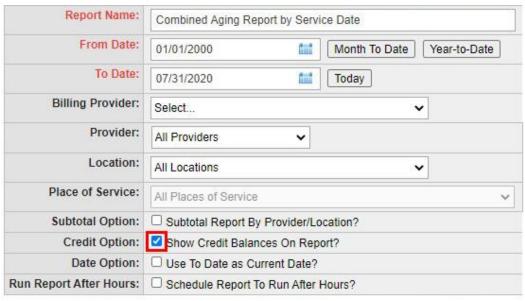
BENCHMARK

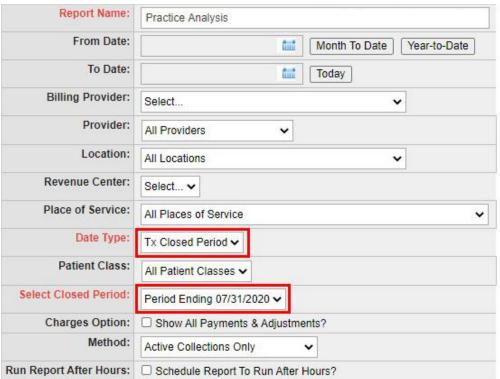
LESS THAN 40 DAYS

REPORTS TO GENERATE

Combined Aging by Service Date (01/01/2000 - End of Quarter) [Select Show Credit Balances]



Practice Analysis by CLOSED PERIOD for EACH of the previous 3 months of the Quarter



CALCULATION

From the **Combined Aging by Service Date** Report, locate the **Grand Total**. In the example below, it's **\$126411.37**. This is the **ENDING A/R**.

COMBINED AGING REPORT BY DATE OF SERVICE

PRACTICE INFORMATION				REPORT INFORMATION				
					PROVIDER:	01/01/2000 07/31/2020 All Providers OVIDER:All Bil	ling Providers	
ENCOUNTER#		NAME						TOTALS
Insurance Total	\$0.00	\$29111.56	\$13481.07	\$9032.63	\$2758.02	\$3765.90	\$41693.83	\$99843.01
Patient Total	\$0.00	\$2004.30	\$1859.72	\$1775.74	\$1460.07	\$1711.67	\$9476.86	\$18288.36
Patient-Self Pay Total	\$0.00	\$1222.00	\$1325.00	\$886.00	\$762.00	\$570.00	\$3515.00	\$8280.00
Grand Total	\$0.00	\$32337.86	\$16665.79	\$11694.37	\$4980.09	\$6047.57	\$54685.69	\$126411.37

From each month's Practice Analysis Report, locate the Grand Total of Gross Charges.

For the first month, it's **\$120,584.01**

CLASS	PRIMARY INSURA	
COMMERCIAL	\$32,875.00	\$23,673.76
INMATE	\$450.00	\$145.56
MEDICAID	\$1,110.00	\$33.04
MEDICAID CMO	\$960.00	\$131.52
MEDICARE	\$59,785.00	\$28,927.38
MEDICARE REPLACEMENT	\$21,045.01	\$15,891.82
MEDICARE SUPPLEMENT	\$1,510.00	\$480.53
SELF PAY	\$2,849.00	\$2,012.00
UNAPPLIED	N/A	\$0.00
GRAND TOTALS	\$120,584.01	\$71,295.61

For the second month, it's **\$149,060.06**

CLASS	PRIMARY CHARGES	PAYMENTS
COMMERCIAL	\$39,390.01	\$15,248.33
INMATE	\$300.00	\$472.28
MEDICAID	\$890.00	\$0.00
MEDICAID CMO	\$1,160.00	\$0.00
MEDICARE	\$68,470.02	\$22,371.25
MEDICARE REPLACEMENT	\$34,335.03	\$12,132.32
MEDICARE SUPPLEMENT	\$1,020.00	\$397.51
WORKERS COMP/ MVA	\$300.00	\$0.00
SELF PAY	\$3,045.00	\$2,073.48
UNCATEGORIZED	\$150.00	\$0.00
UNAPPLIED	N/A	\$0.00
GRAND TOTALS	\$149,060.06	\$52,695.17

For the third month, it's **\$120,743.03**

CLASS	PRIMARY CHARGES	INSURAN PAYMENTS
COMMERCIAL	\$35,966.00	\$18,331.92
INMATE	\$520.00	\$397.32
MEDICAID	\$440.00	\$0.00
MEDICAID CMO	\$674.00	\$0.00
MEDICARE	\$55,030.01	\$29,580.07
MEDICARE REPLACEMENT	\$23,755.02	\$8,020.30
MEDICARE SUPPLEMENT	\$1,160.00	\$47.06
WORKERS COMP/ MVA	\$150.00	\$0.00
SELF PAY	\$3,048.00	\$3,897.00
UNAPPLIED	N/A	\$0.00
GRAND TOTALS	\$120,743.03	\$60,273.67

FORMULAS

Average Daily Charge =
$$\frac{Total \ Gross \ Charges}{Days \ in \ the \ Quarter}$$

Days in AR =
$$\frac{Ending A/R}{Average Daily Charge}$$

EXAMPLE

STEPS		Calculation from Example
1	Add the three Gross Charges figures together.	120584.01 + 149060.06 + 120743.03 = 3903
2	Divide the Total Gross Charges by the number of days in the Quarter. This is the Average Daily Charge .	$390387.10 \div 92 = 4243.34$
3	Divide the Ending A/R by the Average Daily Charge and round to the second decimal.	$126411.37 \div 4243.34 = 29.79 Days$

BONUS STATS WORKSHEET

- 1. Enter the **Ending A/R** into the corresponding cell
- 2. Enter each month's Gross Charges into the corresponding cells
- 3. The number will automatically calculate and turn **RED** if *over* the Benchmark (40)

DAYS IN A/R	
Ending A/R	126,411.37
Month 1 Gross Charges	120,584.01
Month 2 Gross Charges	149,060.06
Month 3 Gross Charges	120,743.03
3 Months Gross Charges Sum	390,387.10
Average Daily Gross Charge	4,243.34
Days in A/R:	30

RCM Bonus Stats Guide | DAYS IN A/R

CONSIDERATIONS

Common Considerations

- Credentialing Issues preventing or delaying reimbursement on billed claims
- Abnormally High Patient Aging (91+ days)
 - Please note that this consideration will be accepted on a limited basis only.
- Abnormally Low Gross Charges
- New Status Encounters older than 20 days not billed because of Credentialing, Providers not signing, holding for other various reasons out of our control (remove from Combined Aging total)
- Incomplete Encounters with Charges
- Incomplete Encounters that moved to New status late in the Quarter

NOTE: If the account is majorly failing in primary and/or secondary, then you can probably use that consideration for Days in AR. If Days in AR is failing but Primary and Secondary are not, then it's likely that the Patient Aging, Low Gross Charges, etc is the issue. Therefore, if the primary and/or secondary are not failing or at least not in the low 80s, then the consideration would not come from the ager but would come from the AC.

Abnormally Low Gross Charges To see if the account qualifies:

- 1. Average the gross charges of the two highest charge months in the quarter
- 2. Subtract the lowest month's charges from the average
- 3. The account qualifies if this number is over 25% of the average of the two highest charge months

EXAMPLE

DAYS IN A/R	
Ending A/R	\$178,165.52
September Gross Charges	\$83,365.82
October Gross Charges	\$124,083.52
November Gross Charges	\$125,275.63
3 Months Gross Charges Sum	\$332,724.97
Average Daily Gross Charge	\$3,961.01
Days in A/R:	44.98

	STEPS	Calculation from Example
1	Add October's and November's Gross Charges together and divide by two.	$124083.52 + 125275.63 \div 2 = 124679.5$
2	Subtract September's Gross Charges from this number.	124679.575 - 83365.82 = 41313.7
3	Divide this by the result from Step 1 and Multiply by 100	$41313.755 \div 124679.575 \times 100 = 33.1$

This account qualifies, so now you'll take the result from Step 1 and substitute it for September's Gross Charge:

DAYS IN A/R	
Ending A/R	\$178,165.52
September Gross Charges	\$124,679.58
October Gross Charges	\$124,083.52
November Gross Charges	\$125,275.63
3 Months Gross Charges Sum	\$374,038.73
Average Daily Gross Charge	\$4,452.84
Days in A/R:	40.01

RCM Bonus Stats Guide | DAYS IN A/R

Upload worksheet, the three practice analysis reports from the quarter, and an excel spreadsheet showing the math. Calculate a new Days in AR formula using the average instead of the lowest month's charges. If 40 or less, this can be used as a consideration.

https://percentagecalculator.net/

On your worksheet, enter a detailed explanation of which month in the quarter is lower than the average, what the average is, how much lower your lowest month is than the average. Give a brief explanation of why it's lower than the average (provider on leave, less hospital visits, etc) and when this issue should be resolved (provider returns in May, new provider is joining practice, etc).

- New Status Encounters older than 20 days: Filter encounter list by NEW + DOS 01/01/2000 and twenty days older
 than the current date. Export to Excel and calculate total. On your worksheet, enter this total into a consideration
 field for Days in AR, this should subtract this total from the Combined Aging total. Upload a copy of your
 worksheet, the Combined Aging summary page, and Encounter List export.
 - o 20 Days Before Today
 - Add a statement to the calculations worksheet that states the issue, how you tried to fix the problem and what is the future solution
- Incomplete Encounters with charges older than 20 days: Filter encounter list by INCOMPLETE. Export to Excel and calculate total. On your worksheet, enter this total into a consideration field for Days in AR, this should subtract this total from the Combined Aging total. Upload a copy of your worksheet, the Combined Aging summary page, and Encounter List export.
 - Add a statement to the calculations worksheet that states the issue, how you tried to fix the problem and what is the future solution
- Incomplete Encounters older than 20 days that moved to New, late in the quarter: Export encounter list filtered by Primary- Billed- Initial billed date within 2 weeks of end of quarter. Review encounter history to see when it changes status. Delete all other encounters from the list and only include encounters with this issue (Old DOS that was billed recently), calculate the total balance. On your worksheet, enter this total into a consideration field for Days in AR, this should subtract this total from the Combined Aging. Upload a copy of your worksheet, the Combined Aging summary page, and the edited exported Primary Aging. (Export Primary Aging, sort by oldest date of service with more current initial billed date, review encounter history to see when it moved from INCOMPLETE to NEW, total charges removed from combined aging)
 - Add a statement to the calculations worksheet that states the issue, how you tried to fix the problem and what is the future solution
- Credentialing issues older than 20 days: Filter encounter list by encounter class for credentialing and export to excel to calculate total. On your worksheet, enter this total into a consideration field for Days in AR, this should subtract this total from the Combined Aging total. Upload a copy of your worksheet, the Combined Aging summary page, and Encounter List export.
 - Add a statement to the calculations worksheet that states the issue, how you tried to fix the problem and what is the future solution

RCM Bonus Stats Guide | DAYS IN A/R

ERRATA

Turn-Around Time (ARR) = Total A/R divided by Adjusted Charges, multiplied by 30 days **Adjusted Charges** = Total Charges minus write-offs and adjustments

Use Dashboard MD Ad Hoc Report: Financial Summary Analysis Prev Month - ALL RCM

- This report will give you your current days in AR when the date selection is Month to Date
- This report will give you the Sum of the previous 3 month's charges when you run for the last 12 months selecting only the previous 3 months to display.