

# Eliminating the Equipment Pricing Mystery

By Ismael Cordero, CBET



**L**ET'S SAY I WANT TO BUY A CAR. BEFORE I EVEN venture out to the car dealer, I can go online and at no cost I can quickly find reviews and prices for virtually every model of car out there. The same goes for shoes, digital cameras, toys, and many other items I may want to buy. However, when it comes to medical equipment, unless you have a costly subscription to a service such as ECRI's SELECTplus ([www.ecri.org](http://www.ecri.org)), finding prices and reviews for medical equipment is generally a big ordeal.

The process involves calling several vendors for quotations, and calling a bunch of friends at other hospitals to see how they feel about certain equipment and inquiring how much they paid for it. Nowadays, many medical equipment manufacturers and dealers have online catalogs listing all of their devices, accessories,

and consumables. But how likely are you to find any price information in these catalogs? Why do I have to call to get an approximate price? Why the mystery?

## **Shouldn't we have a starting price for negotiating, such as a manufacturer's suggested retail price?**

It is unfortunate that the underprivileged institutions that need to evaluate most carefully what they buy and how much they pay for it, have no access to information that is available to people who can afford not to be so careful with their money.

I often visit the Medcompare Web site ([www.medcompare.com](http://www.medcompare.com)), which provides, at no cost, information such as available brands and specifications on medical devices and products. I find this site very useful for quickly scanning what is out there and for comparing specifications. However, to obtain prices you have to click on a button to request a quote directly from the manufacturer's or distributor's sales representative for your area. In addition, the site does not have user reviews and ratings, and the site is filled with advertisements for medical devices. My suspicion is that the products listed are there because the manufacturer paid to have them listed.

Even if we have to wheel and deal, shouldn't we have a starting price for negotiating, such as a manufacturer's suggested retail price (MSRP)? I guess I'm probably naive about the workings of the free-market economy in the medical field, but if we consider ourselves such savvy consumers of things like cell phones and flat-screen TVs, why are we at such a loss when it comes to medical devices, which are much more important?

Whenever I call a vendor for a price quotation, I feel that the prices I am given are based on how important the sales representative thinks I am, and not based on an established and openly known MSRP. Last week, I conducted an experiment by asking two different sales representatives from the same company for a price quotation for the same device. What did I get? I got two very different prices—on the same day. Why the difference? One sales rep thought I was just a tech, and the other one thought I was the president of my organization.

In my work in developing countries, the most common question I get asked goes something like: "This vendor wants to sell us this machine at this price, and I do not know if it is a fair price. Where can I get independent price information and comparisons for medical equipment?" My "expert" reply is usually: "I don't know, unless you have a subscription to ECRI."

But even if they could afford such a subscription (does anyone know of any other services like ECRI?), the equipment information, prices paid, and comparisons contained in their databases may not be relevant to what is available in their country's markets.

The mystery surrounding medical equipment prices and reviews could easily be eliminated if someone could build a free online database containing actual prices paid and user reviews

and ratings for medical equipment. This information could be fed voluntarily by anyone with access to the Web site. The owner of the site could make money by advertising (perhaps not medical devices, in order to assure its users that it is completely impartial). The users would be required to register and then log on to the site.

Once registered, they could enter what they bought, how much they paid, where they bought it, who they bought it from, etc. They could also view what others paid for equipment and how they like it—sort of like an organic, constantly growing, user-sustained database of prices and reviews. The database could then do things like calculate average prices and average review ratings. Everyone would share their information and benefit from the information provided by others. No rocket science here—similar sites have been created for many other product markets. Is anyone out there willing to develop this kind of freely shared service and make it available to the world? Many of us would be very grateful. **24x7**

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### **What's on Your Mind?**

Got a gripe? A recommendation? Does someone or something deserve praise? Share your opinions and insights with your peers. Soapbox columns should be 700–750 words in length and can be e-mailed to [jkirst@ascendmedia.com](mailto:jkirst@ascendmedia.com).