

ACCOUNTING INFORMATION SYSTEM RELATED TO THE REVENUE CYCLE IN HEALTHCARE AND PHARMACEUTICAL SECTOR

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Abstract

Clinics are one of the main health services besides hospitals needed by the community. Converting the services provided into revenue required to meet expenses is a basic requirement of any business or service organization. There are many internal and external pressures that will impact a business's ability to survive and will differ depending on the type of organization. In managing profit-oriented private clinics, they must have an appropriate and fast revenue cycle. Syifa Clinic is one of the health companies that was established in the city of Medan. Syifa Clinic focuses on providing optimal services to patients, every employee is trained to improve their ability to provide good service. In this study, the authors used the literature study method related to the income cycle theory which was then compared with the interview, observation, and documentation methods related to the implementation of procedures in the object of writing. Based on the results of the author's review, the authors conclude that the implementation of the Medan Syifa Clinic procedures has carried out the income cycle accounting information system procedures although there are still differences in terms due to differences in the main tasks and functions of the hospital and there are activities that are less efficient.

Keyword: Revenue Cycle, Accounting Information System, Healthcare.

Introduction

The company's performance can be judged by how well the cash flow in the company is. The better the company's cash flow, the more positive the company's performance. Cash flow is a critical requirement for training survival and growth. Converting the services provided into revenue required to meet expenses is a basic requirement of any business or service organization. Manley and Satiani (2009) state that there are many internal and external pressures that will impact a business's ability to survive and will differ depending on the type of organization. However, what is no different is the need for a comprehensive, systematic, and regular plan to ensure timely payment when services are provided (Manley and Satiani, 2009).

Almost all businesses have policies and procedures for collecting accounts receivable, but the healthcare industry has one of the most formal plans of action for dealing with monetary collection. This has become mandatory due to the complexity of the reimbursement system (Sahputra et al., 2022). The study of revenue cycles has become a very important topic for the healthcare industry. Health companies also focus on looking for business opportunities that can be developed, so that companies are able to earn revenue to achieve the desired profit. Profit achievement is seen from how well the company handles revenue-generating sales.

The revenue cycle is a series of business activities and information processing activities carried out by companies that are interrelated and continue to provide goods and services to customers and collect cash as payment for these sales (Njau and Abdul, 2022). According to Moscovice (1997) the main goal in revenue processing is to collect revenue in a timely and efficient manner. Companies that generate income, but are unable to collect this income in a timely manner, the company will experience difficulties in funding other activities within the company itself (Mustafa, R. 2016).

Syifa Clinic is one of the health companies that was established in the city of Medan. Syifa Clinic focuses on providing optimal services to patients, every employee is trained to improve their ability to provide good service. Aims to earn income from patient satisfaction for the services used. The main and only source of income from this company comes from health services to patients (Iriye & Keller, 2022). So that the internal control system for service revenue is important to implement to reduce the possibility of risks that occur in the management of hospital and pharmaceutical service revenue, the researcher is interested in conducting research on internal control systems in managing service income which is a source of company income in the hope of being able to increase and maintain company income.

Literature review

a. Accounting Information System

The Accounting Information System (AIS) according to Romney et al (2017) is a system whose job is to collect, record, store and process data to make a decision. The accounting information system consists of 6 components, namely the people who use the system, the procedures carried out, data related to business activities, the software used, the technological infrastructure that runs such as computers or internet networks and internal control systems (Chen and Yang, 20210. According to Jones and Rama (2008) an Accounting Information System is a sub-system of a Management Information System that provides accounting and financial information where this information is used routinely to process accounting transactions (Mirandha et al., 2022). From the existing definitions it can be concluded that the Accounting Information System is a collection of information about resources such as people and equipment, and then the collected data is then processed into a journal report so that it can provide information to make a decision (Laurensius et al, 2021).The purpose of the Accounting Information System in accordance with the understanding of Gelinas and Dull (2008) is to collect, process, and report information relating to the financial aspects of business activities.

b. Revenue Cycle

The revenue cycle in AIS according to Romney et al (2017) is a series of repetitive business activities and is an information processing operation related to the provision of goods and services to customers by collecting cash or credit payments for these sales. Information related to this revenue cycle will flow to subsequent cycles such as the cash disbursement and production cycle, the HR management and payroll cycle as well as the general ledger and reporting cycle (Yulisfan et al., 2021). Following are the main activities of the revenue cycle accounting information system according to Romney et al (2017):

1. Sales Entries

In Sales Entry Activities, there are several steps, namely taking customer orders, credit approval, checking inventory availability, and taking customer requests.

2. Delivery

According to Romney et al (2017) receiving customer orders must also involve removing goods properly from the warehouse and packing them for delivery. There are two steps involved in delivering goods, namely packing orders and sending orders.

3. Billing

This activity consists of billing customers and maintaining accounts receivable data. Billing for cash or credit transactions must be done so that the company receives cash from customers.

4. Cash receipts

Acceptance is the last step that is no less important because in this process you will receive money from the customer and will report to the treasurer and handle customer remittances and store them in the bank.

Research methods

This type of research is descriptive research. Descriptive research is research that gives an overview to the reader and reveals a problem, situation, event as it is or reveals data in detail. The research process is descriptive in the form of collecting and compiling data, as well as analyzing and interpreting data. The research design is a case study at the Syifa Clinic located in Medan. This study aims to evaluate and design a revenue cycle accounting information system that is used to run effectively and efficiently.

Data Type

The types of data used in this study are: Qualitative data, namely data from observations that cannot be expressed in numbers. This type of qualitative data consists of documents related to research titles obtained from companies that contain company policies.

Data Source

Sources of data obtained for this study are: 1. Internal data in the form of primary data and secondary data, namely data obtained by researchers directly from the accounting department. 2. External data, namely data obtained by researchers from the literature.

Collection Instrument

Instrument Data is a tool used to collect data to support research, namely in the form of a list of questions posed directly to company employees by making a list of questions to obtain the data needed in the research.

Data Collection

Data collection methods are methods used by researchers in an effort to obtain or collect data to be used in this study. The data collection method used is a field study conducted to collect data in order to understand and know the real conditions of the company. The way to collect data is:

1. Interviews, namely conducting direct interviews with leaders and parties related to the problem under study.
2. Collection and recording of company data needed for research.
3. Literature Study, namely by looking for the necessary theories in the literature to solve the problem under study.

Units of Analysis

The data used to carry out the analysis in this study is a manual and computerized information system for the income cycle of Syifa Clinic.

Data analysis technique

The steps taken in this study were to analyze the existing system at the Syifa Clinic. The stages of this analysis are:

- a. Preliminary investigation which aims to obtain an overview of the problems that exist in the company.
- b. Observing the existing system and understanding how it works to collect data about the manual accounting information system for the revenue cycle.
- c. Identify user needs.

Analysis and discussion

Company history

Syifa Clinic was established in 2014 and started operating actively in 2016. This clinic is located on Jl. Sudirman No. 31 Medan. This clinic is the first health service located on Jl Sudirman, Medan City. Strategic location and easy access make this clinic the choice for the community. Syifa Clinic is a Specialist Clinic consisting of Cardiologists, Obstetricians, Neurologists, Pediatricians, Beauty Specialists, and Dental Clinics.

Syifa Clinic is an outpatient clinic, so there are no inpatients. However, this clinic can refer patients to other hospitals for further treatment. Syifa Clinic upholds the value of 'your health is our priority'. This is always the beginning of every job in the company. Having more than 15 specialist doctors, the Syifa clinic has become a public health service in Medan City.

Data and Information Entry

Sales Entry as described in theory is the same as Data and Information Entry activities at the Medan Syifa Clinic. This can be said to be because the Data and Information Entry Activity will record all information related to the sale or acceptance of patients who will be hospitalized or out in the hospital. There are documents used by the hospital, namely the Personal Data Form and the Statement of Agreement Form for action, which are the same as the Sales Order document as in the theory of accounting information systems. According to the author, there is not much difference between the tasks in the functions in the Syifa Clinic and the theory. This difference is due to the different types of goods. At the Syifa Clinic, the item in question is a service whose physical form cannot be seen, different from what is stated in the theory that the item can be moved. This isn't a problem and is a good thing for the company because it's not too dissimilar to what it sounds like in theory.

Examination and Screening of Patients

Patient Examination and Screening is an additional activity that does not exist in theory. This activity was added because the main duties and functions of the health service require that before the patient takes an action, the patient must check his health condition which is called the patient's medical record. According to the author, the addition of activities to the company depends on the main tasks and functions of the company. With the addition of activities, it is expected that the effectiveness of the company's performance. As in the data that the author

collected and documented from the Medan Syifa Clinic, namely the addition of Patient Examination and Screening will help the business processes of the hospital.

Delivery Waiting Room

Waiting Room Delivery has the same task as one of the Goods Delivery activities in theory, namely preparing patients as goods to be sent to users or in this case before being sent to doctors. The waiting room delivery activity will wait for the nurse to inform the doctor about medical records and common complaints felt by the patient.

Invoicing and Drug Preparation

Invoicing and Drug Preparation activities are the same activities as Billing activities in theory. This activity consists of making examination bills and preparing any medicines prescribed by the doctor.

Cash Receipt

The Cash Receipt Activity at the Syifa Clinic is a Cash Receipt Function in theory. After going through the billing process, the cashier employee will then receive incoming cash from patients who have finished checking and taking medicine. The functions of billing and cash receipts are differentiated at the Syifa Clinic in order to reduce fraud.

Conclusions

Basically, the manual accounting information system for the current income cycle at the Syifa Clinic is considered inadequate. This conclusion was drawn because first, the length of the report preparation process resulted in delays in decision making by management. Second, staff errors in filling in data in documents. Third, inaccurate income information that allows loopholes for theft of company money.

System requirements for companies can be divided into two, namely general and special requirements. Requirements in general are system requirements that are needed as a whole company. Meanwhile, special needs are the system requirements of each user. The system requirements are as follows:

- a. Requires a computer-based accounting information system for the revenue cycle that is capable of storing, accessing and updating data as well as minimizing the occurrence of data processing errors. So that in practice, doctors should be able to determine the amount of treatment costs from inside the examining room which is directly connected to the system at the cashier.
- b. A computer-based accounting information system for the revenue cycle that automatically connects computers to each line of the company. This is needed so that the inspection process in the company can run smoothly, so that transparency in the company is also getting better.

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