

# ASC Revenue Cycle Key Performance Indicators to Monitor

How can you gain better control over your ASC's revenue cycle performance, spot problems hurting your bottom line, and identify opportunities for improvement that can enhance profitability? By monitoring the following key performance indicators (KPIs).

## Days to Bill/Charge Lag



**2**  
DAYS

Monitor the average days to bill each month. The standard is 48 hours or less.

## Days to Pay

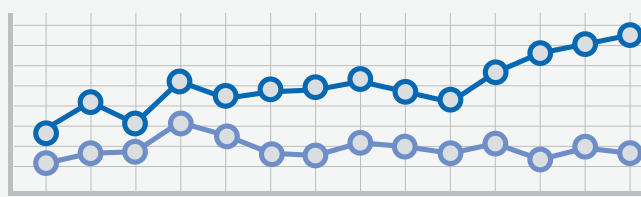


**45**  
DAYS

Since days to pay varies by payer, the benchmark will vary by ASC. A "sweet spot" to target is 45 days overall, 18 days for Medicare, and up to 55 days for workers' compensation.

## Specialty Trending

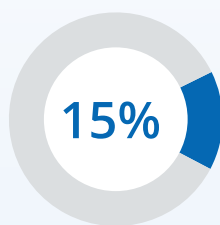
## Payer Volume Trending



Trend the percent of total billed charges to each specialty and compare this to the percent of revenue for each specialty. If charges are high and revenue is lower than normal, this may indicate an issue.

Trend the percent of total billed charges to each payer or financial class and compare it to the percent of revenue for each. As with specialty trending, if charges are high and revenue is lower than normal, analyze the data further for potential problems.

## AR > 90



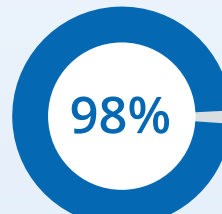
When accounts receivable (AR) percentage over 90 days hits and exceeds 15%, this indicates that there are revenue cycle problems. The offending financial class needs to be reviewed for issues immediately.

## Denial Rate

## Clean Claim Percentage



The standard benchmark is less than 5%, although a rate as low as 1% is achievable.



Calculated by measuring the percentage of payers' rejections of claims, submission of clean claims reduces the denial rate and ensures timely payment. The industry standard is 98%.

## Percentage of Collections for Cases > 90 Days

25% or above is a good target. A declining percentage of collections for cases greater than 90 days indicates older AR is not receiving the appropriate attention it deserves. As this percentage rises, AR greater than 90 will also increase.

**25%**  
OR MORE



## Write-Off Percentages



**0%**  
WRITE-OFF

Bad debt and denial write-off percentages should remain low, but consistent. The timely filing write-off percentage should be zero.



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