

2026 REVENUE CYCLE MANAGEMENT TRENDS

Setting the foundation for a modernized revenue cycle through agentic automation

While revenue cycle operations face many challenges, none is more significant than the persistent tug-of-war between payers and providers. Prime examples are ever-increasing claims denial rates and complexity. To alleviate administrative burdens from both sides, payers and providers are investing in AI technology that has the potential to augment staff, streamline transactions, and expedite processes like prior authorization that can impact net revenue.

But as with all technology, proper deployment is key. AI may fall short of its promise for the revenue cycle—especially in expediting claims—if it's not appropriately implemented and backed by governance and criteria that payers and providers can agree on.

Guidehouse and the Healthcare Financial Management Association (HFMA) surveyed 191 provider executives in late 2025 about their challenges and investments in revenue cycle management. Responses showed that providers are focused on strengthening their relationships with payers and see potential for AI, automation, and managed services to support better end-to-end process management—particularly when paired with stronger documentation, governance, and operational discipline. These capabilities are viewed as critical to helping providers get paid correctly, fully, and promptly in an increasingly complex payer environment.

HFMA-Guidehouse Revenue Cycle Management Survey

Our survey findings offer a glimpse into the challenges that healthcare finance and revenue cycle leaders are facing and the investments they're making to prepare their organizations for the future.

Insights snapshot



PAIN POINTS

Payer relations and denials remain a top stressor (88%), essentially unchanged from last year's survey.



SOLUTIONS

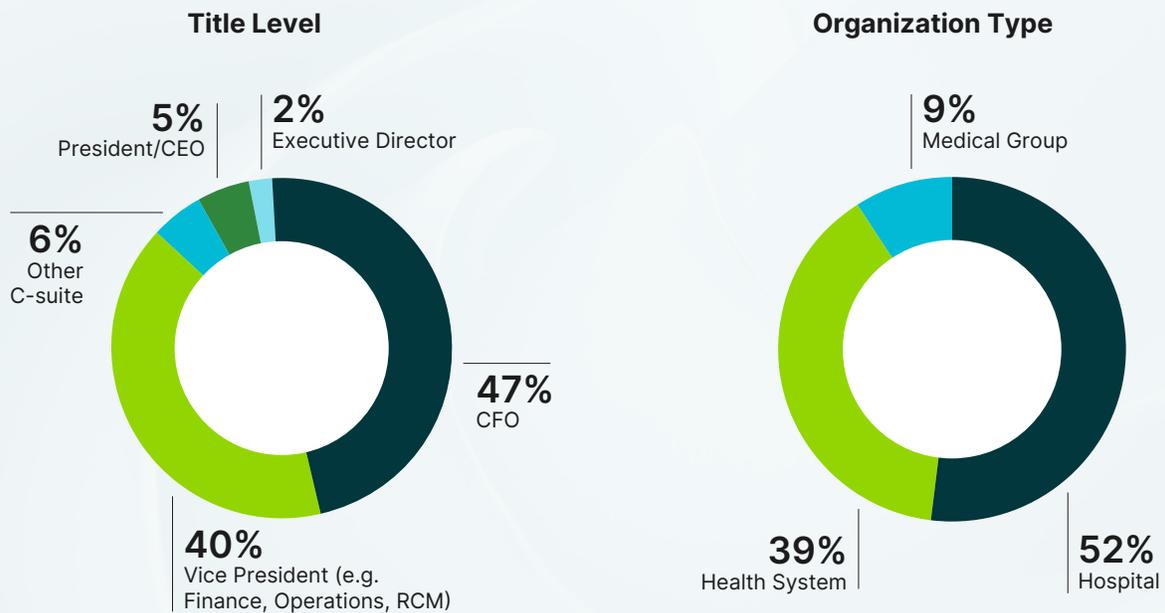
Leaders are using automation and AI to speed up manual processes (41%) and outsourcing all or part of their revenue cycle to benefit from outside expertise (69%).



INVESTMENTS

Revenue cycle technology remains the number-one investment priority (69%), with increased attention paid to resolving payer bottlenecks. They're doing that with investments in payer relations and managed care (49%), clinical documentation improvement (47%), and revenue integrity (47%).

Provider Organization Respondents



Pain points

Payer-provider relations remain a major concern

Nearly every provider executive (88%) said that payer challenges are among their top three concerns, driven by their inability to avoid denials and get paid in full. That's up slightly from 86% the year before. Most provider respondents pointed to multiple shifts in payer behavior in the past 12 months. This resonated across organization types, with health system and hospital executives most likely to report issues. Challenges in contracting and overall relations also show up through delays in front-end approvals and prior authorization, the next biggest stressor (42%).

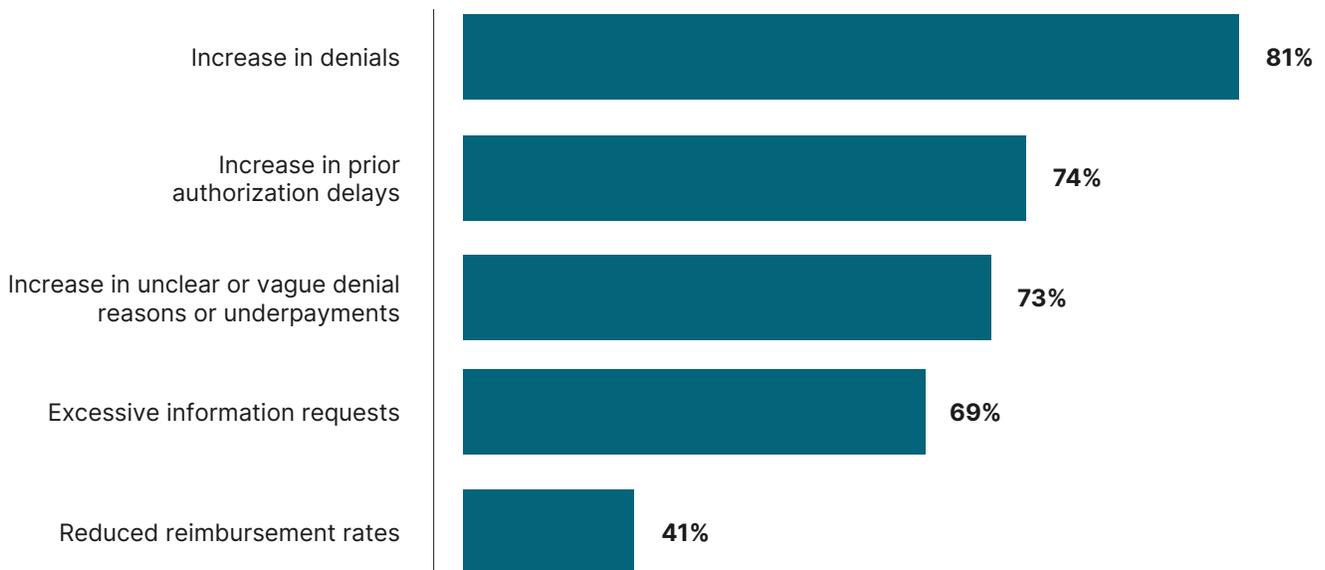
While reported payer behavior was largely consistent across organization types, medical group executives were more likely to experience inconsistent coverage policies, with half saying that they encountered this issue with payers.

✓ KEY TAKEAWAYS

While poor payer-provider relations challenge providers' ability to get reimbursed for claims, improvements to revenue cycle workflows can help providers quickly address denials and delays and enhance overall yield. Consistent staff training, standardized coding, and improved documentation can often help provider organizations catch errors early and get ahead of denials and delays.

As part of a \$37 million post-merger turnaround, Guidehouse helped a newly formed health system redesign revenue cycle operations, improve clinical documentation, and strengthen performance across billing, coding, follow-up, and other key revenue cycle functions. [Learn more](#)

Payer Behavior Observed by Health Systems

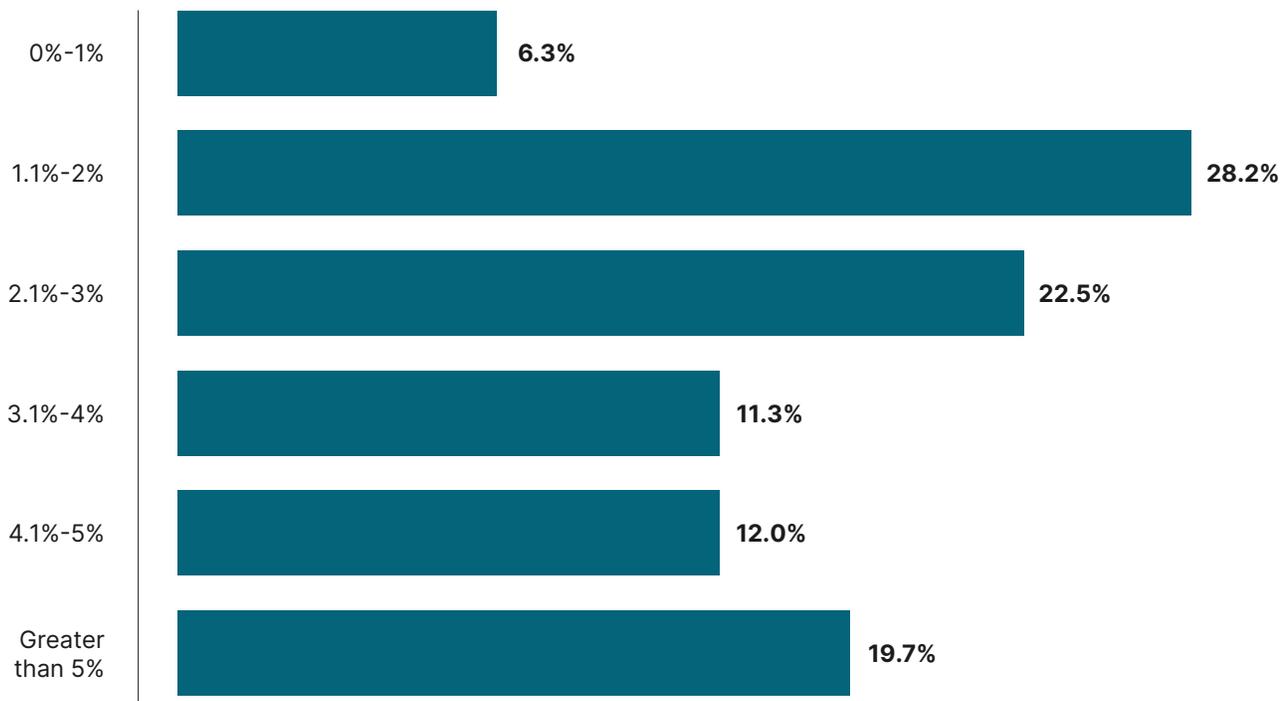


Denial rates remain significant

While respondents reported a fairly wide distribution of final denial rates in our most recent survey, the number of providers reporting denials over 5% nearly doubled to 20% compared to 12% in the previous survey. This rise mirrors broader industry reporting and reflects a concerning trend that threatens providers' ability to plan for cash flow.

Medical group and hospital executives were especially likely to report higher denial rates in this year's survey—the first year for which we broke down our analysis by organization type. Nearly seven in 10 medical group leaders and just over half of hospital leaders said that their denial rate exceeds 3%, while 39% of medical group executives and 25% of hospital executives reported rates above 5%. In contrast, more than half of executives surveyed at the health system level reported a denial rate of 2% or lower.

Provider Denial Rates



✓ KEY TAKEAWAYS

Both providers and payers are pursuing automation at varying levels and sophistication. There are industry and regulatory efforts underway to reduce friction and improve payer-provider transparency and governance, but current business models, state of relations, and unclear regulatory direction keep most providers in a tug-of-war with their payers to get reimbursed timely, appropriately, and in full.

The right AI, automation, and operational solutions can help level the playing field with payers and stem—or even reverse—some of these trends. But given the current state of payer-provider relations writ large and the absence of a regulatory mandate, such alignment remains unlikely in the near term.

Other major concerns

Beyond payer friction, respondents ranked regulatory and legislative compliance (34%), workforce (33%), and technology adoption (29%) among their top concerns. While 25% of participants cited a rising cost-to-collect as a top stressor in last year's survey, that challenge fell to near the bottom of the list in this year's survey, with just 12% placing it among their top three concerns. This shift may reflect the expansion of revenue cycle automation and self-service patient payment tools or simply a reprioritization of challenges.

Top 5 Revenue Cycle Stressors



88% Payer challenges



42% Front-end and prior authorization attainment



34% Impact of regulatory and legislative changes



33% Workforce



29% Technology adoption and integration



Which components of your revenue cycle are currently partially or fully managed by third-party vendors?



Solutions

Outsourcing

Struggling with workforce shortages and seeking external expertise, most providers are outsourcing all or part of their revenue cycle, according to the survey. Sixty-seven percent of leaders said they're working with a managed services organization.

While providers are using managed services for a wide variety of revenue cycle functions, improving reimbursement speed and accuracy remains a top motivator for seeking third-party services. Sixty-seven percent of respondents said that they're using a managed services vendor to support accounts receivable follow-up and collections, and half reported bringing in outsourced coders. Leaders have also turned to vendors to help manage and appeal denials (39%) and support billing and claims editing (29%).

✓ KEY TAKEAWAYS

Hamstrung by obstacles and overwhelmed by complexity in the commercial reimbursement process, many providers are turning to managed services to give their RCM operations a boost. Because third-party vendors work with multiple providers across the country, they have greater scale to respond to industry macrotrends as well as localized idiosyncrasies. Providers may outsource their entire revenue cycle to a vendor or take a modular approach, enlisting support where they need it to maximize revenue and stay ahead of denials and underpayments.

Guidehouse fully manages revenue cycle operations for Hugh Chatham Health's hospital and physician group services. We recently added capacity to help the health system address backlogs created by denials and coding corrections—dramatically reducing its A/R aged >90 days. [Learn more](#)

Automation and AI

In our [2026 Healthcare AI Trends survey](#), three out of four healthcare executives indicated that they're currently implementing or have already implemented AI in various functions across their organizations. But use of AI and automation may not be as common in the revenue cycle.

Fifty-nine percent of executives told us they haven't implemented any AI or automation in their revenue cycle operations, including 42% who said they've been exploring use cases and 16% who haven't. That leaves 39% of executives who are implementing point solutions and just 2% who said they've fully or mostly integrated these technologies across their entire RCM operations.

Not surprisingly, health systems were more likely to report implementing AI or automation, while most hospital and medical group executives surveyed said they haven't.

Investments

Modernizing revenue cycle operations and improving performance

Providers are continually bombarded with “the next best” solutions that can improve revenue cycle performance, but deciding what solutions to use and where to deploy limited capital is easier said than done. Although only a minority of providers indicated that they're currently using AI and automation within their revenue cycle, 69% rated revenue cycle technology as among their highest priorities for investment in the next 12 months. This aligns with last year's survey and suggests that greater technology adoption may be on the horizon.

Nearly half of respondents said that they're investing in efforts to improve performance under managed care programs and strengthen payer relations, a prevalent theme in this year's survey. Similarly, survey results show that providers are focusing resources on optimizing reimbursement and getting ahead of denials, with 47% investing in clinical documentation improvement functions, revenue integrity, and charge capture, and 35% investing in EHR integration and/or optimization.

✓ KEY TAKEAWAYS

While many revenue cycle functions involve highly repetitive tasks, most processes feature distinct pathways that make it challenging to successfully design agentic AI solutions. Health systems must have full visibility into their processes to benefit from agentic deployment. AI-powered process mining tools can help map out workflows and identify opportunities for automation, but no single technology will solve a health system's revenue cycle challenges. Having an understanding of process variation and shortfalls—such as inconsistent payer rules, fragmented systems, and legacy data transfer mechanisms—can help leaders understand where technology can most effectively augment workflows.

As a part of a major turnaround initiative, Guidehouse helped Garnet Health automate key revenue cycle functions, improve payer relations, and realign critical rates with key health plans. Together, we accelerated \$31 million in cash flow. [Learn more](#)

✓ KEY TAKEAWAYS

Given the rise in high-deductible health plans, consumer access functions remain important, with 40% of leaders reporting investments in scheduling, registration, and access, and 21% investing in patient financial services. Still, provider executives are placing greater emphasis on internal and payer-facing initiatives to resolve denials and address broader operational inefficiencies that are eroding margins and hindering managed care performance.

Guidehouse helps health systems assess their managed care programs and benchmark their performance against similar providers in their market. [Learn more](#)

A key moment of transition

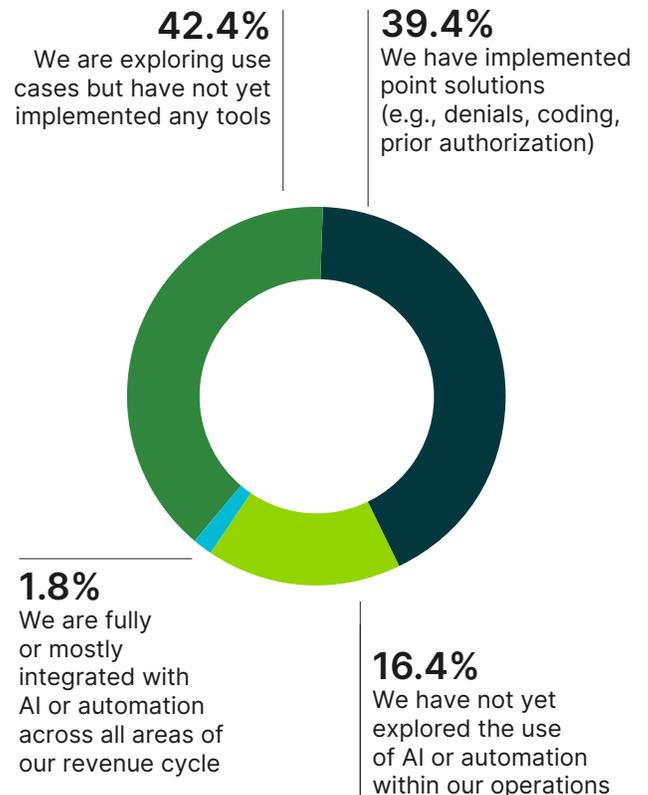
Over the next five years, the healthcare revenue cycle will look fundamentally different. As providers push beyond incremental improvements and reimagine the processes, people, and technologies that power revenue cycle workflows, they have a rare opportunity to reset longstanding norms. Rising adoption of AI, intelligent automation, and managed services signals that leaders are seeking to overcome staffing challenges and prioritize agility, accuracy, and speed.

It's worth noting that if providers and payers can't reset relations and align on governance, even the most sophisticated tools will fall short of their immense potential. These tools thrive on modernized data practices, standardized frameworks, and greater transparency.

Regardless, agentic automation's impact on the revenue cycle has been and will continue to be significant. If payers and providers can narrow their trust and alignment gap—even at an individual level—a better revenue cycle is possible: one that produces less administrative friction, faster and more consistent approvals, and payment processes that move with clarity and speed.

Taken together, our findings highlight a revenue cycle at an important moment of transition. Providers are being pushed to operate with greater precision and performance while navigating external pressures largely outside their control. How organizations respond—whether through incremental process improvement, selective automation, strategic outsourcing, or broader modernization efforts—will shape their ability to protect revenue, facilitate access, manage costs, and sustain performance in an increasingly complex operating environment.

How would you describe your organization's maturity in using AI and automation in revenue cycle operations?



About Guidehouse

Guidehouse is a global AI-led professional services firm delivering advisory, technology, and managed services to the commercial and government sectors. With an integrated business technology approach, Guidehouse drives efficiency and resilience in the healthcare, financial services, energy, infrastructure, and national security markets. [guidehouse.com](https://www.guidehouse.com)

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