AllMed01

**Sample Only**

This document was submitted by students in a previous class. Their requirements were different from yours. We offer it only as a sample of what a project was for that class. Copying this document, in whole or in part, and submitting the result as your own work, would be a violation of the honor code.

Reference Guide

<student name 1> <student 1 email address>

<student name 1> <student 2 email address>

Range Names

All of the Range names used in AllMed01 are listed on the Parameters Sheet. This list also contains the sheet and cell addresses of all of the range names.

Parameter Sheet

Any of the parameters can be changed independently because there are no formulas attached to the cells. However the parameter blocks, which are ranged named such as the fixed expenses per month, have an absolute cell address. If the block were changed in size the address attached to the block would need to be changed as well. This change would be accomplished by the following commands in Excel:

* Insert
* Name
* Define
* Scroll through the names to find the block being changed
* On the line under Refers to Change the address to match to include the changes being made

The parameters are grouped into blocks primarily by category. All of the blue cells in the parameter worksheet are independently entered and have no formulas attached. Salary expenses are divided into Physician Salary and Support Staff Salary. The remainder of expenses is divided into Fixed and Variable Expenses. The Conversion factors are used to standardize all data into quarterly format. The FTE Coefficient and Fringe Benefit % are used to calculate total salary expense for the support staff. The FTE coefficient is used to calculate salaries of part-time employee as a percentage of an FTE. The FTE Coefficient and Conversion Factors, which are in the purple cells, are standards and should not be changed based on any user definition.

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All of the parameters have been named. (See AllMed01 Names List). The following parameter blocks have also been named:

* Support Staff Type
* Fixed Expenses per Month
* Fixed Expenses per Quarter
* Variable Expense per Visit

Model Construction

AllMed01 is constructed so that there is a Summary Sheet (Profit & Loss), which contains the totals from all the sheets. The model is constructed on the ripple principle, which means that changes in one place in the model ripple through to the entire model.

*Cumulative Support Staff Hiring Stream*

This data stream is calculated in two steps. Column one from the Support Staff Hiring Stream is entered as a formula into column one. The remaining columns are calculated by using a running sum. This data stream shows the user by Support Staff Type the total number of staff in the practice every quarter.

*Hours per Quarter*

The data stream shows the total number of Support Staff hours worked per quarter by Support Staff Type. This data stream is calculated by using array multiplication. The Cumulative Support Staff Hiring Stream is multiplied by the FTE Coefficient and the Week to Quarter Conversion Factor from the Parameter Sheet.

*Salary Per Quarter*

Total Salary per Quarter is calculated by using array multiplication to combine Hours per Quarter and Hourly Pay Rate. Hourly Pay Rate is located on the Parameter Sheet. This data streams shows total support salary expense by staff type for each quarter.

*Salary Per Quarter with Annual Increase*

This block is calculated by multiplying the Salary per Quarter array with the Staff Salary Increase Stream. This data stream shows total support staff salary expenses for each quarter after annual salary increases in years two and three of the model.

*Physician Salaries*

The base salary per quarter is calculated by multiplying the physician base salary by the year to quarter conversion factor. The Incentive calculated by an If statement based on the physician meeting the visit caps in the parameter sheet. Total Physician Salaries are calculated for each physician and then summed for Total Physician Salaries.

*Fixed Expenses*

Total monthly fixed expenses are converted to quarterly expenses by multiplying the monthly fixed expense parameter block with the Month to Quarter conversion factor.

The converted monthly expenses are adjusted for inflation by multiplying the Fixed Expense per quarter block by the Expense Inflation Rate Stream

Total quarterly fixed expenses are adjusted for inflation by using the same method. Total fixed expenses are the sum of the total monthly and quarterly expenses.

Depreciation Expense is calculated by dividing the Capital Investment by the Depreciation Period, which then divided by a year to quarter conversion factor. Capital Investment, Depreciation Period and year to quarter conversion factor are all located on the parameter sheet.

*Variable Expenses*

The expenses and the value of each per visit were calculated by using existing benchmark data on physician practice operating costs. To calculate the variable expenses per quarter the Variable Expense per Visit parameter block is array multiplied by the Total Visits per Quarter stream, which located on the Visit and Revenue sheet. To adjust for inflation the Variable Expenses per Quarter are multiplied by the Expense Inflation Rate Stream.

###### *Visits and Revenue*

The Visit and Revenue sheet calculates the patient visits each provider is expected to produce along with the revenue generated by those visits. Sessions per quarter is calculated by array multiplying sessions per month by the month to quarter conversion factor. To calculate Visits per quarter for physicians, array multiply FT visits per PQ by the Physicians Visits per session. To calculate Visits per quarter for Nurse Practitioner, array multiply PT visits per PQ by the NP Visits per session.

Net Revenue is calculated by multiplying Total Visits PQ by the Revenue per Visit. Revenue visit is located on the parameter sheet and can be changed as necessary.

Profit & Loss

The only calculations on this sheet are Total Expenses and Net Income. Total Expenses are the sum of all the expenses. Net Income (Loss) is equal to Net Revenue minus Total Expenses.