Kipu

The 8 RCM KPIs you need to be tracking

Revenue Cycle Management can be a pain. There's a lot to keep track of, and even when you're operating well, it can still be frustrating to have a claim rejected for something that was missed. Keeping your RCM efficient and optimized means focusing in on several key performance indicators—but how can you tell if you're performing well or not?

We're here to help. Here's a breakdown of the most important KPIs to keep tabs on, as well as some benchmarks to help you see how well you're performing, and where you may need some improvements.

	What is it?	Target:
Claim denial rate	The percentage of claims denied by payers. Monitoring and analyzing the reasons behind denials can help in taking corrective actions to improve this rate.	A denial rate of 5% or less
Days in accounts receivable	The average number of days it takes to collect payment after a service is rendered. Fewer A/R days mean that your facility is efficiently collecting revenue, vital for maintaining cash flow.	45 days or less
Clean claim rate	The percentage of claims paid on the first submission without being denied or rejected. A high clean claim rate signifies that your billing process is accurate and efficient.	95% or higher
Net collection rate	The percentage of total possible revenue collected from payers. It highlights the effectiveness of your collection process.	5% or above
Cost to collect	The cost involved in collecting the revenue. Lowering the cost to collect without compromising on collection rates is a sign of an efficient RCM operation.	Less than 15% of your total collections
Patient financial responsibility rate	This helps in understanding the shift in payment responsibilities and planning the patient engagement and payment collection strategies accordingly.	No hard number due to patient variance; aim to manage and collect patient-responsible portions without adversely affecting patient satisfaction.
Revenue leakage	Places where you're losing money you're entitled to. Identifying and measuring revenue leakage points, such as missed charges or undercoding, is essential.	As close to 0% as possible
First pass resolution rate	The percentage of claims paid after the first submission. It's an indicator of how often your claims are submitted correctly the first time, which can significantly impact your cash flow and operational efficiency.	90% or higher

Kipu is here to help you perform as smoothly and efficiently as possible so you can focus on the most important part of the job: helping your patients.

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