








Revenue Cycle Key Performance Indicators

Matt Thompson, MHSM, FACHE
Executive Vice President

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Agenda

-  Learning Objectives
-  Key Data Sets
-  Benchmarking Data
-  Sample KPIs
-  Questions
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Learning Objectives



Identify metrics to evaluate the performance of the business office



Identify sources for industry benchmarking and how they differ for Community Health Centers

Course Description: There is an adage which claims that which is measured, improves. In revenue cycle management, there is no shortage of data to measure; however, it can be difficult to know which metrics are the most important. This interactive webinar will focus on the KPIs that are important to any business office and some that are unique to Community Health Centers.

Principles of KPI Analysis



Determine (Question) the Source



Use at least three like units for comparison (Yrs, Qtrs, Months)



Conduct Trend & Variance Analysis

- Start General;
- Work toward Specific



Determine the cause of the Variance



Utilize External Comparative Data

Aging Reports

Definition

Details the amount of accounts receivable by respective age group (i.e. 0-30, 31-60, 61-90, etc).

Different Types

- Date of Service
- Date of Entry
- Re-aging

Keys

- Most of the \$ should be less than 90 days old (Less than 21% over 90 days old)
- Pay attention to 31-60 day variance, cash flow and denial problems

Percentage of AR Over 90 Days Old

Definition

Measures the percentage of AR that is over 90 days old as compared to the total AR.

Other Aspects

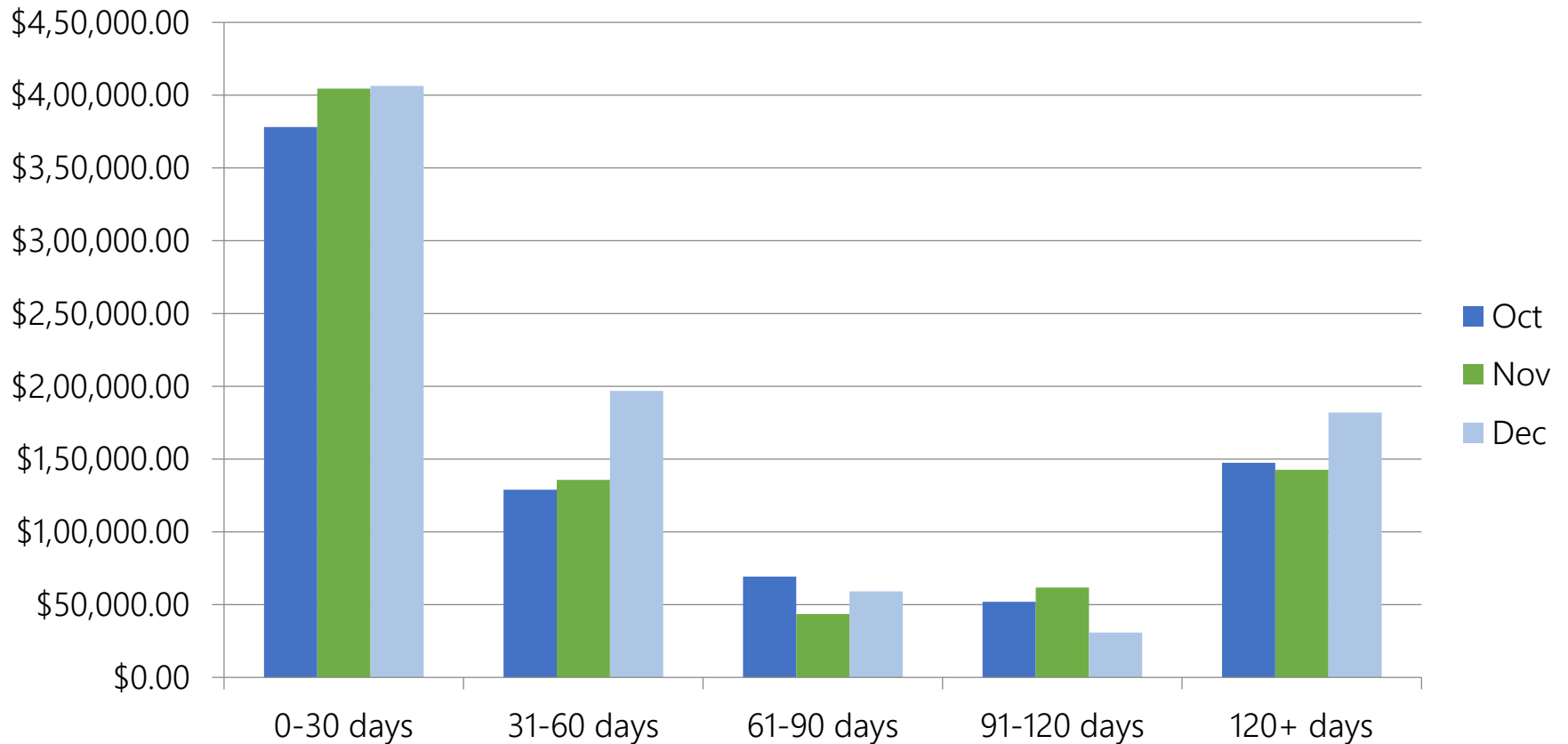
Impacted by inability to collect, denials, changes in Fee Schedule, delays in payments (or posting payments).

Keys

Another variation is the days in AR

- Should be measured month over month for charges
- Target should be 31-45 days

Aging Reports



Collection Ratio

Definition

Measures the percentage of collections per gross charges. Includes the basic measurements of Charges, Payments, and Adjustments. Should be measured over intervals greater than 3 months.

Other Aspects

- Impacted by changes in Fee Schedule.
- Most comparable to company history.
- Net Collection Ratio.

Keys

- Measures the relationship between Charges and Payments

Collection Ratio

	Payments	Charges	Coll Ratio	Adjustments	Net Coll Ratio
Jan	\$479,138.71	\$1,013,000.90	47.30%	\$457,992.76	86.33%
Feb	\$437,494.83	\$568,797.80	76.92%	\$362,035.72	211.59%
Mar	\$267,563.38	\$645,719.21	41.44%	\$230,485.73	64.44%
Apr	\$346,092.57	\$569,224.60	60.80%	\$360,444.30	165.77%
May	\$233,946.55	\$573,593.40	40.79%	\$229,805.53	68.05%
Jun	\$349,049.37	\$618,435.45	56.44%	\$297,475.97	108.75%
Jul	\$315,225.28	\$559,336.43	56.36%	\$315,873.37	129.48%
Aug	\$347,078.28	\$696,345.41	49.84%	\$349,998.66	100.21%
Sep	\$293,665.79	\$550,822.70	53.31%	\$271,809.13	105.25%
Oct	\$366,232.31	\$490,349.60	74.69%	\$255,563.14	155.99%
Nov	\$237,395.79	\$509,010.60	46.64%	\$220,610.55	82.31%
Dec	\$180,508.91	\$439,746.35	41.05%	\$168,063.30	66.44%
2018	\$3,853,391.77	\$7,234,382.45	53.26%	\$3,520,158.16	103.75%
Rolling 12 Months	\$3,853,391.77	\$7,234,382.45	53.26%	\$3,520,158.16	103.75%

Production

Definition

Any report that enables a healthcare organization to measure the amount of work performed.

Other Aspects

Usually in terms of Charges, RVUs, CPTs, Encounters, or Surgeries

What is it Good for?

Enables a company to determine the amount of production in service specific terms.

Critical KPIs



Percentage of AR over 90 days Old



Net Collection Ratio



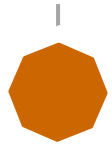
Days in AR



Payment per unit of production (i.e. Payment per Encounter)



Benchmarks



Medical Group Management Association



American Medical Group Management Association



Specialty Society



EqualizeRCM Averages



Examples



Monthly KPIs



Weekly Operations Reports



Questions

