

# Hospital Zero-Based Pricing<sup>®</sup>

**In this era of intense public scrutiny, Panacea provides a proven cost and market-based strategy that delivers the pricing discipline the market demands while achieving your net revenue objectives.**

Clearly the most defensible price is one that is based on actual cost. Over the decades with many hospitals being reimbursed or paid less than cost by federal and managed care payers, shortfalls were subsidized through selective price adjustments or cross-subsidization. After years of deploying such techniques, hospital administrators are found today in an era of intense public price scrutiny with chargemasters incredibly difficult to explain.

The Hospital Zero-Base Pricing<sup>®</sup> program establishes prices based on actual unit costs and provides comparisons to local peer's prices. Where needed, we use sophisticated software and analysis to estimate unit costs. This saves the burden and expense of implementing a traditional cost account system. Before finalizing price models, some prices are adjusted to ensure that the cost-based prices don't fall below contractual amounts and that others remain competitive. You also receive net revenue models for multiple pricing scenarios and a comprehensive audit trail for each line item. In short, you have exactly what you need to defend your pricing.

## Key Benefits

Prices can be established based on a hybrid of unit cost, multiple market groups, fee schedules and other parameters to be rational and defensible

Maintains your net revenue objectives

Considers medicare and non-medicare, APC rates, and fee schedules

Pricing is competitive and defensible

Cost accounting system is not required

Multiple pricing scenarios presented

Provides audit trail for future reference

**For more information, call us at 866-926-5933 or register for a free on-demand demonstration at [panaceainc.com](http://panaceainc.com).**



\* HFMA staff and volunteers determined that this product has met specific criteria developed under the HFMA Peer Review Process. HFMA does not endorse or guarantee the use of this product.