



Crowe healthcare revenue cycle monthly benchmarking scorecard

Metrics that matter

October 2023

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

KPI	July 2023	August 2023	Month-over-month percentage change	Year-over-year percentage change
True accounts receivable (AR) days	54.0	52.6	2.6%	3.1%
% AR > 90 days (managed care/commercial)	35.7%	35.8%	0.3%	0.3%
% AR > 90 days (Medicaid)	33.1%	33.5%	1.2%	2.0%
% AR > 90 days (Medicare)	22.8%	22.9%	0.4%	1.8%
Initial denial rate	12.2%	11.8%	3.3%	8.3%
Initial denial rate (prior authorization/precertification)	1.8%	2.0%	11.1%	17.6%
Point-of-service (POS) cash collections (% of total patient payments)	18.9%	19.9%	5.3%	3.1%
Six-month lagged cash to net revenue	91.9%	94.8%	3.2%	0.6%

Insight of the month

In August 2023, prior authorization/ precertification claim denials registered their highest rate on record at 2.0% of claim dollars. That represents a 17.6% increase compared with August 2022, when such claim denials were 1.7% of claim dollars. With a prior authorization/ precertification denial rate of 2.7%, inpatient claims drove the overall increase.

Tip of the month

A higher volume of clinical claim denials means more clinical claim appeals, which are an expensive task within the revenue cycle. To increase the efficiency of clinical claim appeal workflows and minimize clinical claim appeal costs, providers should focus on peer-to-peer protocols as a key component of the clinical claim appeal strategy. They should make sure peer-to-peer protocols prioritize concurrent denials and appeals.

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.

Crowe derives its monthly national revenue cycle KPIs from revenue cycle performance data from more than 1,800 hospitals that use the Crowe RCA reporting platform.

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



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

Matt Szaflarski
Senior Manager, Healthcare Consulting
+1 630 586 5229
matt.szaflarski@crowe.com

"Crowe" is the brand name under which the member firms of Crowe Global operate and provide professional services, and those firms together form the Crowe Global network of independent audit, tax, and consulting firms. "Crowe" may be used to refer to individual firms, to several such firms, or to all firms within the Crowe Global network. The Crowe Horwath Global Risk Consulting entities, Crowe Healthcare Risk Consulting LLC, and our affiliate in Grand Cayman are subsidiaries of Crowe LLP. Crowe LLP is an Indiana limited liability partnership and the U.S. member firm of Crowe Global. Services to clients are provided by the individual member firms of Crowe Global, but Crowe Global itself is a Swiss entity that does not provide services to clients. Each member firm is a separate legal entity responsible only for its own acts and omissions and not those of any other Crowe Global network firm or other party. Visit www.crowe.com/disclosure for more information about Crowe LLP, its subsidiaries, and Crowe Global.

The information in this document is not – and is not intended to be – audit, tax, accounting, advisory, risk, performance, consulting, business, financial, investment, legal, or other professional advice. Some firm services may not be available to attest clients. The information is general in nature, based on existing authorities, and is subject to change. The information is not a substitute for professional advice or services, and you should consult a qualified professional adviser before taking any action based on the information. Crowe is not responsible for any loss incurred by any person who relies on the information discussed in this document. © 2023 Crowe LLP.