

Our Company

Progressive Steps LLC

- We selected the service company Progressive Steps LLC
- Progressive Steps is a state funded agency that provides Physical Therapy, Occupational Therapy, Speech Therapy, and Developmental Intervention for children birth through age 3



Ten Costs Incurred

1. Practitioner Wages
2. Administrative Wages
3. Insurance Expenses
4. Mortgage/Rent Expense
5. Office Utilities (Heat, A/C, Wifi)
6. IT Services
7. Equipment
8. Office Supplies
9. Accounts Service
10. Shredding Service



Potential Cost Drivers for Each

- Office supplies:** a potential cost driver would be the number of practitioners/administrative staff. More staff use more supplies like paper, pens, and ink cartridges.
- Shredding service:** volume of documents shredded. More activity (e.g., consultations, paperwork) generates more documents needing shredding.
- Practitioner wages:** Patient volume, billable hours, productivity metrics. Higher patient volume or billable hours lead to more work and potentially overtime. Performance-based bonuses directly impact wages.
- Administrative wages:** number of patients, administrative tasks, complexity of projects. More patients or complex projects require more administrative support, potentially leading to overtime or dedicated staff.
- Office utilities:** Number of people in the office, operating hours. More people and longer operating hours increase utility usage.
- Equipment:** Equipment usage, number of patients/procedures. More frequent equipment use increases wear and tear, requiring maintenance and repairs.

Techniques to Determine Cost Behavior

1. Does the cost change due to change in activity/production?
1. Is the change in cost directly proportionate to the level of activity/production change?
1. Is there a part of the cost that remains unchanged AND a part that changes with a change in the level of activity/production?

Product Cost or Period Cost

1. Practitioner Wages	PRODUCT
2. Administrative Wages	PRODUCT
3. Insurance Expenses	PERIOD
4. Mortgage/Rent Expense	PERIOD
5. Office Utilities (Heat, A/C, Wifi)	PERIOD
6. IT Services	PERIOD
7. Equipment	PERIOD
8. Office Supplies	PRODUCT
9. Accounts Service	PERIOD
10. Shredding Service	PERIOD



Fixed Variable or Mixed

1. Practitioner Wages	Variable
2. Administrative Wages	Mixed
3. Insurance Expenses	Mixed
4. Mortgage/Rent Expense	Fixed
5. Office Utilities (Heat, A/C, Wifi)	Mixed
6. IT Services	Fixed
7. Equipment	Mixed
8. Office Supplies	Variable
9. Accounts Service	Fixed
10. Shredding Service	Fixed

Conclusion

- The plan is to implement a cancellation policy for the families receiving services. If a family cancels services within 24 hours of the service date, they will be charged a fee of \$40 for the cancellation.
 - Families will be discouraged from cancelling.
 - If they do cancel, it will not affect the practitioners income as drastically.

Presented at: Student Scholarship Week 2024

Please direct all feedback to: Jacob Krupp, Ava Lozito, Monmouth University; s1291553@monmouth.edu