

# THE LAST WORD

A Take on the Radiology Community

## A Natural Remedy

For struggling imaging centers, growing your business begins with good ol' fashioned communication.



Steven R. Renard

By Steven R. Renard

It's a Tuesday afternoon as I walk through the doors of a busy outpatient center that has two hospitals and four outpatient centers competing for MRI, CT, ultrasound, and x-ray patients within a 10-mile radius. Despite the competition, this center manages to thrive! Having just left two failing centers 20 miles away, it struck me that so many of the seemingly small, everyday actions that occur in an outpatient center matter more today than they did 5 years ago. It's the radiologists greeting patients, giving personal numbers to referring doctors, and consistently calling referring doctors to explain cases and discuss options. This center wins the battle everyday by using good ol' fashioned communication.

Lately, every day seems to be a battle for radiology providers as they fight downward pricing, ACOs, aggressive hospitals entering the outpatient arena, and the disappearance of referral sources via hospital employment. Eventually, all these negativities internalize into a catastrophic perspective and, when catastrophe is perceived, it is only human nature to react and respond with attention on the problem versus the solution. Many groups in trouble find they have slowly moved into a mode of panic with too many FTEs and retired partners and without a hospital contract. They try to push the outpatient business, but it's not enough to recover.

Market factors reinforce these fears: constant changes by Medicare and commercial carriers to control costs and utilization, the number of failing outpatient centers, hospital radiology groups struggling for security, challenges to maintain hospital contracts, and declining reimbursements.

Having turned around distressed centers for the past decade, I find that the common factors are poor management, overleveraged balance sheets, poor billing and collections, lack of dashboard reports to help drive quality metrics, lack of committed radiology teams, and plain ol' poor communication. There are also those centers that simply should never have been opened for lack of ability to join closed payor panels, and oversaturation in the market.

Given these challenges, outpatient centers that want to win and develop their microenvironments must employ a strategic plan, and equally important, they must develop and maintain meaningful working relationships with personnel, referring doctors, patients, and yes, even with the business

people who drive many of today's trends. How do you develop a meaningful relationship? The answer is simple but is often ignored. History can teach us all a lesson in communication.

Good communication with referring doctors was much more prevalent before the advent of PACS. Doctors would develop relationships with radiologists by stopping into their reading rooms and discussing a case. Over time, professional relationships and respect grew among specialists.

Advanced modalities like MRI offered an expansion option to radiologists that would help generate revenue and provide for a better diagnostic experience. At that time, both hospital and outpatient radiology made money. Fast-

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forward 10 years and relationships became more strained as hospitals lost more business to outpatient centers that used marketing and PACS as the new standard for selling radiology services.

Radiology will remain a growing industry especially as coverage expands under the health care reform acts. Radiology may be expected to produce more and be compensated less but will remain a completely viable business. Despite the challenges, much of the tension on today's radiology centers can be avoided through the basic use of good communication. You'd be well served to microscopically assess your and your team's communication proficiency as you dialogue about patient cases, interact with patients and referral sources, and collaborate with hospital partners. If you want to exist within your environment—with less panic and more positive productivity—it starts with good communication. From there, you'll continue to thrive. **IE**

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