

# Metrics that matter

April 2024

Compare your revenue cycle key performance indicators (KPIs) with the latest monthly KPIs from your peers nationally.

KPI	January 2024	February 2024	Month-over-month percentage change	Year-over-year percentage change
True accounts receivable (AR) days	55.4	55.8	0.7% ↑	10.6% ↓
% AR > 90 days (managed care/commercial)	35.4%	33.9%	4.2% ↓	17.4% ↓
% AR > 90 days (Medicaid)	33.8%	32.5%	3.8% ↓	2.7% ↓
% AR > 90 days (Medicare)	21.1%	20.2%	4.3% ↓	8.2% ↓
Initial denial rate	12.5%	11.3%	9.6% ↓	1.7% ↓
Initial denial rate (prior authorization/precertification)	1.7%	1.6%	5.9% ↓	5.9% ↓
Point-of-service (POS) cash collections (% of total patient payments)	25.1%	21.8%	13.1% ↓	0.9% ↓
Six-month lagged cash to net revenue	94.3%	92.7%	17.0% ↓	12.4% ↑
Final denial write-offs (% of net patient service revenue)	3.1%	2.5%	19.4% ↓	0.0% ↔
Total uncompensated care (% of gross patient service revenue)	3.4%	3.3%	2.9% ↓	2.9% ↓

### Insight of the month

The initial denial rate and the prior authorization/precertification denial rate were down nearly 10% and 6%, respectively, in February compared with January. Will this trend continue in the right direction?

### Tip of the month

With the [CMS final rule](#) related to the use of the two-midnight rule by Medicare Advantage plans, we recommend increased communication between clinical and revenue cycle stakeholders on any concurrent denials that meet the two-midnight criteria.

Note: Figures are rounded to the nearest tenth. Month-over-month and year-over-year percentage changes are calculated based on the rounded figures. The direction of the arrow indicates whether a number or percentage went up or down; the color of the arrow indicates whether the change is good news (green) or bad news (red) for providers. A black arrow indicates no change.

Kodiak derives its monthly national revenue cycle key KPIs from revenue cycle performance data from more than 1,850 hospitals and more than 250,000 physician users of the Kodiak Solutions Benchmarking Intelligence program, powered by Revenue Cycle Analytics.

Derek Bang of Kodiak invented the Kodiak Revenue Cycle Analytics (Kodiak RCA) solution. The Kodiak RCA solution is covered by U.S. Patent number 8,301,519.



**For more revenue cycle performance insights and tips, please contact:**

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