

Seven tips provided for optimizing practice revenue

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(HealthDay)—Business operations data represent a relatively untapped

resource for optimizing practice revenue, and can indicate areas of strength and opportunities for improvement, according to a report published in *Medical Economics*.

The first step is identifying the measures that most clearly demonstrate performance; these should show whether a practice is getting paid in a timely manner. Indicators to watch include accounts receivable, which shows how quickly a practice can turn receivables into cash and should be kept under 30 days; age of receivables, which shows how long receivables have been outstanding; and average daily charge, which should be tracked over time to identify patterns that show productivity issues or patient volume fluctuations.

Other indicators to watch include collections percentage, which compares the payments received with what the practice is supposed to receive; clean claim rate, which should be close to 100 percent using technology; patient collection rates, with fine-tuning encouraged in this process in order to prevent large revenue shortfalls; and rejections and denials, which can highlight a wide array of problems.

"As practices move to value-based care, fully understanding and responding to key business data will be essential to realizing success," the authors write.

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