

WHAT IS THE COST PER PATIENT (CPP) AT YOUR OFFICE?

STEP 1: COMPUTE YOUR OFFICE OVERHEAD FOR THE MONTH (The quickest way is take last year's total expenses and divide by 12)

Fixed Expenses (These expenses stay the same regardless of the number of patients seen)

YOUR PRACTICE	<u> </u>	<u>% Overhead</u>	SAMPLE PRACTICE	<u>% Overhead</u>
Practitioner's Salary	<u> </u>	<u> </u>	\$2000 (mortgage, food, car, insurance, children, etc.)	32%
Rent	<u> </u>	<u> </u>	\$2000 (1,500 sq ft x \$1.33sq/ft)	32%
Salaries				
Receptionist	<u> </u>	<u> </u>	\$1822 (\$10.52/hr x 174 hrs/mo)	28%
Billing Person	<u> </u>	<u> </u>		
Equipment Leases				
Tables	<u> </u>	<u> </u>		
Therapy Equipment	<u> </u>	<u> </u>		
Other	<u> </u>	<u> </u>	none at this time	0%
Insurance				
Malpractice	<u> </u>	<u> </u>	\$100	
Liability	<u> </u>	<u> </u>	\$50	
Other	<u> </u>	<u> </u>		2%

Variable Expenses (These are expenses that change with the number of patients seen)

Medical Supplies				
Herbs	<u> </u>	<u> </u>	\$50	
Needles	<u> </u>	<u> </u>	\$250	
Cotton	<u> </u>	<u> </u>	\$4	
Table Paper	<u> </u>	<u> </u>	\$20	
Alcohol	<u> </u>	<u> </u>	\$1	
Other	<u> </u>	<u> </u>		5%
Office Supplies				
Copy Paper	<u> </u>	<u> </u>	\$5	
Copy Toner	<u> </u>	<u> </u>	\$5	
Pens/Pencils	<u> </u>	<u> </u>	nil	
Bottled Water	<u> </u>	<u> </u>	\$14	
Magazines	<u> </u>	<u> </u>	\$15	
Other	<u> </u>	<u> </u>		1%
Other Expenses	<u> </u>	<u> </u>		
TOTAL EXPENSES	<u> </u>	<u> </u>	\$6336	100%

(A)
(Save this number)

	YOUR PRACTICE	SAMPLE PRACTICE
Examinations	_____	8
Treatments	_____	175
TOTAL	_____	183
	(B)	
	(Save this number)	

$$\frac{\text{Total Monthly Expenses}}{\text{Total Monthly Patient Visits}} = \text{Cost Per Patient (CPP)}$$

YOUR PRACTICE:

$$\frac{\text{(A) above}}{\text{(B) above}} = \underline{\hspace{2cm}}$$

SAMPLE PRACTICE:

$$\frac{\$6336}{183} = \mathbf{\$34.62}$$