

KODIAK

Kodiak healthcare revenue cycle monthly benchmarking scorecard

Metrics that matter

January 2024

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

KPI	September 2023	October 2023	Month-over-month percentage change	Year-over-year percentage change
True accounts receivable (AR) days	53.6	53.3	0.6%	6.8%
% AR > 90 days (managed care/commercial)	35.5%	35.7%	0.6%	1.4%
% AR > 90 days (Medicaid)	33.3%	33.0%	0.9%	1.2%
% AR > 90 days (Medicare)	21.3%	20.7%	2.8%	4.2%
Initial denial rate	11.9%	12.0%	0.8%	4.8%
Initial denial rate (prior authorization/precertification)	1.8%	1.5%	16.7%	0.0%
Point-of-service (POS) cash collections (% of total patient payments)	19.9%	20.1%	1.0%	8.6%
Six-month lagged cash to net revenue	95.6%	95.5%	0.1%	2.5%

Insight of the month

Initial denials for prior authorizations and precertifications matched a record low in October 2023 at 1.5% of claim dollars. This is a significant rebound over the past year as that percentage had been rising. Driving the rebound was a notable drop in the percentage of inpatient claims denied by Medicare Advantage plans. That rate declined to 1.9% in October from 2.9% over the previous nine months – a drop of 34.5% in the rate.

Tip of the month

One month does not make a trend, but the October 2023 decrease in the initial denial rate for prior authorizations and precertifications, primarily from Medicare Advantage plans, is welcome news. Revenue cycle leaders should keep a sharp eye on the inflow of these clinical denials to ensure that with the decrease of inflow they're also seeing a decrease in their work queue backlog.

Note: All figures displayed are rounded to the nearest tenth. 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 KPIs from revenue cycle performance data from more than 1,850 hospitals that use the Kodiak Revenue Cycle Analytics (Kodiak RCA) reporting platform.

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:

Matt Szaflarski
 Director, Revenue Cycle
 +1 630 586 5229
matt.szaflarski@crowe.com

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