

RVU Rate-Setting Self-Quiz Problem

Referring to the job-order costing and activity-based costing self-quiz problems on pages 186 and 191, respectively, calculate the charges necessary to realize a 10 percent gain at the lab using job-order costing and a 7 percent gain at the wellness clinic using activity-based costing.

HOURLY RATE SETTING



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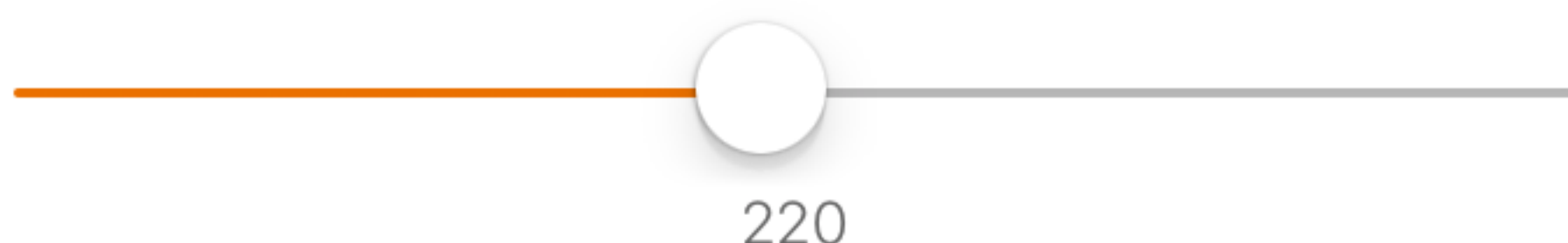
Hourly Rate-Setting Self-Quiz Problem

Using the hourly rate method of setting rates, calculate the oxygen therapy rate per shift to break even at your nursing home:

Total projected cost of oxygen =
\$600,000

Total projected hours of use = 100,000
hours

Shift = 8 hours



Reader



Contents



Notebook



Bookmarks

Surcharge Rate-Setting Self-Quiz Problem

Using the surcharge method of setting rates, calculate the average rate to break even in your central supply given the following data:

Total projected cost of central supply =
\$900,000

Total projected cost of billable supplies =
\$750,000

Average cost per billable supply = \$7