Hospitals
Revenue Cycle Management (RCM) KPIs

EqualizeRCM
SERVICES

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Introduction

EqualizeRCM's experienced professionals provide platform-agnostic revenue cycle management (RCM) services to healthcare providers across the United States. We design solutions and pricing models that enable healthcare providers to:

- Access our specialized resources to solve their RCM problems
- Decrease the total cost of their RCM operations by leveraging our scale, software solutions and international operations
- Increase their own in-house productivity and efficiency
- Increase their profitability through improved reimbursements and collections at a lower total cost of operations.

Darya Khripkova

Vice President RCM

Over 15 years of healthcare experience, managing healthcare practices and hospital RCM operations. She is an MBA (Healthcare Administration), Fox School of Business and Management, Temple University, and a member of the American College of Healthcare Executives (ACHE).

Facility RCM Performance Measures KPIs: What and Why

What's RCM KPIs?

- Key Performance Indicators (KPIs) that one must monitor in order to assess their revenue cycle health

- Essential part of RCM, different from financial and clinical reporting

- That which is measured, improves. But it's not enough to just report and measure – analyze!

What's the Most Important
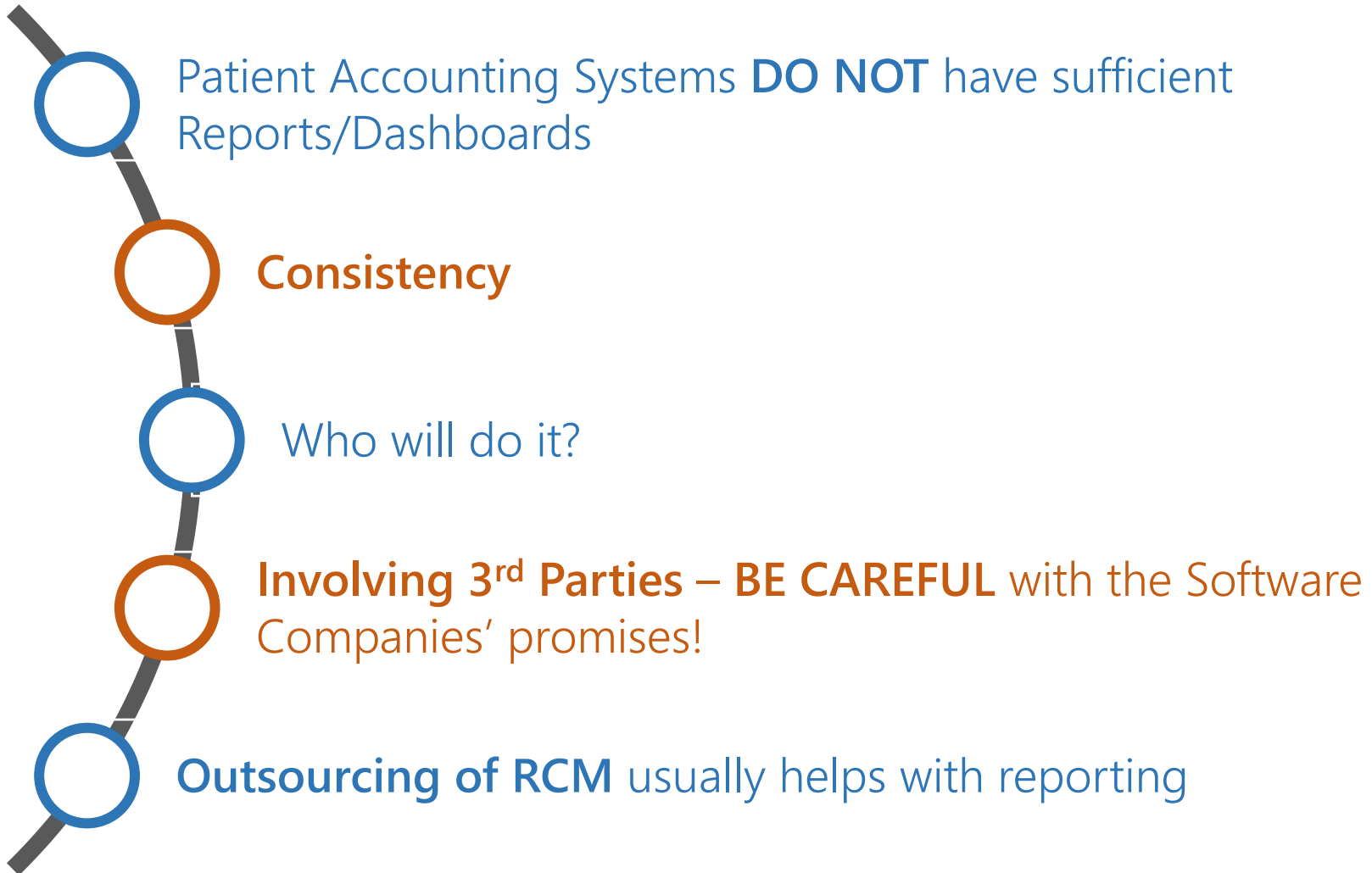
What's Important?

- How to look?
  - Trends, Outliers, Projection

- When to look?
  - Daily / Weekly / Monthly

How Much Detail is Too Much?

- Don't drown but pay attention

- It is YOUR facility and KPIs

Complexities of Reporting

Patient Accounting Systems **DO NOT** have sufficient Reports/Dashboards

Consistency

Who will do it?

Involving 3rd Parties – BE CAREFUL with the Software Companies' promises!

Outsourcing of RCM usually helps with reporting

Main Key Performance Indicators (KPIs)

- Charges / Collections / Adjustments

- Collections Rates

- Volumes

- Unbilled / DNFB

- AR

- Denials (Denial Rates)

- Rejections (Clean Claim)

If You Can Only Choose 5, What Will They Be?

Charges and Volumes

- Volumes
  - You are likely already looking at the admissions and discharges daily and monthly

- Charges – Daily / Weekly / Monthly
  - Daily – Totals
  - Weekly – Totals / By Department
  - Monthly – Totals / By Department / Service Type / Payer

- Unbilled Charges and DNFB
  - What's in DNFB?
  - Lag Days, Not Coded, System Edits, Other Holds
  - Benchmark – 4 days (3 lag + 1 extra). Could vary based on the service type
  - $ Unbilled Charges / $ Average Daily Charges

Collections

- Measure Daily / Weekly / Monthly

- Daily – Totals

- Weekly by Payer (including self pay)

- Monthly by Payer / Service type / Non-AR

- Time to Pay

- Collection Rates

- Payment Projections (bonus info)

  - Medicare, Other Payers through Clearing House Reports

  - Daily Received Projected for the Month

  - More Complex Projections

- Paid according to Contract (bonus info)

Adjustments

- Reports – Daily / Weekly / Monthly

- Daily – Totals

- Weekly – Split by Patient / BD / Insurance

- Monthly – Totals / Split by Payer

Accounts Receivable

- Reports – Daily / Weekly / Monthly

- Report Daily on Patient / Insurance / 90+ / MCR 60+

- Monthly – Slice and Dice it

- Days in AR (DAR)

- Goals:

  - Insurance 90+ at lower than 15%

  - MCR 60+ at lower than 10%

  - Insurance DAR at 40-45 days

  - Total DAR – variable depending on Self Pay policies

- Credit Balances

Denials and Rejections

- Report on Weekly and Monthly

- Work Daily!

- Analyze!

- Hardest Rate to Calculate? $ Denied (Rejected) / $ Billed (also #s)

- Aim for 99% clean claim rate, 5% denials rate (first pass)

Important Formulas

- Collections Rate

  - Payments / Charges

- DAR

  - Outstanding AR / Average Daily Charges (90 days)

- DNFB

  - Outstanding unbilled / Average Daily Charges (90 days)

- Denial / Rejection Rates

  - Denied (Rejected) $ / Billed $

Questions

Contact Us

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Thank You