

Executive Summary



Stasis Labs is a medical technology startup that produces bedside tablets which continuously monitors patients outside of the ICU. It is currently operating in seven hospitals in India. Our team worked with Stasis to optimize their entry into the US regional hospitals market.

Our project focused on two main goals:

1. Develop a pricing model based on demonstrated financial return to hospitals from using Stasis monitors, and
2. Design a launch strategy to initially establish clinical validation in the US and then scale efficiently.

Pricing

Stasis should use the return on investment (ROI) to hospitals of using continuous monitoring as the upper bound for its pricing model. Using the Indian ROI model as a foundation, we quantified additional sources of revenue and cost savings to US hospitals—revenue from insurance reimbursements, decreased average length of stay (ALOS) in the hospital, and increased nurse productivity. Stasis should first identify relevant CPT and HCPCS insurance charge codes and apply for HCPCS Category Level II approval for equipment insurance reimbursements.

Launch

Stasis should first launch a pilot program in hospitals that demonstrate an ability and willingness to experiment with innovative medical technology. Due to the lack of directly comparable ROI data, Stasis needs this pilot to quantify the ROI to hospitals and establish clinical validation. It should initially launch at hospitals that have strong reputations and influence. During the pilot program, Stasis should collect the necessary data—such as reductions in ALOS and nurse time spent manually monitoring patients—to validate its ROI estimates and determine the optimal price point.

Once this price point has been established, Stasis should penetrate the hubs of care networks to garner the financial traction necessary to land GPO bids. It should prioritize localized, regional channels particularly in the Northeast and central South. The final step is for Stasis to sell to Group Purchasing Organizations (GPOs) to sell efficiently in bulk once Stasis has already achieved control over pricing and a high sales volume.