Value-Added Services of Hospital-Based Radiology Groups

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Why Might a Hospital Want to Get Rid of Their Radiology Group & Hire a Teleradiology Company?

- Radiologists’ office competes with the hospital.
- Doesn’t have the necessary subspecialty expertise.
- Aren’t responsive to service needs or complaints from referring MDs.
- Haven’t been available for committee service.
- Hospital wants to give away imaging turf to attract other specialists.
- Hospital wants more control.
- Hospital wants to put radiologists on salary, bill globally, & profit on pro fees.
Why Might a Hospital Want to Give Away Privileges for Imaging Procedures to Nonradiologist Physicians?

• Economic credentialing – recruit other specialists to the medical staff by offering them privileges for imaging

• Radiologists don’t have the necessary expertise

• Resentment by the hospital toward the radiologists
  – their office competes with hospital
  – radiologists aren’t responsive to service needs or complaints
  – not sufficiently interested in hospital’s governance or culture
But a unified, cohesive radiology group onsite adds many values to a hospital – values that would be lost if the hospital allows its radiology department to become fragmented by the intrusion of other specialists or teleradiology companies.
These added values fall into 6 categories:

1. Patient safety
2. Quality of the imaging exams
3. Quality of the interpretations
4. Service to patients and referring physicians
5. Cost containment
6. Building the hospital’s business
Patient Safety

- Oversee pt safety programs (radiation exposure, magnetic fields, contrast)
  - other specialists not properly trained
  - will likely be somewhere else when problems arise
  - only “on site” radiologists always present in the department and also are properly trained

- Participate in quality improvement programs
  - peer review such as the ACR’s eRADPEER
  - other specialists have no incentive & limited/no opportunity to do so
  - other specialists may prefer to avoid QI because it would show their deficiencies
Patient Safety

- Radiologists are the only ones trained in the physics & technical aspects of imaging equipment
- Are best able to ensure pt gets the right exam done. If requested exam isn’t appropriate, they’re in best position to advise change.
Quality of the Examination

- Radiologists are the best-informed about appropriateness of imaging exams
  - e.g. a urologist with CT privileges will likely not know when MRI might be better
- Best able to oversee imaging protocols, supervise techs
- Are the most familiar with ACR practice guidelines & technical standards
- Best able to supervise the process of getting ACR accreditation
- Best able to provide in-service education of techs
Quality of Interpretations

- Radiologists are clearly the experts in image interpretation (get 5-6 yrs of training)
- Can interpret an entire image, not just 1 organ
  - cardiologists doing CCTA can’t read the lungs, etc
  - gastroenterologists doing CTC can’t read rest of abd
- Can integrate images from other modalities to make correct diagnosis
  - if other specialists get privileges, they’re most likely just in 1 modality
- Are available in the dept to consult with referring MDs [don’t have other responsibilities like seeing pts in offices, doing surgery, etc]
Service

- Best able and more motivated to turn reports around ASAP. Nonradiologists have other priorities.
- Radiologists highly motivated to maximize pt throughput in the dept (it’s their bread & butter).
- Total chaos will result if a series of other specialists are in & out of the dept all day long to read their cases.
- Radiologists can oversee & streamline workflow
  - triage inpts, outpts, ER pts
  - 16 slice CT or 256 slice CT? 1.5T MRI or 3.0T?
  - hospital is anxious to shorten LOS
Service

- Have the expertise in electronic radiology record – PACS, RIS, VR, structured reporting, CAD, etc
- IRs can schedule & perform wide variety of procedures quickly and efficiently. Other MDs would have to come through one at a time → chaos
- Best equipped to be responsible for management and storage of information, and providing enterprise wide access to images and reports (not the case when other physicians do imaging in their silos)
- Radiologists can conduct pt & referring MD satisfaction surveys; others won’t bother because they’ll have little/no stake in the results
Cost Containment

- Radiologists motivated to maximize pt throughput. Keeps unit costs down.
- Can do head-to-toe imaging, not just a very limited scope of practice.
- Best able to advise against unnecessary or inappropriate imaging exams for ED pts, inpts.
- Best able to advise on optimum allocation of personnel in the dept.
- Best able to advise hospital on equipment purchases, and also to negotiate with manufacturers.
Building the Hospital’s Business

• Radiologists are motivated to build the entire practice; their livelihood depends on it
  – others will want to build only their own piece of it
• Can attract referrals from all groups in a specialty because radiologists are not their competitors
• Are most knowledgeable about the business of radiology – coding, billing, marketing, etc
• Radiologists are best informed about technological advances- advise about new programs that can be offered to grow the business
• Telerads work with the end product and have no stake in building business at the front end
Building the Hospital’s Business

• On site radiologists can show entrepreneurship by working with the hospital administration
  – build JV outpatient centers
  – build these centers in outreach areas which gives your hospital more visibility
  – these centers serve as entry portals for the hospital
Percent of Total Outpatient
Contribution Profit by Service

Hospitals, All-Payer

Radiology: 37%
Cardiovascular: 13%
Gastrointestinal: 11%
Lab: 5%
General Surgery: 5%
Ortho: 4%
Oncology: 4%
ENT: 3%
Urology: 3%
But to truly add value, radiologists have to **do** all these things, not just talk about doing them.