Days Sales Outstanding (DSO)

What does this metric mean?
- The days sales outstanding calculation measures the average number of days it takes a business to collect cash from its sales.
  - **Note:** This metric will not filter down to the practitioner level.

How is it calculated?
- Take your total AR (Gross) and divide by the Average of the Total Gross Charges for a 3 month period.
- Then multiply by the average number of days for the 3 month period.
- This metric is calculated over the last 3 completed months and will update at the beginning of each month.

How can I dig in further?
- In OPIE Billing, pull an Activity Report for the given quarter.
- Scroll down to the last page where the report totals are.
- Take the Total Charges number (listed toward the top of the Totals page) and divide this number by 3 (The reason you are dividing by 3 is because the data was collected for a three month period and this gives you the average charges for the three months).
- Take the Ending AR Balance number (listed toward the bottom of the Totals page and in the above formula represents the 'Total AR') and divide that by the number found in the step above (average total charges).
- Average the number of days in the selected quarter
  - Example: January = 31 days, February = 28 days, March = 31 days
    - \[ 31 + 28 + 31/3 = 30 \] Average number of days
  - Take this number and multiply it by the average number of days in the selected period of time to find your DSO.
- **Note:** This metric will not filter down to the practitioner level on the Dashboards.