

Measuring:	How To:	Sort By:	How to and information offered:	Best Practices /Tips
<b>Days in AR</b>	Total AR/Average daily gross charges	Insurance/Payer Including Direct Pay	Calculate the ending monthly accounts receivables balance (gross) divided by the average daily charges over the last 3 months, increased (grossed up) for credit balances.	< 50 - 60 days
<b>Gross Collection Rate</b>	Total Collections/gross charges	Insurance/Payer Including Direct Pay	Look at this for the same dates of service, e.g. total collections for services provided in a chosen month divided by total charges for services in that month.	For most accurate reporting- go back at least three months as claims should be resolved by then. Payers do this as well.
<b>Net Collection Rate</b>	(collections-refunds)/(gross charges-contractual adjustments)	Insurance/Payer Including Direct Pay	Measure the month's net revenue (cash receipts minus refunds) divided by net charges (gross charges minus contractual allowances) using the net charges of the month that is three months prior to the performance month.	> 95 %
<b>Percent of AR &gt;90 Days</b>	AR >90 days/total AR	Insurance/Payer Including Direct Pay	Measures the percentage of AR that is greater than 90 days old.	< 20%
<b>Rejection Rate(% of all claims initially rejected)</b>	# claims rejected/total # claims	Payer, biller, provider, total practice	Quantitatively track specific insurance carrier denial and rejection codes by count and dollars. This looks at rejections from payers, not clearinghouses.	< 5% Utilize clearinghouses rejections for training tools.
<b>Time of Service (TOS) Collection %</b>	collections on date of service/patient balances owed at time of service	Provider, dept. , collection staff (if applicable), total practice	Measures the success of your front desk staff at collecting money owed by patients at the time of service.	> 95%
<b>Revenue per Encounter</b>	payments/visits	Payer including direct pay, department, provider	Total payments divided by total visits for a specified period of time.	per specialty
<b>Expense per Encounter</b>	expenses/visits	Payer including direct pay, department, provider	Total expenses paid to provide service divided by the total visits for a specified period of time.	per specialty- as low as possible- so the lower the number, the better
<b>Margin per Encounter</b>	(payments-expenses)/visits	Payer including direct pay, department, provider	Revenue per encounter minus expense per encounter.	reflecting a positive flow
<b>Charge Lag</b>	Average difference between charge posting day and day of service.	Dept. , Provider, location, all compared to total practice	Measure the average days between service date and billing system posting date based on prior month's billing system charge posting. This assumes that affiliates are regularly transmitting batches to payers.	date of service no more than 10 days from D.O.S. to posting and filing claim



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