

Synergistic Office Solutions, Inc.

Topic: Reconciling Accounting Reports
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Author: Seth Krieger

SOS Tech Support frequently receives calls for help reconciling OMWin's various accounting reports. This document details how the major reports differ and which of them should produce matching totals, which of them won't, and why.

Daysheet Totals

Keep in mind that the daysheet will accept transactions for any date. You can even enter charges or credits for different months or years in the same daysheet. OMWin will warn you of this condition when you get ready to do your Print/Post, but it will not prevent you from doing so. For this reason, there is no compelling reason to believe that any of the date-driven accounting reports will match the total of the daysheets entered during the course of the month.

Even if you go through every printout of every daysheet entered during a period to be sure that there are no "outside" dates present, you cannot be sure that there are not "inside" dates in a daysheet prior to that period or after that period. You would have to manually inspect all of those daysheets as well! Finally, you must be concerned about the possibility of a date or amount being changed, or entries being voided, after the daysheet was printed.

Daysheets should, however, be used to reconcile against the total of your deposits. Use the **Totals** button to quickly display the total payments, checks plus cash, etc. Make sure that these figures match your deposit total. The same subtotals and totals appear on the printed daysheet as well. If you are using OMWin on a network, use the **Show > Mine** button before using **Totals** or **Print** to restrict the totals to just your own entries.

Note that entries on reprinted daysheets (**Accounting > Reprint Daysheet**) are flagged with an asterisk if they have had significant changes (such as date or amount). Changes to charge and credit splits can affect certain accounting reports, and these split changes do *not* result in an asterisk on the reprinted daysheet. The absence of an asterisk, therefore, does not guarantee that your entry is still in completely original form.

Accounts Receivable

The first place you might look for an Accounts Receivable total might be one of the Balance Reports (**Reports > Accounting Reports > Balance Report**). These reports will give you the *current* A/R total. It is very important to understand that this A/R includes *all* transactions that have been posted to the system. It will therefore only match other period-specific A/R totals at the end of a period, before any transactions have been entered for the new period, and only if there are not any future-dated transactions. The formula used to derive each account balance is the total of all posted charge splits less the total of all posted credit splits. The A/R therefore includes all credits, including unapplied payments (pre-payments).

Another place to find the current A/R is **Accounting > View Totals**. Click the **Calculate A/R** button in the lower right corner to generate the *current* A/R. Specifying a date range in the upper portion of this window

will not affect the calculation. There are two A/R totals presented here. The first includes only payments that have been applied (total charge amounts less total of all applied credit splits). The second includes all posted transactions including unapplied credits (total charge amounts less total credit amounts). This figure should match the total from the **Balance Report**, but is calculated on the basis of the face amount of the credits rather than a sum of the credit splits. In an intact database, a credit amount should always be equal to the total of that credit's splits, so the cumulative totals of these values should match.

For an A/R at the end of any given month, use the **Month End Summary Report (Accounting > Month End Summary)**. The totals reported are based on sums of charge amounts, payment amounts (non-adjustment credits), and adjustment amounts. The A/R is derived from the simple formula: Charges less Credits. *Unapplied credits are included.* The date used for inclusion in a period is the transaction date (service date or credit date) or the posting date (the date each item was posted to the ledger with the others on the same daysheet, regardless of the transactions' face dates), depending on the user's selection when running the report.

Aging reports, by contrast, are based exclusively on the dates and amounts of charge and credit *splits*, rather than the face amount and date of the charge or credit to which these splits are linked. Date selection is by the date of each charge split and the applied date of each credit split. These dates can, and frequently are, different from the service date and credit date on the face of each transaction. Note that there is a system option that permits you to default credit split applied dates to the true calendar date on which they are applied to a particular charge split or to the same date as the credit header. Of the two, SOS strongly recommends the former, that is, the true calendar applied date.

Amounts in each aging category (for example, 31 - 60 days, 61 - 90 days, etc.) represent the total of charge splits dated within the range less the total of credits applied to those charge splits on or before the aging base date. (The aging base date is the date you select when you calculate the aging.) Charge splits with dates after the selected aging base date are not included in the aging calculation. Unapplied credits, although printed on some of the aging reports for reference, are not included in aging calculations or in the sum of aged amounts. The A/R represented by the sum of aged balances on the Aging Reports can therefore be quite different than the A/R found on the **Month End Summary** or **Account Period Summary** reports, both of which are based on the face date of services and credits and include unapplied credits.

The **Account Period Summary** is a useful report to give you the total A/R at the start of a period, the new charges and credits during the period, and the A/R at the end of the period. Like the **Month End Summary**, this report is based on the face date and amount of each charge and credit. It is very important to note that this report is run for either Active or Inactive patients, so if any patients were closed during the period, you must run the report for both Active Patients and Inactive Patients, then add the two numbers together. If the ending date for this report is the last day of a month, it will match the A/R at the end of the same month of the **Month End Summary** report, assuming that you make the same selection for the transaction date / posting date option on both reports.

The **Provider Activity Report (Accounting > Provider Activity Report)** can be generated in two very different ways: by *rendering* provider, or by *primary* provider. The **Rendering Provider Activity Report** divides activity among providers based on the provider specified on each individual charge entry. The total of charges represents a total of all charge face amounts for charges with service dates that fall within the specified range. Credits, on the other hand, are included in the report only if they were actually *applied* during the specified date range. That is, the date that determines inclusion in the report is the "Applied" date on each individual credit split, without regard to the face date of the credit to which the split is associated. For example: if a prepayment is entered on February 3, 2005, but not applied to a particular service until March 15, 2005, it will appear only appear on a (Rendering) Provider Activity Report if that report includes March 15 in the date range. This payment will not appear on a report for the month of February because it was not applied until March. Unapplied credits never appear on the Rendering Provider Activity Report.

Until a credit is applied, it is not associated with a particular provider, so it follows that it will not appear on the report. It is therefore very unlikely that the total of payments on a Rendering Provider Activity Report will match the payments total on other reports, such as the **Month End Summary** or **Account Period Summary**, even if the reports are generated for identical time periods. Charge totals, on the other hand, should match the other reports as long as all the reports are using the same date option (transaction date vs. posting date) and all other options are set to include all patients.

The other variation of the Provider Activity Report, the **Primary Provider Activity Report** categorizes transactions based on each patient account's primary provider, ignoring the provider code on the specific charges. All charges and credits are included, based on their face dates (or posting dates) and face amounts. Charge and credit splits are ignored, as is whether or not a credit has been applied. As a result, the grand totals of this report will match the **Month End Summary** and **Account Period Summary**, as long as the reports are generated with the same date basis (transaction date vs. posting date) and that other options are set to include all patients.

The **Payroll Report (Reports > Accounting Reports > Payroll Report)** is essentially a subset of the *rendering* provider version of the **Provider Activity Report**. It lists all payments applied during a specified period of time, sorted by provider code, with a calculation of payroll based on each provider's total applied payments times the specified payroll multiplier for that provider code.

Troubleshooting

Probably the most common issue of this sort received by SOS support technicians is concern that the A/R total on the Month End Summary does not match the A/R total on one of the aging reports. In most every case the mismatch is the result of differences in how the splits and the transactions are dated. Remember that aging is based on the dates of the charge splits and the applied dates of the credit splits, while the Month End Summary is based on the transaction dates (assuming the report is generated with the transaction date rather than the posting date option).

The first suggestion, therefore, is to run a **Data Set Totals Analysis** report (check your **Reports > Other Reports** menu). If you can't find it on your reports menus, it is still probably available. A supervisor user should be able to add the report to one of the OMWin report menus as follows:

1. Right-click in the white area of the desired menu.
2. Select (left-click) ADD.
3. For the *Description*, enter **Data Set Totals Analysis**
4. For the *Report Name*, enter **DEBUGTOTS.RPT**
5. The *Report includes all standard formulas...* option may be either checked or unchecked.
6. OK to save.

This report checks the totals of splits versus transactions, future-dated transactions and splits, and a variety of other sorts of problems that can result in these reports failing to reconcile.