

# Billing Services – Revenue Cycle Management

## IMPACT YOUR BOTTOM LINE

### FACTS

According to the AMA, a medical practice loses over 15% of revenues to unpaid claims.

Do the math: For a two physician practice that generates \$1 Million in revenues, that's \$150,000 left on the table.

### MAXIMIZE YOUR PROFITS

Improve your practice's profitability with Emerald Health's comprehensive Revenue Cycle Management service:

- Reduce costs
- Accelerate cash flows
- Improve productivity & efficiency

Focus on the key drivers to your practice's longevity: patient care and quality

## KEY PERFORMANCE INDICATORS

Analyzing your practice's key performance indicators and benchmarking against industry averages is necessary to identify areas of improvement.

Following indicators are the most essential in gauging the health of your medical billing operations:

### Percentage of A/R over 120 days

*Amounts Owed to the Practice by patients, third party payers, etc. that is GREATER than 120 days old.*

### Adjusted Collection Rate

*Collected revenue divided by net charges (allowable). Out of \$100 that a payer allows for a certain CPT code, how much do you collect?*

### Days in Accounts Receivable (DAR)

*= Total Receivables / (12 month gross charges/365).*

### Cash

*How much cash are you collecting?*

## MEDICAL BILLING BENCHMARKING

### Percentage of A/R over 120 days

**BEST IN CLASS: <12%**

Industry Average: 12-20%

Red flags: >20%

### Adjusted Collection Rate

**BEST IN CLASS: >98%**

Industry Average: 96-98%

Red flags: <90%

### Days in Accounts Receivable (DAR)

**BEST IN CLASS: 25-35 days**

Industry Average: 40-45 days

Red flags: >65 days

### Cash

Compare cash balances MoM, QoQ, YoY. Are there any noticeable trends? What factors are causing these trends?

**Is your practice benchmarking?**

## WHY EMERALD HEALTH?

- Maximize revenues
- Reduce costs; payroll expense, employee turnover, training costs
- Accelerate cash flows; decrease DAR, increase cash balances
- Have greater transparency on key performance indicators
- Improve productivity that allows your practice to focus on your patients
- Comprehensive - Low flat rate billing

**Take advantage of our  
FREE REVENUE CYCLE ASSESSMENT**