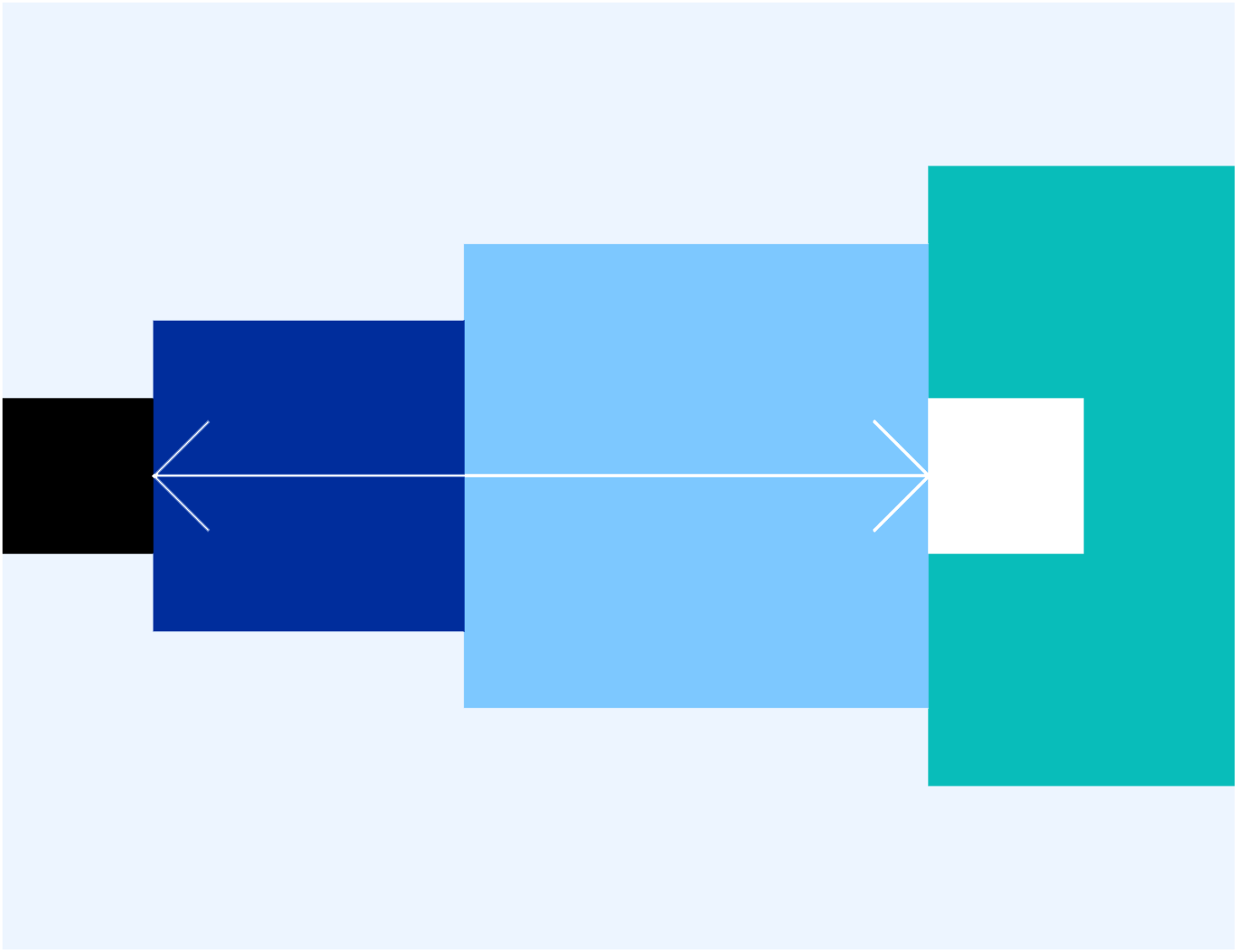
IBM **Simpler**



Closing the gap:
Aligning payers and providers through AI

IBM

The RCM dilemma: Friction, waste, and misaligned incentives

Today, revenue cycle management (RCM) remains one of the most fractured and inefficient areas in healthcare. Despite technological investments across both payers and providers, the system remains plagued by high denial rates, administrative waste, rising patient volumes, and persistent staffing shortages.

Why? Because the core processes and systems that underpin RCM were never designed for true collaboration. Payers and providers operate in silos with fragmented data, differing medical policies, and, often, misaligned incentives. As a result, both sides end up reacting to each other instead of proactively working together. AI is being deployed not as a collaborative enabler, but as a defensive tool—an arms race to outguess or outmaneuver the other party.

This model is broken. And it costs everyone.

A better path forward: Collaborative AI

It's time for a reset. Collaborative AI is an emerging model that uses AI not as a wedge, but as a bridge—a shared, intelligent orchestration layer that integrates payer medical policy with provider clinical workflows in real time.

What do we mean by collaborative AI? It's not just about smart technology—it's about smarter relationships. Collaborative AI refers to the strategic use of AI to create transparency, coordination, and real-time interaction between payers and providers. Instead of operating in isolation, both sides work from shared data, common goals, and synchronized workflows.

The premise is simple but powerful: When payers and providers share knowledge about healthcare members, everything changes. By combining the clinical context from the provider with the financial and policy context from the payer, both parties gain a comprehensive understanding of the patient's needs, risks, and care history. This shared knowledge supports whole-person health—enabling care that is comprehensive, connected, and responsive to the full spectrum of a person's physical, behavioral, and social needs.

Collaborative AI makes this possible. It connects data and workflows across organizations, surfacing the right insights at the right time. "Shifting left"—bringing validation and decision-making to the front of the process rather than reacting at the back end—prevents errors, reduces delays, and creates a smoother experience for both patients and the organizations that serve them.

Challenges are systemic but solvable

- **Siloed data** leads to duplicate efforts, miscommunication, and errors.
- **Out-of-sync policies** cause unintentional misalignment on what is covered or medically necessary.
- **Upcoding** is a potential risk from ambient AI and autonomous coding tools.
- **Lagging validation** delays care and forces manual rework, appeals, and financial losses.

The collaborative AI opportunity

Ambient AI is already transforming clinical documentation. Now imagine what's next: a connected ecosystem where intelligent systems collaborate across organizations. Clinical data, coverage details, and policy guidelines are seamlessly connected, allowing both payers and providers to:

- Reference the latest, most relevant medical policies
- Identify documentation gaps that could delay payment or care
- Provide real-time prompts that improve completeness and accuracy
- Validate alignment with medical necessity during—not after—the visit
- Clarify coverage and out-of-pocket costs transparently with patients

This is the art of the possible: a future-state model where the revenue cycle is more responsive and transparent—capable of identifying potential issues earlier, reducing administrative burden, and improving coordination across payer and provider workflows. Instead of battling over prior authorizations and denials, both sides work from the same playbook, in real time, with transparency and shared context.

Why this matters now

Health plans are under immense pressure to lower total cost of care and improve the member experience. Providers are struggling to collect payments efficiently while ensuring quality and compliance. Both want to prioritize value-based care, but administrative drag remains a barrier.

The risks of inaction are clear:

- Missed or delayed care due to administrative holdups
- Patient dissatisfaction from unclear coverage and delays
- Increased administrative burden driven by outdated, manual workflows
- Escalating costs from appeals, rework, and write-offs
- Rising total cost of care, compounded by inefficient processes
- Growing mistrust between payers and providers

The upside of collaborative AI is just as clear:

- Better support for whole-person health through shared member understanding
- Improved satisfaction across members, patients, and employees
- Reduction in staff time reviewing standard cases
- Lower call center volumes, driving down overall operating costs
- Faster time to treatment and improved care coordination
- Improved claims alignment and fewer avoidable denials

IBM Simpler: Bringing collaborative AI to life

IBM Simpler® brings together deep healthcare expertise, cutting-edge AI, and a proven delivery model to reimagine RCM. We're not just talking about automation—we're orchestrating intelligent workflows that align payers and providers around the same goals.

Our approach includes:

- An agentic AI framework that enables real-time decision-making
- Integration across provider systems and payer systems to support seamless clinical and operational adoption
- Policy-driven automation that evolves with feedback loops and pattern recognition

We understand both the complexity of healthcare operations and the business pressures that demand action now. Collaborative AI isn't a concept—it's a deployable capability that drives measurable results.

Start collaborating smarter

The future of RCM isn't just digital. It's collaborative, intelligent, and real time.

If you're a payer looking to cut administrative costs or a provider trying to reduce denials and improve collections, now is the time to act. The technology exists. The use cases are proven. The value is clear.

Let IBM Simpler show you how a collaborative AI model can shift your revenue cycle from friction to flow. Let's build the next generation of enterprise capability—together.