

The Profitability Gap



Why saving money on in-house billing is actually costing you revenue.

The Illusion of Control

Many practices believe that trading a percentage-based RCM fee for a flat employee salary guarantees savings. However, industry data reveals that in-house billing often functions less like a savings strategy and more like an operational tax. When you look beyond the salary, the hidden costs of in-house billing add up quickly.

The Head-to-Head Data

KPIs	In-House Billing Standards	Ezderm RCM Team Standards	Impact
Net Collection Rate	90%	98%	You keep 8% more of what you earn.
Days in A/R (Time to Payment)	45 Days	22 Days	You get paid twice as fast.
A/R Over 120 Days (Bad Debt)	20%	2.79%	Drastic reduction in bad debt write-offs.
Cost to Collect	14.7% (excludes software costs)	6% (includes software costs)	Lower overhead, included software fees.

We ran the numbers comparing the Industry Average In-House Performance against Ezderm's Specialized RCM Performance. The results show that regardless of practice size, outsourcing to experts isn't a cost, it's a profit multiplier.

What This Means for Your Bottom Line

We modeled three common practice sizes to demonstrate the financial gap between handling billing internally versus utilizing Ezderm's dermatology-specific RCM.



Scenario 1: The Solo Provider *Profile: 1 Provider | \$960k Annual Gross Potential*

For a solo practitioner, efficiency is survival. While an in-house biller seems like a fixed cost, the lower collection rate (90%) and higher overhead (14.7% cost to collect + software fees) erode margins significantly.

In-House Biller Net Income	Ezderm RCM Net Income	Revenue Gap
\$726,204/Year	\$884,352/Year	-\$158,148/Year

The Takeaway: By keeping billing in-house, a solo provider effectively pays a \$158,000 "penalty" every year—the financial equivalent of buying a new top-tier laser device, lost entirely to inefficiency.

Scenario 2: The Growing Practice *Profile: 3 Providers | \$2.88M Annual Gross Potential*

As you scale, overhead usually bloats. In-house teams require management, benefits, and software licenses. Ezderm flattens these costs while increasing collections.

In-House Biller Net Income	Ezderm RCM Net Income	Revenue Gap
\$2.17 Million/Year	\$2.65 Million/Year	-474,444/Year

The Takeaway: A \$474k gain is enough to hire a 4th provider fully funded by found revenue. Ezderm effectively finances your practice's expansion.

Scenario 3: The Enterprise Group *Profile: 12 Providers | \$11.5M Annual Gross Potential*

For large groups, small percentages equal millions. With an in-house "Danger Zone" A/R of 20%, you risk having \$230,000+ in claims expire. Ezderm creates a fortress around your revenue.

In-House Biller Net Income	Ezderm RCM Net Income	Revenue Gap
\$8.71 Million/Year	\$10.61 Million/Year	-1.89 Million/Year

The Takeaway: In-house billing is leaking nearly \$1.9 Million annually. Moving to Ezderm secures asset value and ensures maximum valuation for the practice.

Scenarios are for illustrative purposes only, based on industry averages and historical performance. Actual results vary by practice and are not guaranteed.



Why the Gap Exists

Why does the "In-House" model lag so far behind? It comes down to Complexity vs. Specialization.



The Software Tax

With Ezderm, software costs are included in the RCM percentage fee. In-house teams not only pay for employee overhead, but also the cost of their EHR and practice management software.



The Appeal Gap

The average in-house appeal success rate is just 65%. Ezderm's dermatology-certified experts achieve an 86.37% success rate on appeals. We don't just submit claims; we fight for them.



The Expertise Gap

We use dermatology-trained billers and coders are also experts on the Ezderm platform, which prevents coding errors, protects against audit risk, and keeps claims clean on the first submission.



The "Single Point of Failure"

In-house revenue stops when your biller takes PTO or leaves. Ezderm offers a dedicated team with zero turnover gaps, ensuring your cash flow never takes a sick day.

Don't trade a predictable, lower RCM fee for variable overhead and lower collections. Ezderm's combination of specialty expertise, active oversight, and deep integration protects cash flow and revenue integrity in a way in-house billers simply can't replicate.



Stop stepping over dollars to pick up pennies.

Let Ezderm Audit your current RCM performance to see exactly how much revenue you can reclaim this year.

[Schedule a financial audit](#)