

_experience the commitment



Strategic pricing for hospitals

Company profile

At CGI, we're in the business of satisfying clients. For 30 years, we've operated upon the principles of sharing in our clients' challenges and delivering quality services to solve them.

A leading IT and business process services provider, CGI has approximately 25,000 professionals operating in 100+ worldwide offices, giving us close proximity to our clients. Through these offices, we offer local partnerships and a balanced blend of global delivery options to ensure clients receive the combination of value and expertise they require.

CGI defines success by exceeding expectations and helping clients achieve results.

For more information:
tim.herberts@cgi.com or
314-421-2177
www.cgi.com

Hospital Profitability Analyzer™ (HPA)

An ever-changing healthcare environment and reimbursement pressures from government and private payers require hospitals to develop a wider range of pricing strategies to assure that they receive all of the reimbursements to which they are entitled.

Using our proprietary rate-setting model, HPA, we help hospitals improve their net revenues with effective strategic pricing techniques. CGI's strategic pricing model has helped hospitals improve net revenues generated from rate increases by 35 to 50 percent, compared to across-the-board increases, and has kept overall rate increases to a minimum.

We establish item-level prices for all services across a hospital's charge description master (CDM) and analyze the financial impact before implementing any pricing changes. Our model considers pricing alternatives against a hospital's commercial and government reimbursement contracts, and compares prices against market rates, to determine the most appropriate pricing level for each service. We also assure that multihospital systems charge consistent rates for like services at all facilities, and that rates at individual hospitals are consistent across all departments.

The HPA model is designed to help hospitals achieve the following objectives:

- Strategic rate increases, considering payer and outlier provisions
- Sensitivity to market and competitor pricing
- Meeting revenue goals while maintaining or decreasing prices for sensitive services
- Price alignment for like services across departments
- Price consistency for like services between system hospitals
- Optimal pricing, while considering the impact on cost payers and managed care outliers
- Strategic pricing results that incorporate input from management and department managers