PRICING PRECISION

Provider systems are feeling mounting pricing pressure. Increased commoditization of the product, lower brand loyalty and growing price sensitivity are changing the playing field.

255%



Rise in the average deductible for covered workers since 2006

56%



Consumers actively seeking pricing information prior to care

One in ten Sg2 survey respondents view their historic prices as on target for their market

PRICE DISPARITY FOR A MAMMOGRAM



One-third

Sg2 survey respondents willing to cut prices more than 10% for narrow network inclusion

WHAT'S THE RIGHT PLAY FOR BETTER PRICING STRATEGY?

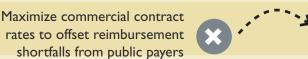


Don't get penalized by an outmoded price structure.



Put down your old playbook, and learn the new rules of the game.

OLD RULES



NEW RULES

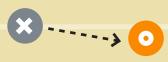
Formulate strategic pricing to maximize attributed lives

Base degree of discount on insurer size



Base degree of discount on partnerships for broad range of plan offerings

Give across-the-board discounts off standard chargemaster



Make service-specific adjustments based on price sensitivity

Position high-volume services for high margins



Price high-volume services defensively

Establish pricing at market level



Establish pricing at system level to improve positions with regional players



WANT A WINNING STRATEGY?

Sg2 can help. Read our full report or reach out to us at learnmore@sg2.com.





