

Assignment questions

“Boston Children’s Hospital: Measuring Patient Costs (Abridged)”

- 1) Why would a leading clinician, Dr. John Meara, become interested in learning more about the costs of procedures he is performing?
- 2) Use the accompanying Excel worksheet to calculate the costs and profits of the three different DPOS office visits using:
 - a. RCC method
 - b. TDABC method
- 3) Suppose Dr. Meara anticipates that the following year, the DPOS office will have 5,400 Plagiocephaly visits, 2,000 Neoplasm visits, and 800 Craniosynostosis visits.
 - a. How many staff, of each type, will he need to handle this volume and mix of patient visits?
 - b. What is the total cost of this staffing level?
 - c. What is the quantity and cost of the unused capacity with your staffing recommendation?
- 4) Suppose DPOS implements a process change by using an RN to perform some of the surgeon’s work during a plagiocephaly exam. The surgeons’ time decreases from 18 to 10 minutes, while the RN’s time increases from 23 to 39 minutes. How will this change the staffing levels and cost for office visits at DPOS?