**Revenue Cycle Management Cheat Sheet**

**Appointment Scheduling KPIs:**

1. **No-show or cancellation rate:** The rate at which your patients cancel or don’t show up for appointments, typically measured per month.

**Formula** = Missed appointments / Total # of booked appointments
**Benchmark** = Under 10%

**Patient Eligibility and Benefits Verification KPIs:**

1. **Exclusion Percentage:** The percentage of patient accounts that failed the eligibility and benefits checks. **Formula** = Number of accounts that failed eligibility checks / Total number of accounts verified

**Prior Authorization KPIs:**

1. **Denials Due to Authorization Percentage:** Percentage of the total value of denials that was denied due to authorization issues. **Formula** = Value of claim denied for authorization issues / Total value of denials

**Medical Coding KPIs:**

1. **Discharged But Not Coded:** The average time it takes to code patient records. **Formula** = Charges not coded / Average daily charges **Benchmark** = Under 2 days

**Entry Charge and Capture KPIs:**

1. **Unbilled Claims Percentage:** The percentage of claims that are not billed out to average daily claims volume. **Formula** = Number of claims unbilled / Average daily claims volume **Benchmark** = < 2%
2. **Billing Lag:** The average time from service date to claim billing date. **Formula** = Claims billed date – Date of service **Benchmark** = Less than 48 hours, up to 7 days for hospitals

**Claims Submissions KPIs:**

1. **Payer Rejection Percentage:** The percentage of claims rejected from the payers to the total number of claims submitted to the payer. **Formula** = The number of claims rejected / Total number of claims **Benchmark** = Less than 2%
2. **Clean Claim Ratio:** The percentage of claims that the insurance payer accepts without any rejections.

**Formula** = Number of claims accepted by insurance without changes / Total number of claims
**Benchmark** = 98% and above

**Denial Management KPIs:**

1. **Initial Denial Percentage:** The number of denials received from the overall claims submitted to the insurance, expressed as a percentage. **Formula** = Number of denials received for the first time / Total number of claims submitted **Benchmark** = 5% (up to 8% in some settings)

**Insurance Follow-Up KPIs:**

1. **AR in the 90+ Days:** The percentage of total outstanding AR that is in the 90+ days aging bucket. **Formula** = AR in the 90+ days aging (bucket) / Total AR outstanding **Benchmark** = <15% for physician practices, 20% for hospitals
2. **Insurance Write-Off Percentage:** The dollar value of the claims written off as an uncollectable that should have been collected. **Formula** = Dollar value of the claims written off in a period / Insurance collections in the period **Benchmark** = 1.5%

**Patient Billing KPIs:**

1. **Patient AR in 90+ Days:** The percentage of patient accounts that are receivable over a 90 day period. **Formula** = Patient AR over 90 days / Total patient AR **Benchmark** = <20%

**Patient Collections KPIs:**

1. **First Pass Payment Ratio (FPPR):** The percentage of claims that are paid the first time without any intervention, expressed as a percentage. **Formula** = Number of claims paid without any touch / Total number of claims submitted **Benchmark** = 95%
2. **Bad Debt Write-Off Percentage:** The dollar value of the claims written off as an uncollectable that should have been collected, expressed as a percentage. **Formula** = Dollar value of the claims written off in a period / Insurance collection in that period

**Payment Posting KPIs:**

1. **Credit Balance:** The overpayment received by the practice. **Formula** = Dollar amount paid to practice - Dollar amount meant to be paid to the practice **Benchmark** = Minimal over 30 day period
2. **Unapplied Percentage:** The money that is posted into the temporary account.

**Formula** = Unapplied amount in >30 days Bucket / Total unapplied amount
**Benchmark** = 10%

**Reporting KPIs:**

1. **Average Revenue Per Visit (ARPV):** The standard measure of how much money the practice makes from every patient visit. **Formula** = Total collections / Total visits
2. **Net Collections Ratio:** A percentage shows how much you collected vs. how much you should have collected. **Formula** = (Payments – refunds) / (Charges – contractual adjustments)

 **Benchmark** = 98-99%

**Financial Evaluations KPIs:**

1. **Cost to Collect:** The overall cost incurred to collect the money. **Formula** = Cost to collect = Overall cost / Total collections

 **Benchmark** = 3-8%

1. **Days in AR (DAR) or Days of Sales Outstanding (DSO):** The measure of how quickly the business collects payments**.**

**Formula** = Total outstanding AR / Average daily charges
**Benchmark** = 25-30 days.

[Discover how AI-powered revenue cycle management services can elevate your organization's revenue potential](https://www.plutushealthinc.com/rcm-solutions)