



User Manual II: Managing AR with MARS

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Summary:

This user manual describes how MARS can be used to help analyze and manage Accounts Receivable.

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INTRODUCTION

This user manual will guide you through the various methods to analyze and manage AR using MARS. There are several advantages to using MARS as an AR management tool, including (but certainly not limited to):

- Ability to view IDX 4.0 and GECB 4.3 data simultaneously on one report
- Ability to slice AR data by many different dimensions, such as department, division, provider, patient, location, billing area, AR age, etc.
- Ability to view open batch data and/or closed batch data
- Ability to view historical AR and analyze trends over time

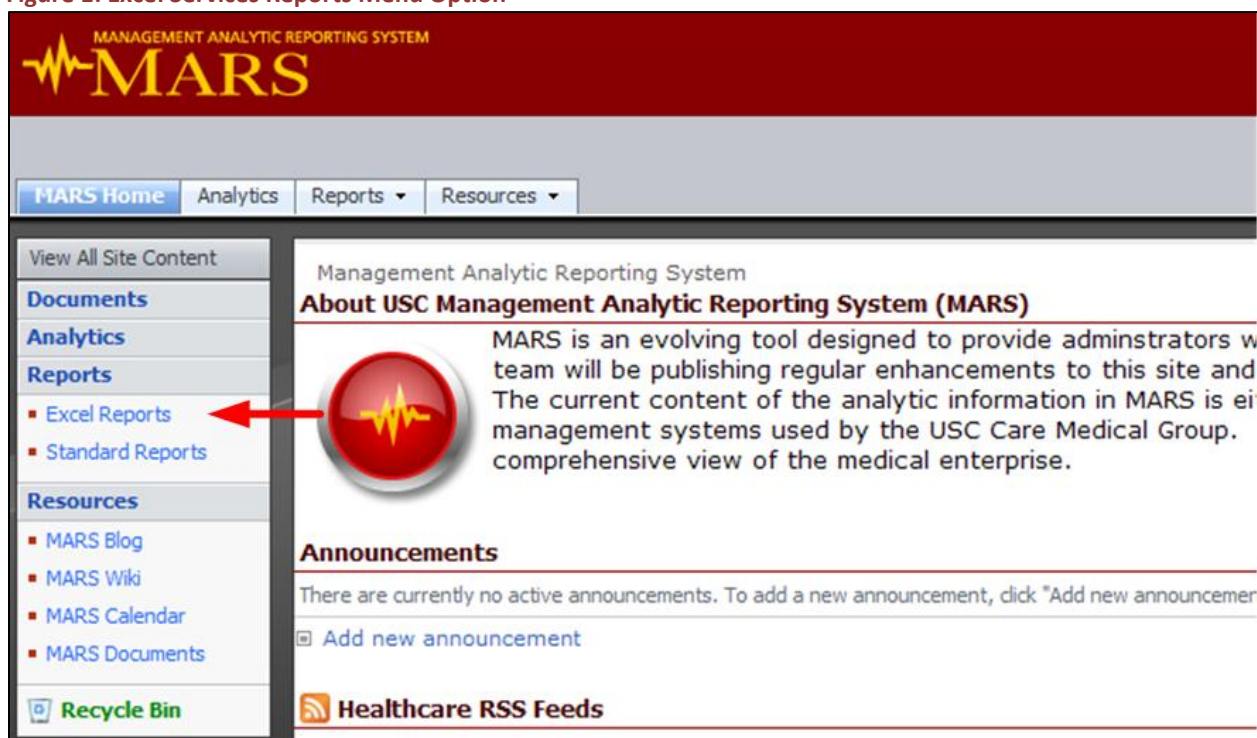
After reading this manual, you should have a solid understanding of how to do all of these things.

EXCEL SERVICES STARTER REPORTS

Accessing and Interpreting the AR Excel Services Reports

There are a few starter reports on MARS that are a great place to begin your AR research. To access the AR Excel Services Starter Reports, go to the MARS website (<https://mars.usc.edu/default.aspx>) and click the “Excel Reports” link as shown in Figure 1.

Figure 1: Excel Services Reports Menu Option

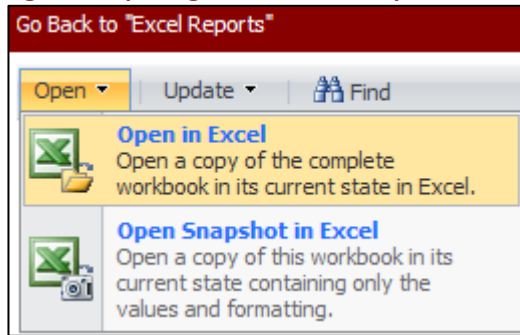


Once you click on “Excel Reports”, you will see a series of folders. These folders group Excel Services reports into logical “business use” groupings. For the purposes of this tutorial, we are interested in the “AR Management” folder.

Aged Trial Balance Summary Report

Click on the “AR Management” folder, and then click on the report titled “Aged Trial Balance Summary”. The report first opens on the web, but we want to open this report in MS Excel where we have a lot more flexibility. At the top left of the screen, click on “Open” and then click on “Open in Excel” (as shown in Figure 2). This opens the report in Microsoft Excel. When Excel opens, the first thing you have to do is enable the content. If you use Excel 2007, you will see a gray security warning bar at the top of the screen. Click on the “Options” button. A Security Alert box will open – click on “Enable this

Figure 2: Opening Excel Services Report in Excel



content”. If you use Excel 2010, a yellow security warning bar appears at the top of the screen – click on “Enable Editing”. After you click on “Enable Editing”, another yellow warning bar will appear. Click on “Enable Content”. Now we have the Excel Services AR Report open in Excel, and we can manipulate it however we choose. Before we manipulate anything, let’s take a look at the report in its default state. At the top of the

report, there are four filters: Group, AR Batch Status, Department, and Posting Date. This starter report begins by showing Group 3 (USC Care Medical Group), closed batches, all of the departments that you have access to, and a posting month of November 2010. Figure 3 shows a sample of the report.

Figure 3: Accounts Receivable Starter Report

| AR FSC | Column Label | Current | 1 Month | 2 Months | 3 Months | 4 Months | 5 Months | 6 Months | > 6 Months | Grand Total |
|-----------------------------------|--------------|--------------|--------------|--------------|------------|----------|----------|----------|------------|--------------|
| AETNA STUDENT HEALTH (484) | | | | | | | | | | |
| Prev AR Balance | | \$0.00 | \$342,764.58 | \$100,190.50 | \$3,840.09 | \$340.00 | \$605.00 | | \$197.00 | \$447,937.17 |
| Charges | | \$137,044.50 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | | \$0.00 | \$137,044.50 |
| Payments | | \$129.60 | \$18,791.64 | \$1,337.31 | \$0.00 | \$0.00 | \$0.00 | | \$0.00 | \$20,258.55 |
| Credits | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | | \$0.00 | \$0.00 |
| Adjustments | | \$0.00 | \$62,203.60 | \$4,469.24 | \$0.00 | \$0.00 | \$0.00 | | \$0.00 | \$66,672.84 |
| Debits | | \$0.00 | \$0.00 | \$0.13 | \$0.00 | \$0.00 | \$0.00 | | \$0.00 | \$0.13 |
| Net Transfers | | (\$332.00) | (\$5,105.86) | \$907.35 | \$366.48 | \$0.00 | \$0.00 | | \$0.00 | (\$4,164.03) |
| AR Balance | | \$136,582.90 | \$256,663.48 | \$95,291.43 | \$4,206.57 | \$340.00 | \$605.00 | | \$197.00 | \$493,886.38 |

The column headings represent the age of the AR balance. “Current” represents activity posted to BAR in the same month that the invoice was created. In this case, we are viewing November 2010 data. Figure 3 shows that \$137,044.50 in charges was recorded in the “Current” column. This tells us that there was \$137,044.50 in charges posted in November 2010 for invoices created in November 2010. “1 Month” represents activity posted to BAR in the month after the invoice was created. Referring to Figure 3 again, there is \$18,791.64 in payments under the “1 Month” column. This indicates that there was \$18,791.64 in payments posted in November 2010 for invoices created in October 2010.

The row headings begin with a gray bar containing a FSC name. Within each FSC, we see eight values:

- **Prev AR Balance:** This is the AR balance at the beginning of the posting month that is selected, which is the same as the ending AR balance of the previous month. For example, the AR Balance for posting month October 2010 will be the same as the Prev AR Balance for posting month November 2010. This is explained in more detail below.

- **Charges:** Posted charges.
- **Payments:** Posted payments.
- **Credits:** Any transaction posted with a paycode type of "Credit". Examples include bad debt, capped adjustments, write offs, etc.
- **Adjustments:** Contractual adjustments.
- **Debits:** Any transaction posted with a paycode type of "Debit". Examples include refunds, takebacks, capped debit adjustments, etc.
- **Net Transfers:** Transfers In – Transfers Out. This measure will always be \$0 unless you are slicing it by FSC (because invoices only transfer between FSCs!)
- **AR Balance:** The AR balance at the end of the selected month.

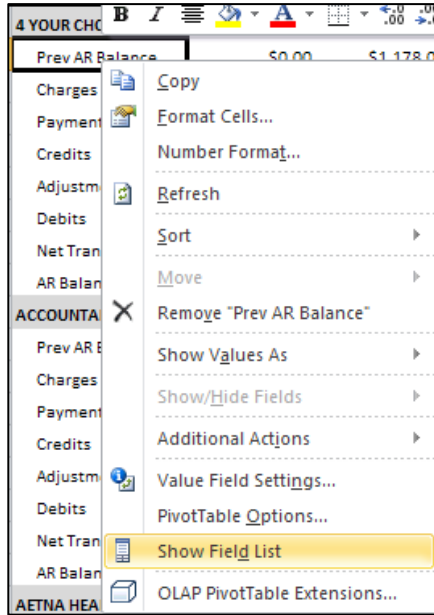
Figure 4 demonstrates the relationship between the "Prev AR Balance" and "AR Balance" measures. The left side of the figure shows the AR report when October 2010 is selected as the posting month. As you can see, the ending "Current" AR Balance in October is \$32,588,310.42 (circled in red). The right side of the figure displays the AR report when November 2010 is selected as the posting month. The previous AR balance for the "1 Month" column is also \$32,588,310.42 (again, circled in red). As the red arrow demonstrates, the ending AR balance in the "Current" column in October becomes the previous AR balance (or the starting balance) in the "1 Month" column in November. Likewise, the green arrow demonstrates how the "1 Month" AR Balance in October becomes the "2 Months" Previous AR Balance in November.

Figure 4: Relationship Between "AR Balance" and "Prev AR Balance"

| Posting Month: October 2010 | | | Posting Month: November 2010 | | | |
|-----------------------------|-----------------|-----------------|------------------------------|-----------------|-----------------|-----------------|
| Values | Current | 1 Month | Values | Current | 1 Month | 2 Months |
| Prev AR Balance | \$0.00 | \$30,946,906.48 | Prev AR Balance | \$0.00 | \$32,588,310.42 | \$11,933,220.50 |
| Charges | \$38,359,115.04 | \$0.00 | Charges | \$36,663,337.24 | \$0.00 | \$0.00 |
| Payments | \$2,411,491.99 | \$5,900,149.21 | Payments | \$1,618,754.90 | \$6,331,312.91 | \$1,616,119.28 |
| Credits | (\$844,975.26) | \$460,712.75 | Credits | (\$657,500.43) | \$446,751.29 | \$216,486.89 |
| Adjustments | \$4,219,124.60 | \$12,662,305.69 | Adjustments | \$2,823,561.85 | \$13,452,012.32 | \$2,950,787.90 |
| Debits | \$14,836.71 | \$9,481.67 | Debits | \$929.76 | \$8,186.73 | \$2,877.98 |
| Net Transfers | \$0.00 | \$0.00 | Net Transfers | \$0.00 | \$0.00 | \$0.00 |
| AR Balance | \$32,588,310.42 | \$11,933,220.50 | AR Balance | \$32,879,450.68 | \$12,366,420.63 | \$7,152,704.41 |

Tying the MARS ATB Report to the GECB ATB Report

Figure 5: Open the Pivot Table Field List

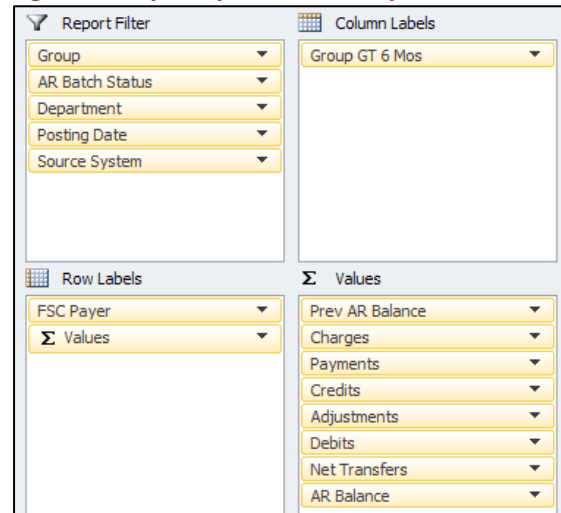


By default, the filters are set to match the Aged Trial Balance Summary report from GECB, with one exception: the MARS report contains data from IDX 4.0 and GECB 4.3. In order to tie to the GECB Aged Trial Balance Report, we need to filter out the old system data.

Click anywhere inside the data in Excel. The Pivot Table Field List should appear on the right side of your screen. If it does not appear automatically, right click on any cell with data and select “Show Field List” (shown in Figure 5). The pivot table field list displays all of the information available to you through MARS. The majority of information displayed in this list can be used to customize your report. Below the field list you will see four trays

with the following headings: “Report Filter”, “Column Labels”, “Row Labels”, and “Values”. These trays show you what is currently on the report surface. Find “Source System” in the field list and drag it to the “Report Filter” tray. Once source system is in the report filter, your four trays should look exactly like Figure 6. Navigate to the top of the report, where all of the filters are located. You’ll notice that source system is now available as a filter. Click the dropdown menu next to Source System and then click the plus (+) sign next to “All”. Click “GECB Current System” and click “OK”. The report will refresh, now only showing data from GECB 4.3.

Figure 6: Tray Setup with Source System in Filter



This report is now a replica of the GECB “Aged Trial Balance Summary” Report. Figure 7 and Figure 8 show the “totals” rows in the GECB report and the MARS report. As you can see, all of the numbers tie for November 2010. Please note that there are some slight differences in the reports. For example, the

GECB report has separate rows for “Transfers In” and “Transfers Out”. Just subtract the two in order to match “Total Net Transfers” in the MARS report. Likewise, GECB only shows a “Credits” row, while MARS shows “Credits” and “Adjustments” separately. Just add “Credits” and “Adjustments” together in order to match GECB “Credits”. Finally, GECB has a “> 5 Months” column, while MARS has a “6 Months” and “> 6 Months” column. Just add the “6 Months” and “> 6 Months” columns together to match GECB’s “> 5 Months” column.

Figure 7: Nov 2010 Aged Trial Balance Summary from GECB 4.3

| USC CARE MEDICAL GROUP INC | | | | | | | | | PAGE: 46 |
|------------------------------------|--------------|---------------|--------------|-------------|-------------|-------------|--------------|---------------|-------------------------------|
| *** AGED TRIAL BALANCE SUMMARY *** | | | | | | | | | PRINTED: Dec 14 2010 10:49 AM |
| FOR NOVEMBER 2010 | | | | | | | | | |
| USC CARE MEDICAL GROUP INC #3 | | | | | | | | | |
| FINANCIAL CLASS | CURRENT | 1 MONTH | 2 MONTHS | 3 MONTHS | 4 MONTHS | 5 MONTHS | >5 MONTHS | TOTAL | |
| *** TOTALS | | | | | | | | | |
| PRVS A/R | 0.00 | 32432084.67 | 11913556.46 | 6764414.29 | 4896905.72 | 5139957.33 | 26749593.80 | 87896512.27 | |
| CHARGES | 36597912.42 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 36597912.42 | |
| PAYMENTS | 1597736.88CR | 6325164.93CR | 1609992.92CR | 522749.47CR | 261529.18CR | 243390.59CR | 521465.13CR | 11082029.10CR | |
| CREDITS | 2211006.61CR | 13810145.04CR | 3165350.92CR | 991013.02CR | 554370.17CR | 606268.50CR | 2247993.41CR | 23586147.67CR | |
| DEBITS | 37.36CR | 8186.73 | 2877.98 | 7547.36 | 4971.11 | 4902.57 | 112251.36 | 140699.75 | |
| TRANS IN | 984376.78 | 2864703.97 | 935374.34 | 468819.74 | 409107.07 | 540348.80 | 1319568.59 | 7522299.29 | |
| TRANS OUT | 984376.78CR | 2864703.97CR | 935374.34CR | 468819.74CR | 409107.07CR | 540348.80CR | 1319568.59CR | 7522299.29CR | |
| NEW A/R | 32789131.57 | 12304961.43 | 7141090.60 | 5258199.16 | 4085977.48 | 4295200.81 | 24092386.62 | 89966947.67 | |

Figure 8: MARS AR Report with Source System Filter

| AR FSC | Current | 1 Month | 2 Months | 3 Months | 4 Months | 5 Months | 6 Months | > 6 Months | Grand Total |
|-----------------------|-----------------|-----------------|-----------------|----------------|----------------|----------------|----------------|-----------------|-----------------|
| Total Prev AR Balance | \$0.00 | \$32,432,084.67 | \$11,913,556.46 | \$6,764,414.29 | \$4,896,905.72 | \$5,139,957.33 | \$3,381,305.99 | \$23,368,287.81 | \$87,896,512.27 |
| Total Charges | \$36,597,912.42 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$36,597,912.42 |
| Total Payments | \$1,597,736.88 | \$6,325,164.93 | \$1,609,992.92 | \$522,749.47 | \$261,529.18 | \$243,390.59 | \$82,624.13 | \$438,841.00 | \$11,082,029.10 |
| Total Credits | (\$611,193.38) | \$414,981.65 | \$215,680.15 | \$155,109.06 | \$115,146.12 | \$121,793.63 | \$98,911.15 | \$742,359.85 | \$1,252,788.23 |
| Total Adjustments | \$2,822,199.99 | \$13,395,163.39 | \$2,949,670.77 | \$835,903.96 | \$439,224.05 | \$484,474.87 | \$186,087.72 | \$1,220,634.69 | \$22,333,359.44 |
| Total Debits | (\$37.36) | \$8,186.73 | \$2,877.98 | \$7,547.36 | \$4,971.11 | \$4,902.57 | \$7,661.19 | \$104,590.17 | \$140,699.75 |
| Total Net Transfers | \$0.00 | (\$0.00) | (\$0.00) | \$0.00 | (\$0.00) | (\$0.00) | (\$0.00) | (\$0.00) | (\$0.00) |
| Total AR Balance | \$32,789,131.57 | \$12,304,961.43 | \$7,141,090.60 | \$5,258,199.16 | \$4,085,977.48 | \$4,295,200.81 | \$3,021,344.18 | \$21,071,042.44 | \$89,966,947.67 |

AR Key Indicators Report

There is another starter report available on MARS that is worth exploring. Again, click on the “AR Management” folder and then click on the report titled “AR_Key_Indicators”. Open the report in Excel the same way you did with the previous reports. FSC Reporting Category II is displayed on rows, and you can view each FSC within its Reporting Category II by clicking on the plus (+) sign to the left of the reporting category. Several “key AR indicators” are displayed along the columns:

- **AR Balance:** The AR balance at the end of the selected month.
- **Avg Daily Charges Last 3 Mos:** (Sum of charges for the last 3 months) / (total number of days in the last 3 months). For example, if October 2010 is selected, this measure shows the sum of August, September, and October 2010 charges divided by 92.

- **Days in AR:** $(AR\ Balance) / (Avg\ Daily\ Charges\ Last\ 3\ Mos)$. This is a measurement for how long it takes USC to collect payments on services rendered.
- **% AR >= 4 Months Old:** percent of the AR Balance that is at least 4 months (120 days) old. The “age” of the AR is calculated as the number of months between the invoice creation date and the selected posting date. For example, if an invoice was created on 1/1/2010 and had a balance of \$100 as of 5/1/2010, it would be considered 4 months old. This provides a measurement of how much of the AR Balance is considered healthy AR.
- **% AR >= 3 Months Old:** The same calculation as “% AR >= 4 Months Old”, except that it is the percent of the AR Balance that is at least 3 months (90 days) old.

As always, this is just a starter report that is meant to demonstrate the various measures that can be used to monitor your AR. You can customize it to your liking to view trends over time, or drill down to a specific data subset.

CUSTOMIZING AR REPORTS

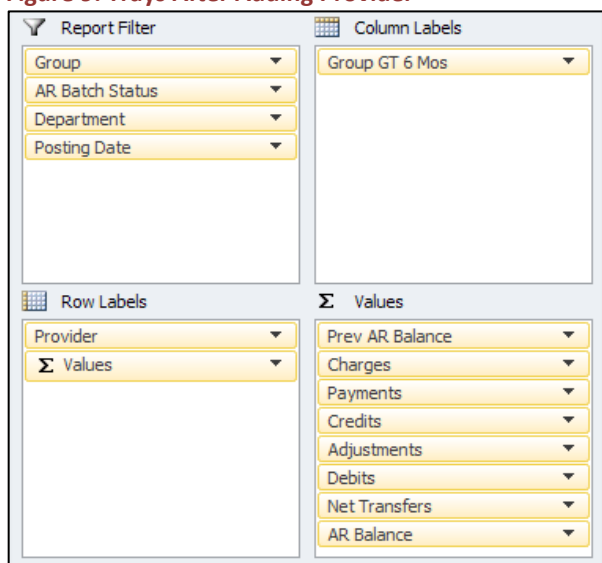
Now that we are confident that MARS ties to GECB, we can begin creating customized AR reports that meet our specific needs. Open up the MARS Aged Trial Balance report, as demonstrated earlier in this tutorial. The first thing that I like to do is turn on the gridlines and column headings in Excel. You will notice that there are no row numbers or column letters displayed on the Excel sheet right now. Click on the “View” menu option and check “Gridlines” and “Headings”. You will see the gridlines and headings appear. Now we are ready to customize!

Customization #1: Viewing AR Balance by Provider

Suppose you are viewing the Aged Trial Balance Report on MARS, which shows AR balances by FSC. You like the way that this report is set up because it has a similar look and feel to the GECB Aged Trial Balance Report. However, you don’t want to view AR by FSC. Instead, you want to view AR by each provider in your department. With a few clicks, we can adjust the starter report to meet our needs.

Our task is simple – we want to remove FSC from the rows and replace it with provider names. First, remove “FSC Payer” from the rows by dragging it out of the Row Labels tray. Next, find the “Provider” dimension in the Pivot Table Field List. Under the Provider dimension you will see two objects: one says

Figure 9: Trays After Adding Provider



“Provider.Last Name Hierarchy” and the other says “More Fields”. Click the plus sign next to “More Fields”. Within “More Fields”, you will see an object titled “Provider.Provider”. Drag this into the Row Labels tray, where “FSC Payer” was before. Make sure you put “Provider” above “Values” in the row labels, as shown in Figure 9. Once you do this, the report will refresh and show AR balances by provider. We’re already done! You can do this for any dimension listed in the pivot table field list. For example, you could replace “FSC Payer” with billing area or division.

Customization #2: AR Trends Over Time

Suppose now that you would like to see how your AR balances have progressed over the last 12 months. Your department has expended significant resources cleaning up old AR, and you want to see how much of an impact it has made.

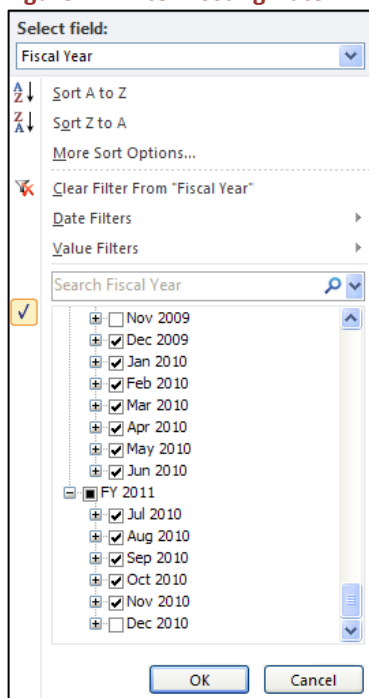
Open the Aged Trial Balance Report on MARS (instructions on how to do this are explained earlier in this manual – please refer to the section under “EXCEL SERVICES STARTER REPORT”). We are interested in seeing AR balances by month for the last 12 months. The first thing to do is remove all of the measures

Figure 10: AR Report After Modifications

| | | | | | | | | | | |
|-----------------|-----------------|-----------------|----------------------------|----------------|----------------|----------------|----------------|-----------------|------------------|--|
| Group | USC CARE MED | L GROUP INC (3) | | | | | | | | |
| AR Batch Status | (Multiple Item | | | | | | | | | |
| Department | All Viewable | Departments | <-- Select Your Department | | | | | | | |
| Posting Date | Nov 2010 | | | | | | | | | |
| Column Label | | | | | | | | | | |
| | Current | 1 Month | 2 Months | 3 Months | 4 Months | 5 Months | 6 Months | > 6 Months | Grand Total | |
| AR Balance | \$32,879,450.68 | \$12,366,420.63 | \$7,152,704.41 | \$5,297,393.45 | \$4,110,989.81 | \$4,376,131.92 | \$3,062,962.56 | \$31,873,432.41 | \$101,119,485.87 | |

that are no longer necessary. Remove “Prev AR Balance”, “Charges”, “Payments”, “Credits”, “Adjustments”, “Debits”, and “Net Transfers” from the Values tray. The only measure that remains is “AR Balance”. Next, remove “FSC Payer” from the Row Labels tray. Your report should now look similar to Figure 10.

Figure 11: Filter Posting Date



Now we need to get posting months on the rows. To do this, drag “Posting Date” out of the Report Filter tray and into the Row Labels tray. The report will refresh and show many fiscal years. We are only interested in the last 12 months of data, so we need to filter the row labels. To do this, click on the drop down arrow above the fiscal years. Uncheck the “Select All” option – this unselects all fiscal years. Scroll down to the end of the list and select all months from December 2009 through November 2010, as shown in Figure 11. Click OK.

Focus your attention to the FY 2011 row at the top of Figure 12. You will notice that it shows an AR balance of \$154,975,077.16. Right now, the report is aggregating the AR balances from July 2010

through November 2010 to show a total AR balance for FY 2011. This is obviously incorrect; it makes no

Figure 12: Fiscal Year Subtotals

| | |
|----------------|-------------------------|
| FY 2011 | \$154,975,077.16 |
| Jul 2010 | \$28,421,090.74 |
| Aug 2010 | \$30,139,318.84 |
| Sep 2010 | \$30,946,906.48 |
| Oct 2010 | \$32,588,310.42 |

Figure 13: Removing FY Subtotals

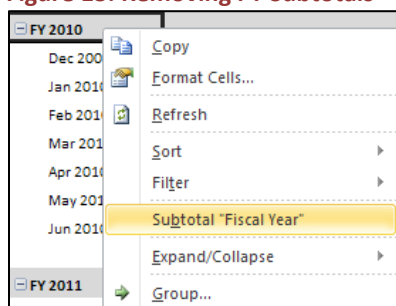
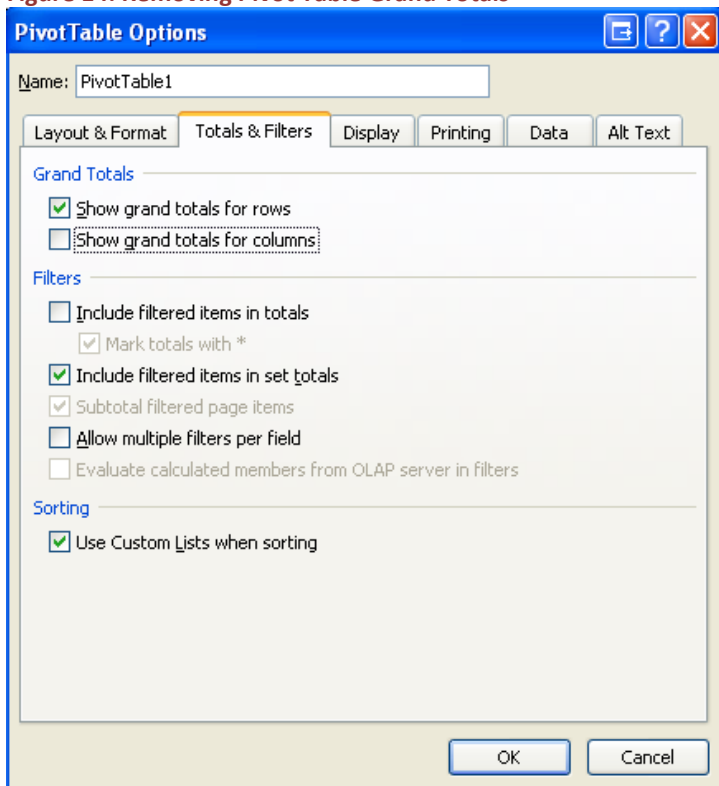


Figure 14: Removing Pivot Table Grand Totals



sense to add AR balances from multiple fiscal months together, because these are values at a point in time. It would be the equivalent of the bank saying: “you had a savings balance of \$1,000 at the end of every month in 2010. So, your total savings balance for 2010 is \$12,000”. That would be nice, but it is definitely incorrect! To remove the year totals, right click on one of the fiscal year labels and uncheck “Subtotal Fiscal Year”, as shown in Figure 13. Likewise, we want to remove the grand total at the bottom of the report. To remove this, right click anywhere in the pivot table and select “PivotTable Options”. A window will pop up – click on the “Totals & Filters” tab and uncheck the option “Show grand totals for columns”, as shown in Figure 14. Your report now shows AR balances by fiscal month and age, and all of

the nonsensical totals have been removed. You can quickly scan the numbers of a particular column to see how AR balances are trending from month to month (this would also be a great candidate for a line chart). The final report is shown in Figure 15. If you only want to view the total AR trends rather than view the trend of each individual Age, just remove the Age object from the Column Labels tray (the object will have a title of “Group GT 6 Mos”).

You can do this for any AR measure listed in the AR cube, not just AR

Balance. For example, let’s replace “AR Balance” with “Days in AR” to view the Days in AR trend over time.

Figure 15: Final AR Trending Report

| AR Balance | Column Labels | | | | | | | | | |
|----------------|---------------|--------------|-------------|-------------|-------------|-------------|-------------|--------------|---------------|--|
| AR FSC | Current | 1 Month | 2 Months | 3 Months | 4 Months | 5 Months | 6 Months | > 6 Months | Grand Total | |
| FY 2010 | | | | | | | | | | |
| Dec 2009 | \$29,741,426 | \$11,990,991 | \$8,679,321 | \$6,628,912 | \$5,479,123 | \$4,180,543 | \$3,049,639 | \$28,189,851 | \$97,939,805 | |
| Jan 2010 | \$30,997,136 | \$11,346,599 | \$8,284,084 | \$6,781,658 | \$5,381,415 | \$4,608,624 | \$3,578,999 | \$28,828,040 | \$99,806,556 | |
| Feb 2010 | \$31,431,232 | \$15,931,562 | \$8,262,053 | \$6,292,634 | \$5,693,710 | \$4,635,335 | \$4,114,102 | \$30,217,807 | \$106,578,436 | |
| Mar 2010 | \$35,342,415 | \$12,858,600 | \$9,682,883 | \$6,023,612 | \$5,066,614 | \$4,657,933 | \$4,057,220 | \$29,771,544 | \$107,460,821 | |
| Apr 2010 | \$34,115,184 | \$13,693,673 | \$7,903,629 | \$7,255,407 | \$4,795,519 | \$4,228,896 | \$3,948,484 | \$28,001,210 | \$103,942,001 | |
| May 2010 | \$29,277,012 | \$14,148,268 | \$8,907,233 | \$6,178,661 | \$5,607,012 | \$4,083,284 | \$3,674,738 | \$29,399,960 | \$101,276,166 | |
| Jun 2010 | \$35,844,603 | \$10,851,936 | \$8,542,459 | \$6,366,272 | \$5,108,520 | \$4,569,850 | \$3,299,355 | \$28,088,895 | \$102,671,889 | |
| FY 2011 | | | | | | | | | | |
| Jul 2010 | \$28,421,091 | \$13,502,000 | \$6,359,393 | \$6,061,501 | \$5,151,606 | \$4,423,092 | \$4,138,057 | \$29,362,039 | \$97,418,779 | |
| Aug 2010 | \$30,139,319 | \$10,097,094 | \$8,226,302 | \$4,813,996 | \$5,187,712 | \$4,502,321 | \$3,929,588 | \$31,742,431 | \$98,638,763 | |
| Sep 2010 | \$30,946,906 | \$11,282,273 | \$6,537,102 | \$6,315,706 | \$3,986,868 | \$4,405,299 | \$3,873,771 | \$32,343,932 | \$99,691,857 | |
| Oct 2010 | \$32,588,310 | \$11,933,221 | \$6,785,448 | \$4,917,604 | \$5,228,977 | \$3,440,624 | \$3,800,717 | \$31,222,366 | \$99,917,266 | |
| Nov 2010 | \$32,879,451 | \$12,366,421 | \$7,152,704 | \$5,297,393 | \$4,110,990 | \$4,376,132 | \$3,062,963 | \$31,873,432 | \$101,119,486 | |

First, we need to remove the Age object from the Column Labels tray – the “Days in AR” measure does not make sense when broken out by Age. Remember, the Age object has a title of “Group GT 6 Mos” in the Column Labels tray, so drag that off of the design surface. We also want to remove “AR Balance” from the Values tray and replace it with “Days in AR”. Drag “AR Balance” out of the Values tray and drag “Days in AR” into it. Your four trays should look exactly like Figure 16, and the report should now display Days in AR for the last 12 months. A line chart could also be a nice addition to this report.

Figure 16: Trays After Adding Days in AR

Report Filter

Group ▼

AR Batch Status ▼

Department ▼

Column Labels

Row Labels

Posting Date ▼

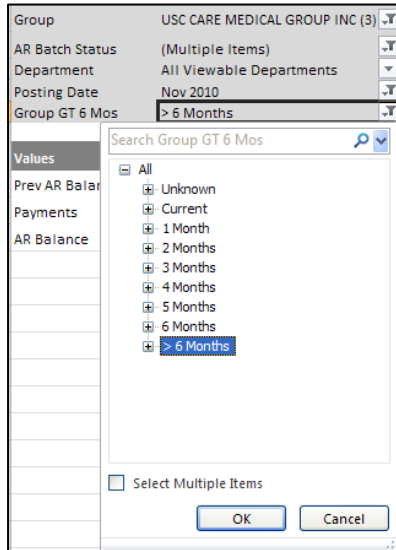
Values

Days in AR ▼

Customization #3: Analyze Payments on Old AR

From Customization #2 (discussed earlier in this manual), you were able to view your AR balances over time. You were also able to group AR by how old it was, and view trends for each “Age” grouping. Let’s suppose that you are now interested in knowing how much of the old AR being worked down came from payments as opposed to adjustments.

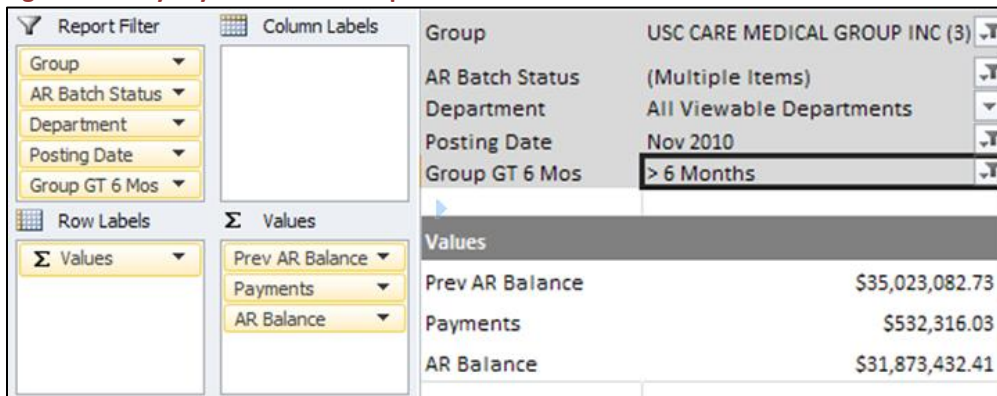
Figure 17: Create Age Filter



Open the Aged Trial Balance Report on MARS (instructions on how to do this are explained earlier in this manual – please refer to the section under “EXCEL SERVICES STARTER REPORT”). The first thing to do is remove the unnecessary measures. Remove Charges, Credits, Adjustments, Debits, and Net Transfers from the Values tray. The only measures left are Prev AR Balance, Payments, and AR Balance. Next, remove “FSC Payer” from the Row Labels tray. This removes FSC from the report, as it is not necessary for this analysis.

Additionally, we only want to view old AR. We can achieve this by filtering the “Group GT 6 Mos” object. To create a filter, move “Group GT 6 Mos” from the Column Labels tray and into the Report Filter tray. You should now see “Group GT 6 Mos” at the top of your report with the other filters. Click the dropdown list and only select “> 6 Months”, as shown in Figure 17. Now our report only shows the Previous AR Balance, Payments, and AR Balance for AR that is greater than 6 months old. Your trays and report should look like Figure 18. You can see that at the beginning of November 2010, the AR Balance for invoices older than 6 months was \$35,023,082.73. At

Figure 18: Tray Layout and Final Report



the end of November, the AR Balance had been worked down to \$31,873,432.41. The total amount worked down was $\$35,023,082.73 - \$31,873,432.41 = \$3,149,650.32$. Of the \$3,149,650.32 worked down during the month, \$532,316.03 (16.9%) was payments. The remaining \$2,617,334.29 worked down came from contractual adjustments, bad debt, write offs, etc.

SUMMARY

In this tutorial you have learned various methods to analyze and manage AR using MARS. You have been acquainted with two AR starter reports: the MARS Aged Trial Balance Report and the AR Key Indicators Report. From the starter reports, you have also learned how to:

- Modify the MARS ATB Report so that it ties to the GECB ATB Report
- Modify the MARS ATB Report to view AR balances by provider, billing area, division, or any other dimension available in the AR Cube
- Modify the MARS ATB Report to trend AR Balances over time
- Modify the MARS ATB Report to trend any other AR measure over time, such as Days in AR
- Modify the MARS ATB Report to analyze payments posted on AR that is older than 6 months