Getting Imaging into Focus

Joe Cantupe, for HealthLeaders Media, December 28, 2011

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Call the world of healthcare imaging a blur.

In a fast-paced environment, healthcare systems are buying freestanding imaging centers and are relying on provider groups for around-the-clock coverage and teleradiology programs for a competitive edge.

Hospitals, no matter the size, also are pressed to innovate their clinical approaches to reduce extravagant and unnecessary imaging costs and to improve patient outcomes.

Diagnostic imaging has remained one of the fastest-growing Medicare costs, rising from $6.5 billion to $11.7 billion between 2000 and 2009, according to the Medicare Payment Advisory Commission. Still, for physician groups and owners of freestanding imaging centers, a decline in reimbursements puts pressure on hospital systems but also gives them an opportunity to expand their imaging programs, according to John Hart, administrative director for radiology at the 880-licensed-bed St. Joseph’s Healthcare System in Paterson, NJ.

“With declining reimbursements hitting the freestanding imaging centers and doctors’ offices hardest, there has been a big opportunity for hospitals to either acquire or joint-venture with physicians in order to keep these centers profitable and lower overall imaging costs,” Hart says. St. Joseph’s is exploring partnering opportunities “with physicians when the right opportunities present themselves,” he says.

The expansion of radiology has had significant impact on healthcare, with 70 million computed tomography scans performed in the United States, resulting in what radiologists point to as more accurate assessments of patient health, more appropriate treatment, and better outcomes. But there are other concerns as well, such as too much imaging being used, which can harm patients and add unnecessary cost to healthcare.

Success key No. 1: Building freestanding imaging centers

In California, Saddleback Memorial Medical Center, a 325-licensed-bed health system with hospitals in San Clemente and Laguna Hills, CA, purchased an imaging center from a physician group last year with two key reasons in mind: to increase imaging capability for its patients, and to increase patient traffic for radiological services in the heavily competitive Orange County region, says CEO Steve Geidt. The imaging center is located near the San Clemente campus. There’s a radiology program at the freestanding center and in the hospital, he says.

“It is a little schizophrenic,” Geidt says. “We are sort of competing with ourselves. If not ourselves, though, we are competing with someone else. That’s okay. We feel it makes sense and that’s the direction that the market is going. Either we respond to the market or we watch the train leave the station.”

The hospital system believed it was important to expand its freestanding reach through imaging and other services, in part because of the competition with other healthcare systems. “We’re watching business directed to the freestanding center,” Geidt says. “If we don’t, though, we’d be watching business go away.”

Although the hospital system has not released data since the purchase of the freestanding center last year, Geidt says the program is providing a good ROI for Saddleback Memorial.

“In Southern California, there is a lot of competition, and we see a lot more focus on the payer as the customer,” Geidt says. “The payers are the ones pushing back, pushing everything toward freestanding centers because they have a lower unit price. So naturally we are watching all this, and business referred to competitors. It’s not so simple to lower our prices to become price sensitive. It’s about freestanding centers, and we feel the need to be there.”

The hospital has expanded its delivery of diagnostic services, CT scans, MRIs, ultrasounds, radiology, x-rays, and digital mammography, Geidt says.

The radiology program in the hospital “is good, but they are hospital-based, aligned with our pricing structure,” Geidt says. “Imaging done in a hospital-based imaging center is more expensive than done in a freestanding center due to the hospital being a 24-hour business, while freestanding imaging centers are open typically only during weekday business hours. We do a good job and have good equipment in the hospital, but the price is high. The business of the freestanding center is more price sensitive. It’s very customer friendly and very price friendly.”

Geidt says hospitals receive favorable margins on stand-alone imaging centers, and can reduce patient cost, but rely on volume. Referring to the hospital’s imaging center purchase, Geidt says the hospital system is evaluating its data, but says the outcomes appear “positive.”

The freestanding unit’s operations management structure has a different billing system from the hospital, and its employees are part of a medical foundation, not that of the hospital. The freestanding unit reports to the hospital system’s vice president of ancillary services.

As Geidt examines the hospital’s imaging portfolio, he says, “it’s about finding a balance. We need to rethink what our vision is as we evolve from volume to value.”
Success key No. 2: Imaging day and night
In competitive markets, hospital systems are evaluating price structures, and trying to find the best fit for their need for 24/7 coverage and subspecialty imaging. The evolving roles of hospital systems and radiology groups are the focus of a task force formed by the American College of Radiology to examine “relationships between radiology groups and hospitals and other health care organizations” to improve care.

Hospital leaders at St. Joseph’s, Saddleback Memorial, and Northeast Georgia Medical Center in Gainesville, have contractual relationships with radiologists to increase their coverage and reduce overall labor costs. Defining the relationship is crucial, says Hart of St. Joseph’s.

St. Joseph’s contracts with a radiology group in northern New Jersey for on-site professional services coverage. “We enjoy a talented mix of subspecialty radiologists who cover every imaging modality and our interventional radiology section,” says Hart. “On the overnights, we utilize a national [around-the-clock] service that provides preliminary readings on urgent studies. Their initial reads are supplemented by the final readings of our attending staff radiologists. The use of the nighthawk service is kept at reduced levels because of the expanded hours of coverage provided by our radiologists’ in-house.”

The demand for imaging mounts, whether in the form of radiology companies pitching around-the-clock coverage on site or teleradiology companies employing remote access.

“Larger hospitals are swallowing up some surrounding clinician groups and putting more radiologists on staff. But others, especially rural hospitals, don’t have the capacity for keeping up,” says Anand Lalaji, MD, CEO and founder of the Radiology Group, an Atlanta-based provider of remote and on-site radiology services.

Radiology groups are cashing in on demands from hospitals that don’t have the money to pay for full-time, around-the-clock coverage, as well the need for subspecialties.

Lalaji says smaller hospitals especially are seeking radiology reads at reduced costs, “getting a subspecialty read when you can’t afford a subspecialist.” Hospitals are using the service, in part, to cut back on insurance-related costs and save dollars in this realm of insurance reimbursement cutbacks, he says.

When hospital systems are looking to contract with radiology practices, generally “you need a good group that has a vested interest in the community,” says Rob Williams, PhD, clinical supervisor for the radiology program at the 87-staffed-bed Memorial Medical Center of West Michigan in Ludington, MI, which hires radiology practitioners for 24/7 coverage.

Success key No. 3: Reducing use of scans
Some in the industry contend overuse of powerful CT scans is exposing patients to needless radiation, increasing cancer risk, and adding costs to already expensive care.

“It is a two-pronged challenge: one being to focus on minimizing radiation dose, and the other to ensure patients’ physical well-being while in our department,” says Hart of St. Joseph’s.

While falling is a serious issue throughout hospital systems, it is particularly of interest in radiology programs, but sometimes overlooked. St. Joseph’s evaluates patients for their risk of falling, and then compiles a list of medications the patient takes before the radiologist injects contrast media to identify potential contraindications. After that occurs, hospital officials provide patients with “instructions on any possible changes to their medications that may result from the contrast injections,” Hart says.

“We work hard to implement procedures that optimize the safety of every patient in our department and, equally as important, we audit our processes to ensure that they are working,” he adds.

For some hospital systems, there have been other CT scan concerns. In 2008, Memorial Medical Center of West Michigan had the highest rate of scans in the nation, running 89% of its Medicare chest CT scans through what is known as “double” scans, far above what academic centers report, somewhere around 1%, according to The New York Times. In a double scan, patients get two imaging tests consecutively, one without dye and the other with dye injected into their veins. Small community hospitals such as Memorial Medical Center had been grappling with the scanning issues after disclosures in the media about problems. While experts say almost all chest problems can be properly diagnosed with a single scan, some physicians still value the double scans for gathering the most information possible. Hospitals and radiologists are paid more for the double scans, so there may be a reluctance to change habits.

“With changing trends and sensitivity for CT, the questions came up about whether there was a need, and there was a conclusion that transitions had to be made in how we did scans; we didn’t want to be an outlier,” says Williams. “When you do this, you start looking at things very closely, from education to our physicians to protocols—the way we do our program,” he says.

A major improvement came after the hospital created a monitoring committee to review specific problems, Williams says.

“We started investigating the data and found that changes had to be made,” Williams says. One of the issues was that the hospital instituted both scans, especially for patients who had to travel long distances, with the idea being “one-stop shopping and that was the trend years ago.”

Since 2008, Memorial Medical Center lowered its rate for double scans to 42.4% in 2010 and 3% in the first part of 2011, according to Williams.

Through in-house subcommittees, the hospital improved its communication system specifically about the scans. “The radiologists talk to the other physicians and talk about what might be the most reasonable and acceptable approaches,” Williams says. “We did the turnaround by really looking at the entire program and educating the physicians. You want to serve the patient the best way you possibly can.”

He says the hospital is still compiling data on potential outcomes, but said the latest protocols ensured “tighter screenings to meet appropriate
criteria.” Williams adds that reimbursements were not impacted by changes. “Because we had a dose reduction agenda in place already, the radiation doses were in the safety range.” Even with the so-called double scans, a consultant physicist who reviewed the program found that the “radiation dose was negligible,” Williams says. “But when you see something and there are questions, you look at every angle and make appropriate changes to meet the shifting criteria.”

In revising the protocols, “there was a tremendous turnaround. We were already trending in that direction when the adjustments were made,” Williams says. “We found, with the cooperation of everyone involved, it turned around in a much shorter time frame than we thought it would.”

Success key No. 4: Reducing anxiety

Patients’ anxiety—adults or children—is one of the biggest problems for physicians and nurses involved with MRI exams. It is estimated that up to 10% of all proposed exams with traditional MRI systems are abandoned because of patient fears.

The 557-staffed-bed Northeast Georgia Medical Center offers a spa-like atmosphere to help patients relax, says Debra Duke, director of imaging services for the facility.

The rooms allow each patient to adjust the atmosphere to a particular scenery and lighting during exams at the imaging center in Braselton, GA. The hospital provides wireless Internet service at all of its sites, a refreshment bar, and coffee. There is also a women’s waiting area and a mammography suite with lighted scenery panels and amenities provided, such as warmed robes.

St. Joseph’s concentrates on children, giving parents a series of video segments about what to expect in the radiology department. “We strongly believe that lower anxiety levels in our pediatric patients helps engender cooperation in obtaining the best images the first time around—which eliminates the need for repeat images and additional radiation,” Hart says. “Parents have told us how helpful the videos have been in calming their children as well as preparing the parents for how we acquire images.”

One of the more unusual techniques has been created by the 100-staffed-bed Medical Center of the Rockies in Loveland, CO, which uses a hypnosis system aimed at decreasing the need to sedate patients during MRI exams for overall comfort and improved clinical experience, says Holly Knaub, BAS, RT(R), radiology supervisor for the hospital.

While hypnosis has not been used often in hospitals, it has been accepted for healthcare, according to the National Institutes of Health. The director of the National Center for Complementary and Alternative Medicine testified before a Senate committee in 2000 that “mind-body modalities” were being studied, including hypnosis. Three years ago, an NIH study found that women who used self-hypnosis during a breast biopsy experienced relief and reduced pain compared to patients undergoing standard care. A number of hospitals have been involved in hypnotherapy programs, Knaub says.

“There are many patients anxious about having their MRI exam because of claustrophobia or a bad experience, and the hypnosis helps them,” Knaub says. She cites several bad experiences of patients: One patient refused to use the MRI, saying, “That is too much like a coffin. I’m not going in there.” Another patient crawled out of the MRI bore as a technologist was setting up the scan and was knocking on the door to get out, Knaub says. And there were other patients “who did not know they were claustrophobic before they went in to the MRI, and they flipped out.”

Knaub says the hospital employs a hypnotherapist as a consultant to carry out the process. For each patient who requests and has the therapy, it has resulted in a calming experience that continues through the MRI exam, she says.

“We wanted to make the patient experience the best it could be in a medical facility,” Knaub says. “We want to provide an atmosphere that people would want to come to.”

Knaub says the hospital system alerted primary care and hospital physicians about the hypnosis program. “The referring physicians brought up the program as an option when patients said they were apprehensive about an MRI,” she says.

Once a patient sought a hypnosis session, the consultant hypnotherapist would have a one-hour meeting with the patient and provide a relaxation CD about the process for the patient to review. Later in the week, when a patient is hypnotized and undergoes an MRI, the process usually takes an hour, she says. Using a hypnotherapist reduces the need for a sedative, she says, which reduces overall cost. “Too often, an automatic response from a physician is ‘Let’s give [the patient] a pill to sedate them’,” Knaub says.

Patients who need medication to take an MRI prompt nurses to spend more time on each case, sometimes a few additional hours, to help ease their anxiety and recover from the drugs, she says. After the hypnosis, “which basically amounts to being a little nap, they get off the scanner table and go off to do their day-to-day business,” Knaub says.

The hospital received a $7,500 grant to pay for a hypnotherapist part-time for more than 30 patients. The hospital pays the hypnotherapist about $150 each session, Knaub says.

The community is slowly becoming attracted to it, she says. “We are in a conservative area, but patients who have gone through it have loved it.” Knaub hopes to continue the program next year.

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