



# Conditional Formatting, Part 3

## ADDING COLOR SCALES

By Nate Moore, CPA, MBA, CMPE

**A**fter reading the articles in the last two issues of *Billing*, you have learned a lot about how to use conditional formatting to make your spreadsheets more powerful. In this issue, we'll add color scales to make conditional formatting even more useful. To follow along with the example, look for the download link with this article at [mooresolutionsinc.com/articles.php](http://mooresolutionsinc.com/articles.php). Once you have downloaded the spreadsheet, look for the "Mar Apr 13 Practice" tab for this example.

### Color Scales

Like the data bars we discussed last time, color scales are a way to analyze a cell's value in comparison to other cells. Look at the reimbursement amounts for "Treatment 1" in Figure 1. Notice how the lowest reimbursement amounts from Medicaid and Medicare are shown in red, while Humana's reimbursement is shown in orange and AETNA's amount is shown in yellow. As reimbursement increases, CIGNA is shown in chartreuse (yellow-green) and the highest amounts, BCBS and Wellpoint, are shown in green. Figure 1 is a color scale formatted so that the lowest amounts are displayed in red, the middle amounts are shown in yellow, and the highest amounts are green. Amounts between the low red cells and the medium yellow amounts are shown in orange, while amounts between the middle yellow cells and high green cells blend yellow and green. Once you know what the colors mean, it's easy to tell at a glance how each payor's reimbursement relates to the other payors for the treatment.

Setting up a color scale and customizing the colors is easy. To follow along with this example, go to the "Mar Apr 13 Practice" tab, highlight cells B4 through B10, and click "Conditional Formatting" from the Home tab of the ribbon. Select "Color Scales" and choose the top left option, "Green - Yellow - Red Color Scale" as shown in Figure 2. Your screen should look similar to Figure 1. Before we review the different ways to customize a color scale, look at the other preset color scale options besides the "Green - Yellow - Red Color Scale" we chose. You'll find a variety (12 in Excel 2010) of

default choices with combinations of red, yellow, blue, white, and green colors.

### Customizing Color Scales

If one of those choices is not exactly what you are looking for or you want more control over the high, medium, and low points of your color scale, select cells B4 through B10 again, choose "Conditional Formatting" and "Manage Rules." Your screen should look like Figure 3. Click "Edit Rule" to bring up the "Edit Formatting Rule" window, as shown in Figure 4.

First, notice the drop-down box underneath the heading "Format all cells based on their values." You can choose from a two-color or a three-color scale. You can also switch to data bars or icon sets from this drop-down menu. We'll look at icon sets in the next issue of *Billing*. The two-color and three-color scales are similar, so we'll use the three-color scale in this example.

Underneath the "Format Style" drop-down box we just saw are columns that allow you to control the minimum, midpoint (if you have a three-color scale), and maximum values in your color scale. Figure 4 shows the minimum set at the lowest value. The "Type" drop-down box underneath "Minimum" also has options for a number, percent, formula, or percentile. If you wanted everything under \$1,000 to be red in our example, you could choose "Number" as the type and enter 1,000 as the value. If you are following along, change the BCBS reimbursement for "Treatment 1" from \$1,356 to \$1,000. Your screen should look like Figure 5. Change the BCBS reimbursement back to \$1,356 and the cell will automatically change back to green. There are similar options for the midpoint and maximum settings of a color scale.

Now, click on the "Color" drop-down in the "Minimum" column. You will find a wide variety of preset colors based on your spreadsheet theme. If you need a specific color not shown, just click on "More Colors" at the bottom of the window. By changing the color setting for the minimum, midpoint, and maximum values, you can create a color scale that matches what you need for your spreadsheet. The "Preview" area at the bottom of the window shows you what your color scale will look like and how colors will blend between the minimum, midpoint, and maximum. Excel provides *(continued on page 50)*



FIGURE 1

	Tx 1
Medicare	838
Medicaid	800
BCBS	1,356
AETNA	1,275
CIGNA	1,314
Humana	1,141
Wellpoint	1,369

FIGURE 2

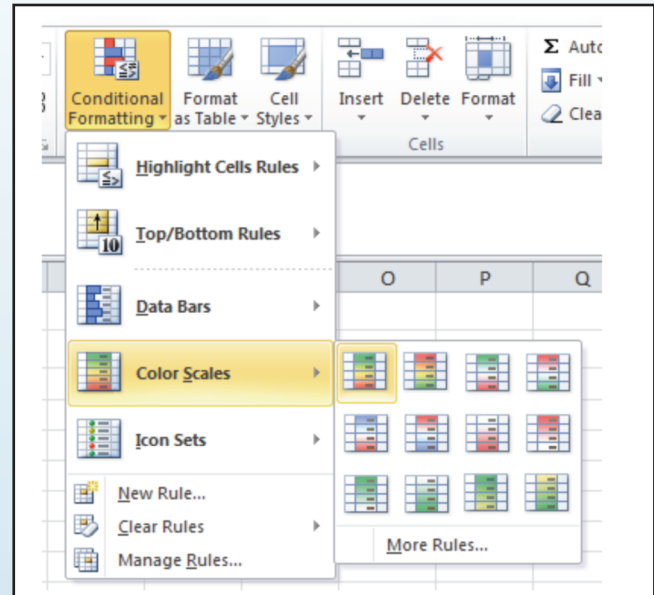


FIGURE 3

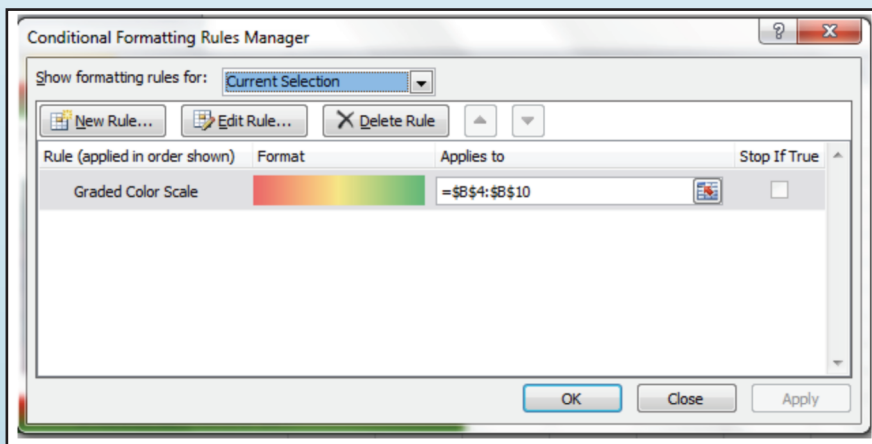


FIGURE 4

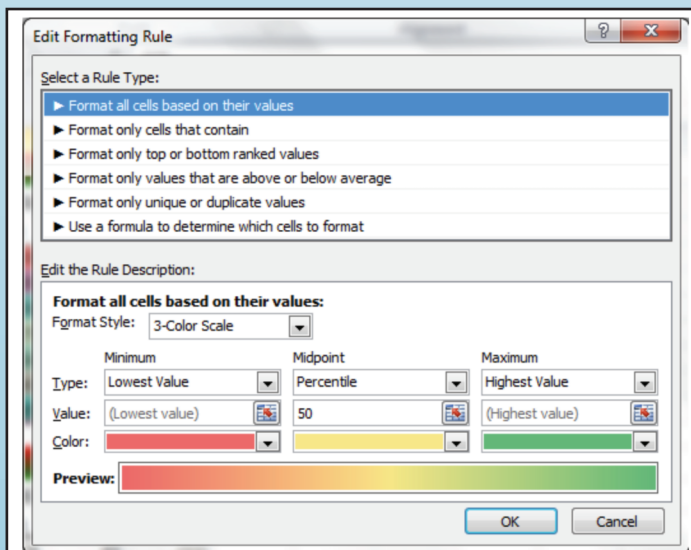


FIGURE 5

SEPARATE COLOR SCALE FOR EACH PROCEDURE				
REIMBURSEMENT FOR TOP 3 PROCEDURES				
	Tx 1	Tx 2	Tx 3	
Medicare	838	1,233	1,570	
Medicaid	800	1,200	1,500	
BCBS	1,000	2,062	2,578	
AETNA	1,275	2,084	1,924	
CIGNA	1,314	2,317	2,813	
Humana	1,141	1,293	2,161	
Wellpoint	1,369	1,432	1,823	

plenty of flexibility to help you get just the color scale that you are looking for.

Now that you are familiar with color scales, select cells C4 to C10 and D4 to D10 to create color scales for treatments 2 and 3, respectively. Treatments 2 and 3 have different reimbursement ranges, so it makes sense to select each treatment and apply the color scale separately. If you conditionally format both treatment columns at the same time, treatments 2 and 3 will be included in the same color scale calculation, resulting in all of the red cells being in the “Treatment 2” column and all of the green cells in the “Treatment 3” column. The “Mar Apr 13 Answers” tab on the sample spreadsheet has my solution.

There are many great ways to use conditional formatting in dashboards. In the next issue of *Billing*, we'll use conditional formatting to add icons like arrows, stoplights, and other shapes to your spreadsheets. To learn more about conditional formatting, watch the free videos found in the playlist for conditional formatting, Excel Videos 44 – 60, at [mooresolutionsinc.com/videos.php](http://mooresolutionsinc.com/videos.php). ■

*Nate Moore, CPA, MBA, FACMPE connects practice management data to custom Excel reports for practices throughout the country. His free Excel Videos have been viewed over 300,000 times and are available at [mooresolutionsinc.com](http://mooresolutionsinc.com). Want to be the first to know each time a new Excel Video is released? Like PivotTableGuy on Facebook and follow PivotTableGuy on Twitter.*



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1. Setting up payment plans for patients with a high deductible is not an efficient way of collecting their outstanding debt.  
a. True      b. False
2. The adoption of the HPID rule will eliminate the ambiguity that makes healthcare transactions so costly today and will reduce administrative costs through increased transparency and automate coordination of benefits.  
a. True      b. False
3. The only way for a small group or solo physician to survive health system reform is to align themselves with a large medical group or hospital system.  
a. True      b. False
4. You should spend at least 15% of your time marketing your business.  
a. True      b. False
5. The potential for a HIPAA breach when texting lies with :  
a. The sending device  
b. The receiving device  
c. The carrier's systems  
d. All of the above
6. In 2013, the maximum contribution for a 401(k) contribution increased from \$17,000 to \$17,500 if you are under age 50.  
a. True      b. False
7. Collection agencies often deduct closed accounts from returns to bolster their reports.  
a. True      b. False
8. Large company leaders have decided that resources used on performance reviews could be spent more productively.  
a. True      b. False
9. You can control the minimum and midpoint and maximum values in a three-color scale.  
a. True      b. False
10. Services and client expectations changed along with the term “Revenue Cycle Management.”  
a. True      b. False