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Hospitals closing the revenue gap and what they're doing differently

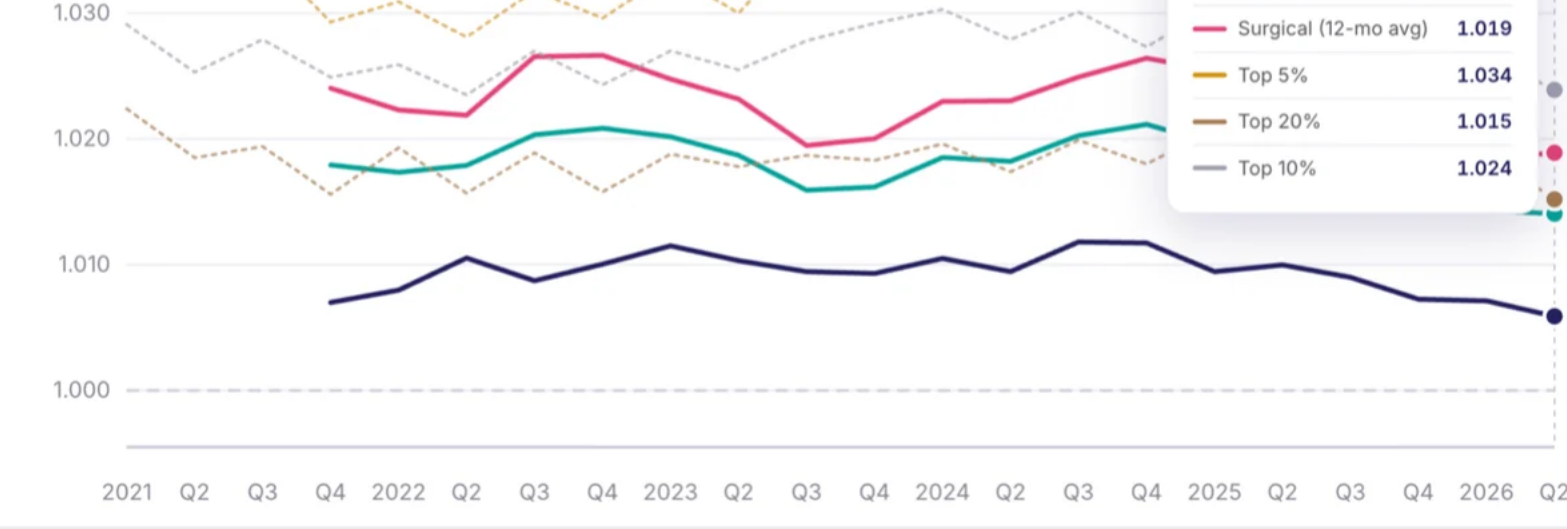
Most hospital finance and revenue cycle teams are focused on the quarter ahead. But hospitals making real gains in revenue capture are looking beyond the next quarter. They're tracking performance year over year and using the data to identify where opportunities are being missed.

HDAI studied [Observed-to-Expected Case Mix Index](#) (O/E CMI) trends across the 250 largest U.S. hospitals. Of those, 36 (14.4%) improved their O/E CMI by a full percentage point or more over two years. The top quintile averaged 1.4 percentage points of improvement.

For a hospital with a 2% net margin, a 1% improvement in O/E CMI essentially increases margins by 50%.

So what are these hospitals doing differently?

It's not simply a matter of size or resources. The difference is having a clear view of where diagnostic capture gaps exist and a plan to address them.



The gap is hiding in plain sight

Using national benchmarking data, HDAI compares each hospital's [diagnostic capture against risk-matched digital twins](#) — patients elsewhere in the country with equivalent clinical profiles. The analysis goes beyond top-line CMI to identify gaps by service line, DRG, and specific comorbidities that are captured less often than expected.

Consider one strong-performing West Coast hospital. It was already running 1.4% above expected O/E CMI, yet a service-line analysis uncovered millions in annual incremental revenue opportunity — concentrated in spinal surgery, organ transplant, medical oncology, and thoracic surgery.

The overall numbers looked good. The service-line detail told a different story.

PERFORMANCE TARGET		Top 5%	Top 10%	Top 20%	REVENUE SCOPE		Medicare only	All payer	35% Medicare				
SERVICE LINE					CASES	O/E	TOP 10%	OPPORTUNITY					
1. General Surgery					1,362	1.009	1.043	\$5.7M					
2. General Medicine					5,089	1.006	1.026	\$5.1M					
3. Spinal Surgery					909	1.018	1.052	\$4.6M					
4. Gastroenterology					1,426	1.000	1.050	\$2.9M					
5. Organ Transplant					172	0.983	1.017	\$2.3M					
6. Orthopedics					967	1.015	1.037	\$1.9M					
7. Oncology Medical					586	0.997	1.045	\$1.9M					
8. Complications Of Prior Care					518	1.016	1.052	\$1.3M					
9. Thoracic Surgery					143	0.996	1.075	\$1.3M					
10. Vascular Surgery					475	1.015	1.035	\$1.3M					

You haven't missed the window, but it's closing

National data shows [no evidence that large, well-resourced hospitals are pulling away](#) from smaller ones on revenue capture. The top 10% of hospitals by O/E CMI performance, regardless of size, achieve roughly the same result.

The opportunity is still there. But the window won't stay open. Hospitals investing in diagnostic discovery now will be better positioned to act on it.

HDAI has calculated O/E CMI for every hospital in the country through Q2 2026. [A three-month retrospective audit](#) can identify your specific gaps — by service line, DRG, and diagnosis — at no upfront cost. ROI is guaranteed.

See where your hospital stands

What We've Been Up To



Nassib Chamoun on the Road — Two Stages, Two Conversations

September took our Founder and CEO [Nassib Chamoun](#) to two very different stages

APSF Stoelting Conference

Nassib presented at the [Anesthesia Patient Safety Foundation's Stoelting Conference](#) on September 9, joining patient safety leaders from across the country for a session titled *Problem-Solving While Connecting the Dots*.

The conversation focused on patient safety, predictive intelligence, and clinical decision-making, including the 14-day post-discharge window as an important and often underused opportunity in readmission prevention.

HumanX Europe — Amsterdam

On September 23, Nassib took the stage at [HumanX Europe](#) in Amsterdam for *Beyond the Hospital Walls: Predictive Sensing, Clinical AI & Next-Generation Health Intelligence*.

He joined Professor [Ken Froot](#) from [Harvard University](#) for a discussion about how AI is changing care delivery — from reactive interventions toward more proactive, continuous precision medicine.

What's Coming Up Next



Fall conference season is in full swing and the HDAI team has a packed October calendar.

Here's where to find us:

Millennium Alliance Healthcare Providers Transformation Assembly — Dallas, TX

HDAI is proud to sponsor the 36th edition of the [Millennium Alliance Healthcare Providers Transformation Assembly](#), October 6–7 at the JW Marriott Arts District in Dallas. Our Chief Medical Officer [Dr. Scott Cullen](#) will be moderating a roundtable session: *How Predictive AI Will Keep You From Leaving Money — and Lives — on the Table*. Our team will be there so please reach out if you'd like to connect.

HFMA Region 2 Fall Institute — Verona, NY

[Dr. Scott Cullen](#) will also be speaking at the [HFMA Region 2 Fall Institute](#), October 14–16 at Turning Stone Resort in Verona, NY. This year's theme, *Building Bridges Forward: Connected for Success*, brings together healthcare finance leaders focused on strategy and innovation.

ASCO Quality Care Symposium — Boston, MA

HDAI will be on-site at the [ASCO Quality Care Symposium](#) October 16–17 at the Hynes Convention Center for a product demonstration followed by a dedicated Q&A session. Stop by to see HealthVision™ in action and talk with our team about how predictive intelligence is helping oncology programs improve care quality and outcomes.

Open@Epic Conference — Verona, WI

HDAI has been invited to attend the [Open@Epic Conference](#) October 21–22 for an opportunity to connect with leaders across the Epic ecosystem.

HIMSS AI in Healthcare Forum — San Diego, CA

HDAI's Founder and CEO [Nassib Chamoun](#) is on the panel *Metrics that Matter: Patient Outcomes, Patient Experience, and Where to Invest* at [HIMSS AI in Healthcare Forum](#) Thursday, October 22 at 2pm in the Grand Ballroom (4th floor).

News We're Following



Healthcare's Newest Power Player Is the Chief AI Officer

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Healthcare's widening AI ROI gap

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