

Bottom-Line Boost

More than ever, imaging centers are looking to capitalize on service and technology differentiation. Consider these tips to bolster your revenue.

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Increasing Radiology Revenues

Thanks to a recessed economy, the uncertainty of health care reform and the lingering effects of the Deficit Reduction Act of 2005 (DRA), negotiating the medical imaging marketplace has been no walk in the park. While demand for services is on the upswing, reimbursements continue to head downward-compromising revenues and forcing administrators to tighten their belts.

In the conclusion of this two-part series, contributors respond to pressing revenue questions, sharing expertise on today's biggest opportunities for big business.

How can administrators find new revenue streams in a tight market?

Palmucci: Understanding what your referring physicians want and need is critical. We too often live in a fishbowl, accepting what's sent to us without knowing who referring physicians really are. You must stay abreast of technology and understand what's in the marketplace-including your competition! Get a handle on what they offer, and what they do and don't do well. This may lead to opportunities . to pull procedures from their shop to yours.

Theadore: Collaborate and integrate with physicians. Specialists continue to overlap imaging services. Specialists who install their own imaging equipment in an outpatient setting-or radiologists not involving cardiologists in cardiac imaging-cause an overlap and dilution of service, leading to a loss in revenue.

Secondly, innovate and communicate. It's not all about technology: Develop breakthrough patient outcomes. Consider operational performance, business models, service standards and organizational culture. Next, share the success with your key constituents, including patients, physicians and payers. Few providers have been able to demonstrate and share significant improvement in their imaging outcomes. Communication will equal success.

Finally, as the economy struggles and IDTF (independent diagnostic testing facility) imaging centers continue to face payment reductions, many facilities are looking for buyers. While not all centers are desirable targets, there may be an opportunity to purchase or partner with hospitals or other IDTFs.

Dr. Winter: New revenue streams are most easily found from existing physician and patient customers. Attracting a new customer sale costs five times as much as it does to sell additional services to a current customer.

We must constantly educate referral physicians on new uses for existing technology, new services to better care for patients and new ways to collect fair reimbursement. For example, we received a National Oncology PET Registry (NOPR) certification to allow reimbursement for PET/CT Medicare patients, and we're receiving excellent response from referring physicians. Another example: Our new certified breast patient navigator program provides a dedicated RT(M), CBPN-I to help navigate patients from diagnosis through treatment. The program also helps retain them for follow-up care.

Another way to develop new business from old customers is to ask every referring physician office and patient to "opt in" on your e-mail list. This method, approved by the Health Insurance Portability and Accountability Act (HIPAA), allows us access (at a low cost) to all past patients with information about services, new radiologists, health screenings, community events, etc.

How can you identify and plug common leaks in your revenue cycle?

Buckholtz: Watch reports on a monthly basis (at least!). The biggest mistake I see is that no one looks at the monthly accounts receivable (A/R) reports. Watch for variances and identify discrepancies. Look for spikes in write-offs.

How can facilities create and maintain solid referral relationships?

Heere: All things being equal, quality customer service can help cement existing referrer relationships and bring new practices onboard. The good news is that without investing significant time or dollars in today's cost-driven environments, savvy radiologists can leverage technology to enhance service.

By selecting an appropriate PACS solution, the radiologist's reporting can easily cater to the referrer's specific preference, such as full-resolution images accompanied by a separate report or slower resolution images combined with interpretations in a single document—even with a set number of images on a page. With our EXAM-PACS, images with attached reports can be proactively auto-sent right to the referring doctor's computer, eliminating the need to search and wait for downloads.

Naturally, diagnosis speed also is crucial. The ideal PACS will have workflow-enhancing tools that route images to appropriate radiologists (wherever located) that maintain clear,

reliable worklists and that track progress. Also, differentiating your practice with subspecialty reading, nighttime reading and radiology consults in real time can reel in new clients. A PACS geared for seamless communication beyond the enterprise will streamline communications with outside reading groups and can easily make this expanded service a reality. This must be done cost-effectively so that the technology expense is offset by the new business realized to deliver a fast ROI and promised growth.

Dr. Winter: There's an old marketing adage: "Business: goes where it is invited, stays where it is appreciated and leaves where it is ignored." The first step in improving your referral relationships is a truthful self-examination. Who have you invited to try your services lately? It's easy to focus on high-volume referring physicians, but how about those who just tried you or have been absent lately? Who have you ignored?

Another saying: "People won't know you care until you show you care." In today's high-speed, multitasking, Internet, texting, voice mail world, a personal thank-you stands out.

What are the "cash cow" services in radiology, and how can they be maximized?

Heere: As baby boomers age and require increasing levels of medical care, one path to growth is offering repeat screening exams that lead to additional related services. A comprehensive women's imaging center is a great example. Women who enter for a mammogram will come back annually, and additional services can build from there. Simply build relationships by treating patients well.

The key is to make your center a one-stop shop, and exam options should include diagnostic as well as screening mammograms, breast ultrasound and MRI, bone densitometry and more. All of these can be delivered and maintained through an integrated PACS patient record.

Today, many imaging centers win women's loyalty by providing "VIP" treatment in an attractive setting-with prompt results. Delivering onsite results personally is achieved through streamlined image interpretation and the right PACS. If a woman needs additional consultation, your ability to deliver results promptly in a variety of formats builds goodwill. Additionally, polite, friendly, personalized reminders for upcoming exams also cement relationships. Build bonds while delivering a satisfying patient experience and communicate these benefits to referring physicians. Business will boom.

Palmucci: I'm not sure anything is a cash cow anymore in radiology. Certainly MRI charges are significant, but so are expenses. A robust interventional radiology department performing complex procedures can also generate significant patient charges. In today's world, so much reimbursement is etched in stone before the patient even arrives. You can charge all you want, but you'll get what the payer and your facility have negotiated. In hospitals with a high Medicare or Medicaid payer mix, you really can have a tough time making ends meet.

Dr. Winter: Like most imaging centers, we depend on CT, MRI and PET/CT exams to support operations and less profitable exams. To build our higher-reimbursement examinations, we use other, less profitable services such as mammography and ultrasound to focus on the main health care decision-makers of the house: women. If their experience is positive in these screening exams, they'll seek out your facility's "cash cow" services.

What technology considerations come into play for increasing revenues?

Heere: Choose a PACS vendor that uses off-the-shelf computer components, not one that requires you to buy expensive hardware. It's expensive when it's proprietary. In terms of archiving, move to a HIPAA-compliant offsite server. On-site integration/support may be expensive.

Of utmost importance is actually marketing, particularly for imaging centers. After all, they're at the mercy of referring doctors. Make it easy for referring physicians to send patients, and treat them properly. Provide patients with CDs of their images-CDs that include the center name, number, Web site and HIPAA warning-so the doctor can see them when they return. Also, describe what the images are for; it encourages the patient to return.

Fulfilling both patient and referrer needs is your livelihood. Make sure you have humans answering the phone, and that you're producing quality reads by qualified radiologists. Remember: Medicine is competitive.

Which outreach/marketing initiatives can help reel in new business?

Theadore: Evidence-based medicine continues to drive increased value. More imaging companies are supporting clinical trials. These trials may help your facility become published and gain some revenue.

Radiologist/physician meetings have become important. When radiologists were in hospitals and physicians rounded to see patients, they would connect. Today, radiologists mostly are in a remote environment. Having radiologists available for marketing increases physician-to-physician interaction and allows the radiologist to tailor his report to meet the needs of a referring physician. Individualize care to each patient, and service to each physician.

Discuss the importance of a business plan in seeking additional revenue streams.

Canal: A common and understandable error of many physicians and administrators is the failure to see their practices as businesses. Every practice is a business, and every business needs a business plan. Think about your business as it stands today. Write a concise mission statement that identifies your guiding principles. Next, outline the overall structure and organization of your business. Then, project your future desires: Set goals, and create strategies and timelines to meet them.

Manage your investments wisely. As with all businesses, at times you may need alternative funding. Fortunately, some financial institutions work exclusively to provide financial products and working capital solutions catering to health care providers.

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