RCM Denial Rate Benchmarking Worksheet

Enter the blue input cells. Calculated results and benchmark status update automatically.

Practice & Reporting Inputs	
Practice / Organisation	
Reporting Month	
Specialty	Primary Care
Total Claims Submitted	1,000
Initial Claims Denied	60
Final Denied Claims	20
Clean Claims Paid First Pass	920
Appealed Soft Denials	40
Successful Appeals / Overturns	22
Denial Write-Off Amount ($)	$5,000.00
Net Revenue Collected ($)	$250,000.00

Calculated Performance Metrics

Metric	Result	Target / Benchmark	Status
Initial Denial Rate	6.0%	< 5.0%	Acceptable
Final Denial Rate	2.0%	Track separately; lower is better	Strong
First-Pass Resolution Rate	92.0%	≥ 95.0%	Below Target
Appeal Recovery Rate	55.0%	40.0%–60.0%	On Target
Denial Write-Off Ratio	2.0%	Monitor trend; minimise	Monitor
Estimated Denial Rework Cost	$1,500.00	$25–$118 per denied claim	Lower Range

Specialty Benchmark Comparison

Selected Specialty	Benchmark Range	Benchmark Midpoint	Variance vs Midpoint
Primary Care	3.0%–5.0%	4.0%	2.0%
Assessment	Worse than specialty midpoint		
Priority	Review top denial drivers		

Review Question	Response / Notes
What are the top three denial reasons?	
denials?	
highest-value denials?	
taken?	
Owner and completion date	

Benchmark interpretation: initial and final denial rates should be tracked separately. A low final denial rate with a higher initial rate can indicate an effective appeals process, but front-end problems still require correction.

How to Use RCM_Denial_Rate_Benchmarking_Worksheet

How to Use This Worksheet

Use this worksheet to measure claim denials, compare performance with industry benchmarks, identify common denial causes, and track improvement over time.

Step 1: Complete the Dashboard

Enter your organisation's monthly data in the input cells, including:

Total claims submitted

Initial claims denied

Final denied claims

Clean claims paid on first submission

Soft denials appealed

Successful appeals

Denial write-off amount

Net revenue collected

The worksheet will automatically calculate your denial rates, appeal recovery rate, first-pass payment rate, estimated rework cost, and performance status.

Step 2: Review Your Results

Check whether your initial denial rate is:

Below 5%: Strong performance

5% to 8%: Acceptable but should be monitored

Above 8%: Improvement is required

Above 10%: Immediate investigation is recommended

Compare your result with the benchmark for your medical specialty.

Step 3: Record Denial Causes

Use the Denial Reasons sheet to record why claims were denied. Common causes include:

Eligibility errors

Missing prior authorisation

Coding mistakes

Missing documentation

Duplicate claims

Filing deadline problems

Incorrect patient information

Payer-specific billing rules

Enter the payer, denial reason, number of claims, denied amount, root cause, corrective action, responsible person, and completion date.

Step 4: Plan Corrective Actions

Identify:

The most common denial reason

The payer responsible for the most denials

The denial category causing the greatest financial loss

The process that needs improvement

The person responsible for completing the corrective action

Step 5: Update the Monthly Tracker

Add each month’s figures to the Monthly Tracker sheet. This will help you monitor changes, compare monthly performance, and review annual denial trends.

Important Definitions

Initial denial: A claim rejected when it is first submitted.

Final denial: A claim that remains unpaid after corrections, resubmissions, or appeals.

A low final denial rate may show that the appeals team is recovering payments successfully. However, a high initial denial rate still creates unnecessary administrative work, delays payment, and increases rework costs.

Important

Only enter information in the designated input cells. Formula cells calculate automatically and should not be overwritten.

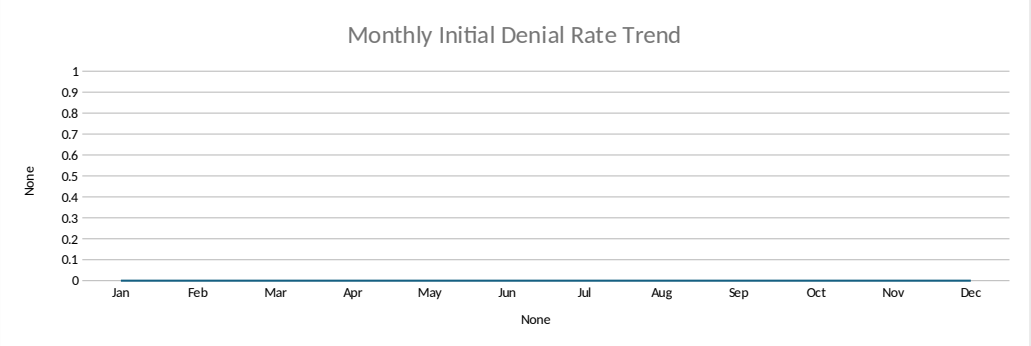
Monthly RCM Denial Performance Tracker

Enter monthly claim volumes and financial data in blue. Formula columns calculate performance automatically.

Month	Specialty	Claims Submitted	Initial Denials	Final Denials	Clean Claims Paid First Pass	Soft Denials Appealed	Successful Appeals	Denial Write-Off ($)	Net Revenue Collected ($)	Initial Denial Rate	Final Denial Rate	First-Pass Rate	Appeal Recovery Rate
Jan	Primary Care	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Feb	Primary Care	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Mar	Primary Care	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Apr	Primary Care	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%
May	Primary Care	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Jun	Primary Care	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Jul	Primary Care	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Aug	Primary Care	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Sep	Primary Care	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Oct	Primary Care	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Nov	Primary Care	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Dec	Primary Care	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%

Annual Summary

Metric	Annual Result
Total Claims Submitted	-
Total Initial Denials	-
Weighted Initial Denial Rate	0.0%
Estimated Rework Cost Range	$0 – $0



RCM Denial Rate Benchmark Reference

Performance Tier	Initial Denial Rate	Interpretation	Recommended Action	Supporting Metric	Benchmark / Target
Best-in-class	< 3.0%	Exceptional front-end claim quality	Maintain controls and audit trends	Clean claim / first-pass rate	≥ 95.0%
Top performer	3.0%–4.9%	Strong performance	Monitor payer and specialty variation	Appeal recovery / overturn rate	40.0%–60.0%
Acceptable	5.0%–8.0%	Within common operating range	Address recurring denial categories	Final denial rate	Track separately from initial denial rate
Industry baseline	8.0%–12.0%	Elevated denial exposure	Launch focused root-cause programme	Cost to rework one denial	$25–$118
Critical	> 10.0%	Front-end or payer-mapping breakdown likely	Immediate intervention required	A/R over 90 days	12.0%–15.0%
				Charge lag	24–48 hours

Specialty	Initial Denial Rate Baseline	Benchmark Midpoint
Primary Care	3.0%–5.0%	4.0%
Behavioral Health	4.0%–6.0%	5.0%
Orthopedics	5.0%–7.0%	6.0%
Cardiology	6.0%–8.0%	7.0%
Radiology	6.0%–10.0%	8.0%
Surgery	8.0%–12.0%	10.0%

Source note: Benchmarks and ranges are based on the user-provided RCM benchmarking material.

Denial Root-Cause Log

Month	Payer	Denial Category	Denial Code / Reason	Claim Count	Denied Amount ($)	Root Cause	Corrective Action	Owner / Due Date