Reporting: Key Indicator Report Summary

The Fundamentals of Payment Posting

To understand the Key Indicators Summary Report it is essential to understanding the fundamentals of Payment Posting.

Posting payments in Kareo is a two step process

1. Enter a Payment record when the medical practice receives a payment.
2. Apply portions of the Payment to open charges corresponding with procedures rendered to a Patient by a specific Provider.

Kareo also tracks two different Post Dates representing the two steps of this process

1. Post Date that the Payment is entered when the medical practice receives the payment (i.e. Payment Post Date).
2. Post Date for individual transactions associated with applying portions of the Payment to open charges for procedures rendered to a Patient by a specific Provider (i.e. Payment Application Post Date).

It is important to note that each of the two steps of the payment posting process can occur on different dates with different Post Dates, and as a result, the transactions may fall into different accounting periods. This fact becomes important in the sections to follow.

Tracking Payments on the Key Indicators Reports

Kareo totals payments on the Key Indicators reports under the metric entitled "Receipts" if the Post Date of transactions fall within the start and end date of the report. Receipts are tacked in two sections of the report.

1. Payments credited to individual Providers that are displayed within each specific Provider's section of the report.
2. Total payments to the practice that is displayed under the "All Providers" section (the last section of the report).

It is important to note that Kareo is unable to credit payments to specific Providers until the second step of the payment posting process - the act of applying portions of the Payment to open charges for procedures rendered to a Patient by a specific Provider.
Key Indicators Summary Report with Options:

The Key Indicators Summary report can be calculated using either of the following options. (The options are chosen by selecting the Customize button at the upper right hand corner of the screen.)

1. Payments Received (default): The Receipts metric in the "All Providers" section is calculated as the sum of all payments the medical practice receives from patients, insurance companies, or other payers in the period. The Receipts metric in the "All Providers" section will equal the sum of the "Receipts" metrics in the individual Providers sections plus the "Change in Unapplied Balance".
   • Q: Why is the sum of the Receipts metrics in the individual Provider sections not equal to the Receipts metric in the "All Providers" section?
   • A: This happens because payments can be received in one reporting period but applied to open charges in another period. So in the first period, there is a balance on the payment that remains "unapplied". But in the next period, the remaining portions of the payment may be "applied".

   Note: The "Change in Unapplied Balance" tracks the change to the unapplied balance on payments from one reporting period to the next. The "Change in Unapplied Balance" gives you greater visibility into the two step process of payment posting.

2. Payments Applied: The Receipts metric in the "All Providers" section is calculated as the sum of all individual transactions associated with applying payments to open charges across all Providers.