



# Aligning Incentives in Healthcare

**Navigate Vendor Complexity, Drive Sustainable Transformation, and Create Strategic Partnerships for Long-Term Success.**

## Executive Summary

In today's increasingly complex healthcare landscape, hospitals and health systems face mounting financial pressures, workforce shortages, and underutilized technology, all while navigating a crowded vendor marketplace with varying corporate motivations. Misaligned incentives among vendors, whether publicly traded, private equity-backed, or health-system-owned, can hinder long-term success and compromise the long-term needs of hospitals, health systems, and the communities they serve.

At the same time, the United States healthcare market faces intensifying pressures to deliver higher-quality patient care, reduce costs, and modernize legacy systems, all within an increasingly challenging financial environment. The cost of administering healthcare has grown unsustainably, placing severe burdens on patients, providers, and communities alike. Without meaningful change and the adoption of sustainable improvements, the industry risks undermining its ability to deliver effective care and achieve positive health outcomes.

**This white paper explores why independence, aligned incentives, and trust must be at the center of selecting the right strategic partner. It examines three essential priorities that healthcare organizations must address to build sustainable success and how Signature Performance addresses these challenges by offering integrated advisory, managed services, and end-to-end outsourcing solutions designed to reduce revenue leakage, optimize technology utilization, and strengthen workforce capabilities.**

### About Signature Performance

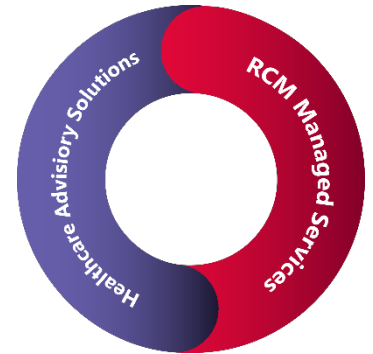
Signature Performance aims to be a catalyst for meaningful change in healthcare. We believe that delivering value goes beyond offering yet another case study on revenue cycle optimization; it's about building trust and serving as a true partner. Our approach combines boutique-level attention with industrial-quality execution, while remaining nimble and responsive.

At Signature Performance, we offer comprehensive administrative solutions designed to address these priorities through Advisory Services, Managed Services, including all phases of Revenue Cycle Management (RCM), and flexible end-to-end outsourcing options. Our solutions help organizations streamline inefficient processes, increase quality control, and optimize existing workflows to improve outcomes and enhance cash flow. Central to our mission of *improving the health of our clients' business and making the lives of the people we work with better* is our commitment to tackling the pervasive and damaging challenge of revenue leakage. By helping healthcare organizations identify and resolve leakage across their operations, we enable critical reinvestment in staff, technology, and patient care, strengthen financial sustainability, and support our clients in delivering exceptional care to the communities they serve.

## Section One: Three Essential Priorities

### 1. Increase Revenue and Reduce Costs

Financial sustainability is the foundation of delivering high-quality patient care, investing in staff, and maintaining up-to-date technology. Signature Performance partners with healthcare organizations to maximize revenue and control costs through a tailored approach. We often begin with a detailed revenue cycle assessment to identify key pain points and opportunities for improvement. Our solutions span managed services, including all phases of Revenue Cycle Management (RCM), as well as advisory support for EHR optimization and conversions.



With over 21 years of proven performance and a 95.5 KLAS rating in RCM optimization, Signature Performance offers unmatched expertise and credibility. Our deep insight into both provider and payer markets, including extensive experience with the Veterans Health Administration, positions us to address the real-world challenges providers face in securing prompt, accurate reimbursement. We deliver cost-effective services through a mix of onshore, nearshore, and offshore models, offering flexible pricing, including risk-based options that align our incentives with yours. The result is faster, more accurate reimbursement, improved cash flow, reduced aged A/R, and enhanced satisfaction for both patients and providers. We focus on building durable, generational solutions that convert your revenue cycle into a revenue-generating asset.

### 2. Improve Technology Utilization

Technology serves as the backbone of efficient, coordinated, and high-quality care. Yet many healthcare organizations struggle with underutilized systems or aging infrastructure that hampers performance. Signature Performance offers comprehensive IT advisory support to enhance technological infrastructure and unlock new efficiencies. Our consulting services help hospitals optimize their existing EHR platforms or manage transitions to new systems with a cash-flow-conscious approach that minimizes disruption.

#### **In addition, our proprietary tools:**

- Automate processes to minimize revenue leakage.
- Reduce manual errors.
- Allow hospitals to reallocate or reduce FTE requirements.

By modernizing technology utilization and increasing their velocity to acquire and implement new tools, providers can achieve greater operational efficiency, lower labor costs, and improve accuracy and reliability in their revenue cycle.

### 3. Address Workforce Challenges and Expertise Gaps

Staff shortages, high turnover, and the loss of institutional knowledge pose serious risks to healthcare organizations' financial health and quality of care. Signature Performance partners with providers to address these challenges holistically by delivering deep revenue cycle expertise and leadership support. Our approach goes beyond simply filling roles. We work collaboratively with hospitals to understand their specific operational needs and design tailored solutions that may include our own highly trained employees, managed and overseen by our experienced leadership team, to ensure consistent quality and accountability.

In addition to addressing immediate resource needs, we help organizations strengthen their workforce for the long term by improving organizational culture, increasing employee satisfaction, and reducing burnout. We enable hospitals to build and sustain stable, high-performing teams that consistently deliver better patient outcomes.

## Section Two: The Value of Independence

### An Evolving Healthcare Services Landscape

Hospitals and health systems today must navigate an increasingly crowded and complex vendor ecosystem. Understanding the motivations and structural incentives of different types of service providers is essential to making informed partnership decisions that support long-term goals.



#### ***Publicly Traded Companies***

Publicly traded organizations are accountable to public shareholders and the pressures of quarterly earnings reports. Strategic decisions are often driven by the need to deliver predictable, short-term profitability and shareholder value. While many have significant scale, capital resources, and broad service lines, this focus can lead to cost-cutting measures, standardized solutions that fail to adapt to local needs, and a transactional rather than collaborative approach to partnerships.



#### ***Private Equity Owned Firms***

Private equity has been a powerful driver of consolidation in healthcare services over the past decade. Backed by investors seeking outsized returns over relatively short investment horizons, these firms often focus on aggressive growth strategies that emphasize revenue expansion and margin improvement. While PE investment can bring much-needed capital, professional management expertise, and process discipline, it also creates pressure to deliver rapid financial returns. This can lead to aggressive cost-cutting, outsourcing without adequate oversight, talent drain, and reduced service quality. For hospitals and health systems evaluating PE-backed vendors, understanding these structural pressures is critical to assessing long-term partnership viability.



### ***Private or Founder-Owned Firms***

Privately held and founder-led organizations often position themselves as more mission-driven and closely aligned with their clients' values. These companies may offer highly personalized service, faster decision-making, and long-term partnership orientation that larger organizations struggle to replicate. Their leaders often have deep industry knowledge and personal investment in client success. However, the scale, geographic coverage, and resources of these firms can vary widely. Careful vetting is essential to ensure alignment with organizational needs and risk tolerance.



### ***Health-System-Owned Vendors and Joint Ventures***

Many health systems are creating internal shared service organizations or joint ventures with third-party vendors to improve incentive alignment, service quality, and revenue diversification. Health-system-owned vendors bring expertise in clinical workflows, regulations, and local markets, enabling tailored solutions, but they can still face budget constraints, cultural resistance, and slow decision-making. These models can also encounter governance challenges, mainly when one dominant partner receives disproportionate focus and resources, or when joint ventures blur accountability due to misaligned financial incentives. Strong governance is critical to ensure balanced decision-making and consistent service quality for all participants.

## **Why Healthcare Transformation is Challenging**

Healthcare has traditionally fallen behind other industries in adopting operational efficiencies and embracing transformative change, despite widespread recognition of the urgent need to modernize. Several systemic barriers continue to slow this progress. Many healthcare organizations face significant IT and budget constraints, operating with limited capital and overextended IT departments burdened by maintaining aging legacy systems. These competing demands often leave little capacity for large-scale innovation or system overhauls. Additionally, healthcare organizations are inherently risk-averse due to their mission-critical responsibilities and the imperative of patient safety. Cultures become resistant to operational change and internal friction can begin to slow decision-making and adoption of new models. Compounding these challenges is siloed decision-making within complex, hierarchical structures, which can inhibit cross-functional collaboration and make it challenging to align stakeholders around shared change initiatives.

## **What Are Hospitals Looking For?**

Above all else, hospitals and health systems are looking for trustworthy partners who are committed to their mission and willing to engage with transparency and integrity. Many healthcare providers have been disappointed or even harmed by vendor relationships that ultimately prioritized the vendor's profitability over the client's needs. This has led to challenges such as talent drain, where vendors aggressively offshore or replace staff without sufficient oversight or accountability, resulting in the loss of institutional knowledge, reduced service

quality, and employee dissatisfaction. Additionally, outsourcing arrangements that promise cost savings but fail to maintain quality or transparency often deliver inconsistent or opaque services, making it difficult for hospitals to effectively manage quality or address issues proactively.

### No Partner Can Deliver Perfection

Although perfection is unattainable, hospitals do expect a thoughtful, transparent, and deliberate approach to partnership and transformation. To overcome the complex challenges facing the industry and unlock meaningful progress, healthcare leaders must carefully choose partners who can deliver real, lasting impact. One essential strategy is selecting partners who offer a comprehensive portfolio of integrated solutions, which reduces the complexity and administrative burden of managing multiple vendors. By working with a single partner capable of delivering across the value chain, hospitals can drive transformation with fewer decisions, simplified governance, and greater accountability.



***By working with a single partner, hospitals can drive transformation with fewer decisions, simplified governance, and greater accountability.***

Equally important is prioritizing organizations whose business models are designed to invest in their clients' outcomes over the long term, rather than simply extracting short-term profits.

### True partners take the time to:

- Deeply understand a hospital's unique challenges.
- Tailor solutions to the client's specific needs.
- Share in both risk and reward, ensuring their success is aligned with the client.

### Strategic Opportunities for Partnership

Healthcare leaders should also recognize the importance of viewing operational improvements not merely as cost-cutting measures but as strategic opportunities to strengthen the value of their core assets. Efficient, modernized operations improve financial sustainability, enhance negotiating leverage with payers, and enable critical reinvestment in patient care, technology, and workforce development.

Hospitals also expect partners to demonstrate transparency and honesty about problems and show a willingness to surface challenges and obstacles early on rather than conceal issues or shift blame. Providers value collaborators who communicate openly, even when the news is difficult, and who are committed to working together with their teams to solve complex problems, adapt processes, and continuously improve performance.



***A true partner will prioritize long-term outcomes over short-term gains to ensure their strategies and recommendations consistently support the provider's broader goals.***

Alignment with the hospital's mission and values is equally critical. A true partner understands that delivering high-quality, accessible patient care must remain paramount and will prioritize long-term outcomes over short-term gains, ensuring their strategies and recommendations consistently support the provider's broader goals.

### Creating Signature Solutions

Ultimately, healthcare providers are seeking partners who will invest in their success, share in their challenges, and help them navigate an increasingly complex and rapidly evolving landscape with confidence and competence. At Signature Performance, we understand these expectations and share your commitment to delivering high-quality, patient-centered care. We recognize that trust is earned through transparency, collaboration, and consistent results, not just promises. Our approach is built on deeply partnering with hospitals and health systems to navigate complexity, solve real operational challenges, and deliver sustainable improvements that strengthen both financial health and patient outcomes.



*Healthcare providers are seeking partners who will invest in their success, share in their challenges, and help them navigate an increasingly complex landscape.*

We don't believe in one-size-fits-all solutions. Instead, we bring decades of proven experience, specialized expertise, and a comprehensive portfolio of services designed to meet the unique needs of healthcare organizations. **By aligning our success with yours, we ensure our incentives remain focused on delivering measurable value and fully supporting your mission.**

The following section outlines essential Revenue Leakage priorities that hospitals and healthcare organizations must address and how Signature Performance's integrated advisory, managed services, and end-to-end outsourcing solutions can help.

## Section Three: Address Revenue Leakage

The causes of revenue leakage are often complex and multifaceted. Common contributors include coding and billing errors that result in denials or delayed payments, high rates of claim denials due to incorrect information or missing authorizations, and underpayments stemming from inadequate contract management or outdated payer agreements. Incomplete documentation and ineffective patient collections further weaken cash flow, while failures in insurance verification can leave claims entirely unpaid. Operational inefficiencies and manual processes introduce errors and slow resolution times, while credentialing delays can hold up reimbursements. Referral leakage, where patients are directed outside the network, reduces potential revenue capture. Additionally, outdated EHR systems and legacy technology hinder the ability to manage these challenges effectively and adapt to evolving payer requirements.

The urgency to address revenue leakage has only intensified in the face of growing government payment pressures, including Medicaid cuts. Every lost dollar now has an even greater impact on a hospital's ability to maintain service quality, invest in staff and technology, and deliver patient care. In this environment, revenue

cycle optimization is no longer an option - it is essential for survival. Hospital leaders should view this moment as an opportunity to double down on ensuring their organizations are operating at peak performance.

**This requires asking hard but necessary questions:**

- Where do we have revenue leakage?
- Do we need help identifying where it is occurring?
- Do we need help stopping it?
- What are the financial implications if we fail to act?

By treating the reduction of revenue leakage as a strategic imperative, hospitals and health systems can secure their financial future and maintain the trust of the communities they serve.

### **The Power of Partnering with Signature Performance**

At Signature Performance, addressing revenue leakage is at the core of our mission. We offer comprehensive revenue cycle solutions designed to identify and fix leakage points across the entire workflow, including RCM-managed services that ensure consistent, high-quality execution. Our capabilities extend to end-to-end outsourcing options that relieve hospitals of operational burdens while maintaining transparency and control. Through our consulting services, we help hospitals optimize processes, technology utilization, and staffing models to drive sustainable improvements. We also offer flexible, risk-based partnerships that align our success with yours, demonstrating our commitment to delivering measurable, lasting value for our clients.

**Signature Performance's Revenue Cycle platform is supported by Associates across 47 states. Additionally, independent client feedback (e.g., KLAS rating of 95.5) places Signature amongst the top RCM partners.**

## **Conclusion**

In today's complex and rapidly evolving healthcare landscape, choosing the right partner is more critical than ever. Hospitals and health systems need partners who understand the nuances of the industry, offer solutions that address not only immediate challenges but long-term sustainability, and whose motivations are aligned with their clients' success. At Signature Performance, we recognize that trust is earned through transparency, collaboration, and consistent results. Our comprehensive approach spans advisory, RCM managed services, and end-to-end outsourcing solutions, all designed to address the five essential priorities facing healthcare organizations today.

At the heart of our mission, *improving the health of our clients' business and making the lives of the people we work with better*, is a commitment to tackling revenue leakage, ensuring financial stability, and enabling

reinvestment in staff, technology, and patient care. By partnering with Signature Performance, healthcare organizations gain a dedicated ally focused on delivering measurable value, improving operational health, and supporting their mission to provide exceptional care to the communities they serve.

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**To learn more about Signature's unique approach to healthcare transformation, connect with our team at: [sales@signatureperformance.com](mailto:sales@signatureperformance.com)**