

# Greenberg Advisors

M&A ADVISORY IN HEALTHCARE IT & RCM

## How have providers' views of offshoring changed in recent years?



**Julie Coviello**  
SVP of Mid Revenue  
Cycle Solutions  
e4health

"In recent years, the perspective on offshoring within the medical coding sector has undergone a significant transformation. Historically, offshoring was met with skepticism and concerns over quality, security, and productivity. However, with advancements in blended-shore coding models, providers are now experiencing a paradigm shift. The medical coding industry has worked diligently to dispel common myths surrounding offshoring. The notion that offshore coding compromises quality has been debunked, with evidence showing that coders possess a high level of clinical knowledge, enabling them to code for even level 1 trauma/academic facilities. Similarly, the myth that all offshore coding is the same has been replaced with the understanding that a dual audit model, combining onshore and offshore efforts, can maintain high-quality standards. Security risks, once a major concern, have been addressed through stringent SOC 2 compliance measures, ensuring exceptional security. Productivity standards are now set at the highest level, countering any previous beliefs that offshore coders are less productive. Additionally, the onboarding process for offshore resources has been streamlined, proving to be simple and effective with proper planning and execution."

"Offshoring continues to be a more acceptable (and necessary) solution. Initially seen primarily as a cost-saving measure, offshoring is now regarded more strategically. Providers recognize the value in tapping into a global talent pool, diversifying operations, and enhanced financials. This shift has promoted a greater emphasis on maintaining a high standard of service delivery, irrespective of location, through technology, continuous improvement, and talent management. Moreover, adopting a hybrid model blending offshore with onshore operations enables providers to optimize costs, maintain proximity, mitigate risks, access diverse talent pools, and ensure compliance with regulatory requirements. By balancing strategic objectives with risk mitigation and compliance, providers are viewing offshoring as a multifaceted strategy aimed at driving flexibility, growth, resilience, innovation, and value in today's dynamic healthcare landscape."



**Laxmi Patel**  
Chief Strategy Officer  
Savista



**Phillip Park**  
Chief Strategy Officer  
AGS Health

"Providers' views on offshoring revenue cycle management services continue to evolve as they are becoming more comfortable with offshoring and its criticality to achieve profitability while achieving high quality in revenue cycle management processes. According to our clients, factors that have impacted the change in perception include the rising cost of labor (notably clinical labor), talent acquisition and retention challenges, and knowledge of peers and competitors leveraging offshore services."

"Over the past several years, there has been a significant increase in providers showing a greater willingness to explore new approaches to combat healthcare industry challenges. In the United States, an aging population paired with significant shortages of clinical and non-clinical staff has made offshoring and nearshoring skilled positions necessary to keep up with patient demand. The pandemic opened the door for more experimenting in nearshoring and offshoring due to an acceleration of technology and need to address concerns related to information privacy and data location. Providers are now looking towards having a highly trusted partner to experiment with these solutions and capitalize on the cost effective, quality pipeline of workers that will be able to serve different units in different locations. Beyond the decreased financial and staffing pressures healthcare providers will face, nearshoring and offshoring will remain a key solution for the growing movement around consumer satisfaction and employing additional support and customer service roles."



**John Erwin**  
CEO  
Caret Health



**Janet Boos**  
VP & General Manager  
Veradigm

"As providers continue to see lower reimbursements and rising costs, they are seeking ways to optimize their revenue stream. This has become very challenging in the post-COVID era as physician practices have found it increasingly difficult to retain and hire qualified revenue cycle personnel. What once seemed normal, to have billing staff in-house, has now shifted and opened doors for outsourcing. Revenue cycle companies now offer solutions that lower costs, improve revenue streams, and provide technology and analytics through outsourcing and staff augmentation services. These companies utilize offshore resources to reduce costs and provide skilled staffing for all aspects of the revenue cycle. A reputable firm can mitigate the concerns around security and language barriers that used to be the major deterrent to utilizing these resources. For many providers, offshore and outsourcing no longer have the stigma they did years ago. What was seen as a source of dissatisfaction by some as recently as a few years ago, is now increasingly seen as a remedy to one of today's most challenging pain points for providers."

"Pre-COVID, it was less common for healthcare providers to offshore, specifically with respect to patient-facing offerings. Outside of a few high-volume specialties, such as radiology, hospitals were more reluctant to outsource their patient scheduling or patient-facing items. In the wake of COVID, significant staffing shortages emerged which drove a need to outsource. Reluctance dissipated as outsourcing and offshoring almost became a necessity and I believe the results were better than they expected.

Even now that staffing challenges have waned for some, providers remain open to offshoring to improve service delivery, among other reasons. We've seen the urgency dissipate, however, which has lengthened the sales cycle. On the flipside, we're now seeing more providers that had never outsourced showing an openness to it, not only in the US but also in near shore and offshore locations. We expect this trend to continue and to expand into new healthcare verticals."



**Kalil Diaz**  
CEO  
CCD Health (a GeBBS  
Healthcare company)

## About Greenberg Advisors

### The Go-To M&A Advisor in RCM & HCIT

#### GA Differentiators

- ▶ Unmatched Track Record in RCM & HCIT Transactions
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- ▶ Proprietary Industry and M&A Data Assets
- ▶ We Treat Our Clients Like Family

#### GA Services

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- ▶ Buy-Side M&A Advisory
- ▶ M&A Planning and Strategy
- ▶ Business Valuations

Greenberg Advisors, LLC (GA) is one of the most active M&A advisors specializing in Revenue Cycle Management (RCM) and Healthcare IT (HCIT) transactions, leveraging 60 years of M&A experience in guiding clients to exceptional outcomes.

GA's perspective provides a unique understanding of the healthcare ecosystem, having worked with buyers and sellers in a variety of transactions across the RCM and HCIT sectors. GA's unmatched depth and its proprietary data assets prove invaluable to clients in determining the optimal path forward and maximizing their exit or investment.

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