

Digitizing the Revenue Recognition Model

FTI Consulting's Excel-based revenue recognition model provides a springboard for healthcare organizations to enable a cloud-based digital solution for revenue recognition that seamlessly integrates with revenue cycle and ERP applications.

THERE ARE TWO CATEGORIES OF REVENUE MANAGEMENT SOLUTIONS:

— *Purpose-built, bolt-on solutions* provide flexibility to integrate with different ERP applications and provide comprehensive revenue calculation capabilities (Zuora RevPro and Aptitude Software RevStream)

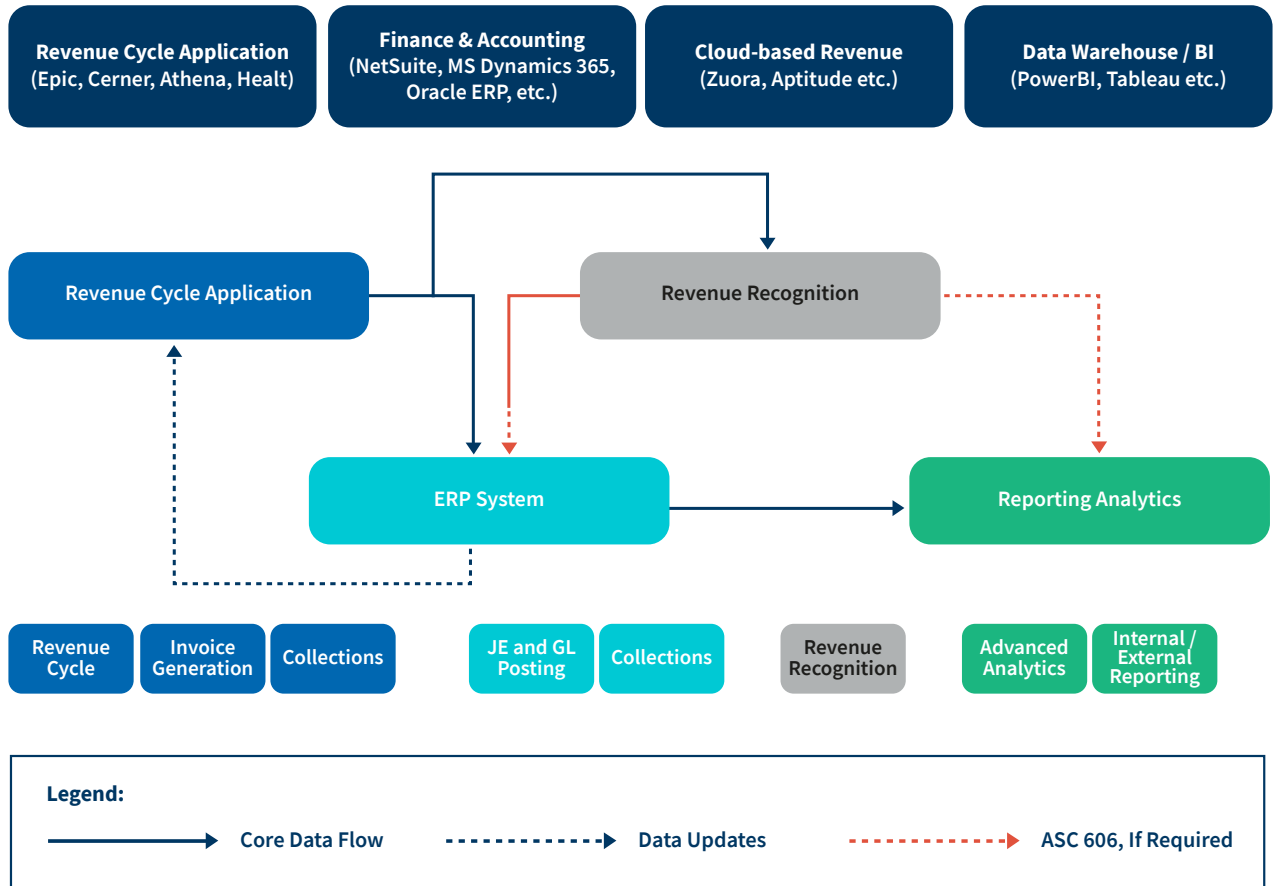
— *Enterprise resource planning (ERP) embedded revenue management solutions* provide out-of-the-box integration with the revenue engine system (Oracle Revenue Management Cloud, Workday for Healthcare, NetSuite Advance Revenue Management)

Benefits of integrated solutions:

- **Automated revenue recognition calculations:** These applications automate revenue calculations from FTI Consulting's model and capture all contractual scenarios, including collection rate, to automatically generate waterfalls. These rules are managed by healthcare administrators, and the application does not require support of IT resources.
- **Integration to revenue cycle and finance G/L applications:** The cloud-based tools provide integrations to ingest large amounts of data from revenue cycle applications and automatically provide journal entry posting for finance G/L applications.
- **Control and end-to-end auditability:** The cloud-based tools enable approval workflow with an audit trail for any changes to the revenue recognition rules. In addition, these tools provide a full sub-ledger for revenue that offers necessary assurance to auditors.
- **Accurate and timely revenue reporting and insights:** The cloud-based tools provide many standard reports as well as the ability to self-service reporting. The data is available to further enhance FTI Consulting's revenue forecasting model using advanced analytics.

Why Integrate Revenue Recognition Solutions?

The following diagram highlights the use of an integrated revenue recognition solution:



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