

Health systems link up with Olive to solve healthcare admin woes with AI

Article

The news: Provider-owned incubator **Innovation Lab** is [teaming up](#) with healthcare AI company **Olive** to develop AI-driven automation tools to improve and optimize healthcare

operations and clinical workflows. Together, they'll leverage Innovation Lab's access to health system resources and Olive's AI platform to drive more efficiencies in the health systems involved.

For context, Innovation Lab is a for-profit venture spearheaded by 6 major health systems across Ohio, Louisiana, South Dakota, California, and Washington state: **Bon Secours Mercy Health, Franciscan Missionaries of Our Lady Health, Avera Health, CHOC Children's, Valley Children's Healthcare, and MultiCare Health System.**

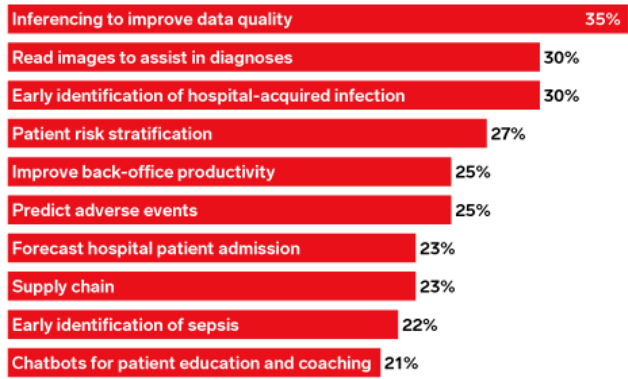
How we got here: This collaboration comes on the heels of Olive [announcing](#) a new set of AI solutions and scoring its biggest funding haul yet this month alone: It brought in [\\$400 million](#), vaulting its valuation to a whopping [\\$4 billion](#). This underscores how providers are ready to plunge into AI investments to make traditionally cumbersome administrative processes (like prior authorizations and clinical supply chain operations) more efficient in the wake of digital health transformation: **61%** of healthcare leaders indicate they're planning to deploy AI or machine learning tech to speed up their digital transformation goals—a jump from the **38%** of execs who said AI was a priority pre-pandemic, [per](#) a January 2021 BDO survey of 100 healthcare executives.

What are the most pressing pain points providers hope to solve with AI? The pandemic shined a light on the limits of existing healthcare operations, revenue streams, and health system/hospital capacity. So, providers are looking to AI solutions to reengineer healthcare processes in a way that streamlines operations and care and helps them save costs.

- In a 2021 [survey](#) of 100 healthcare execs conducted by **Sage Global Partners** and Olive, **79%** noted revenue cycle management (RCM) as the top area that would benefit from AI automation, followed by supply chain (**60%**), and clinical administration (**55%**).
- AI automation tools can help provider organizations reduce leaky costs associated with claims denials, lower the administrative load on clinicians, and optimize logistics of clinical workflows across the healthcare supply chain. For example, AI tools can help determine the demand for healthcare supplies, the best care pathways for patients, and process claims with greater accuracy and efficiency.

Use Cases for AI in Healthcare According to Health Executives in US, UK, and Germany, May 2020

% of respondents



Note: n=210

Source: International Data Corporation (IDC), "AI in Healthcare: Early Stage with Steady March to Maturity", Dec 2, 2020

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