PARAREV

PHARMACY PRICING ANALYSIS

Hospitals are moving towards standardizing pharmacy pricing across all departments and services, thus improving compliance issues associated with inconsistent charging practices. Although there is no right or wrong way to structure a markup formula for pharmacy, **ParaRev** recommends the following:

- Self-Administered Drugs (SAD) should have lower markups to comply with Medicare billing standards
- Pricing should be developed using a nationally recognized cost basis or actual acquisition cost
- Fixed Add-On and Minimum Charges should be utilized to compensate for any use of additional departmental resources for handling or compounding the medication

The purpose of the **ParaRev Pharmacy Pricing Process** is to create a rational, cost-based pharmacy markup using the cost basis and charge categories as determined by the client to meet the guidelines listed above.

The **ParaRev Pharmacy Pricing Process** deliverables include a proposed markup, gross and net revenue projections, an item-specific detailed spreadsheet proposed changes, and a full write-up of techniques and findings.

elect Charge Quote Charge Process Claim/RA	Contracts	Pricing Data	Pricing	R× / Supplies	Filters	CDM Calcul	ator	Advisor	Admin F	RAC	CAT	PA
rmacy Supplies												
Establish Schedule												
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lospital Charge Description	IV	CAR			0.01	999,99	9.99	0.00	9.7	5	12.00	
DB Drug Name	IV	TPN			0.01	999,99	9.99	0.00	1.0	0	0.00	
DB Route	LI	QUIDS			0.01	999,99	9.99	0.00	3.1	5	2.00	
	NC	MED			0.01	999,99	9.99	0.00	0.	0	0.00	
Nultiplier Add On Fee Patient Chard	NC	CHARGE			0.01	999,99	9.99	0.00	0.	0	0.00	
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Financial Analysis												~
		SOLIDS			0.01	999,99	9.99	0.00	3.1	5	2.00	
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Contact your ParaRev Account Representative to learn more about ParaRev's Pharmacy Pricing program!

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