

# Taking Diagnostic Imaging Centers to a **NEW LEVEL**

**L**ike many other health care providers, diagnostic imaging centers (DICs) operate in a challenging market. Competition is high, margins are tight, and qualified staff is scarce. These conditions sound all too familiar in today's health care market, but DICs face some extenuating circumstances. In the last 10 years, many small independent practices have joined forces to form large groups. These conglomerates have reduced the overall number of players in the market and allowed remaining DICs to take advantage of economies of scale.

**Radiologix Inc**, Dallas, Texas, is one of the masters of the economy of scale concept. The company is one of the largest nationwide providers of radiology services; it consists of freestanding multimodality imaging centers and managed radiology practices. Currently, the company operates freestanding radiology centers and provides them with strategic materials, operations management, marketing, information technology, customer service, and technical expertise. Radiologix employs an innovative hub and spoke arrangement, in which a local site assumes administrative and marketing functions for a group of centers. The end result is an efficient diagnostic imaging enterprise.

This comprehensive approach could be the wave of the future. Why? Competition among DICs is stiff, which is what happens when smaller practices merge and pool their resources to enter new markets. A few years ago, a one- or two-center practice might not have had the capital or the drive to undertake a new venture on another provider's turf. Today's larger operations, however, are not necessarily constrained in the same way. In fact, it is not uncommon to find two or three DICs on the same street. The competition does not end among DICs, though, as DICs compete with hospitals as well.

The ultra-competitive environment

isn't the last of the challenges faced by DICs. The day-to-day business of a DIC can be somewhat unpredictable. Because centers need to provide same-day service at their facilities, they must maintain open slots every day, which can translate into higher operating costs. In contrast, a patient at a hospital facility could wait a week or two for a routine appointment. Consequently, the onus to maintain high patient throughput is on DICs.

Of course, DICs *do* face some of the same issues as their hospital peers. Take the technologist shortage. Both hospitals and DICs must deal with the reality of an extremely tight technologist market. Hence, the sharpest players in the DIC market have recognized the need to streamline techs' workflow and provide them with user-friendly equipment.

The final factor in the DIC equation is customers. DICs, like all health care enterprises, need to provide patients with a quality experience. A freestanding site with a flexible schedule is not enough to remain competitive in today's market. Patients are knowledgeable about health care issues, and state-of-the-art equipment is a must. Moreover, the DIC must educate referring physicians and patients about its capabilities.

## ► In Search of DIC-Friendly Technology

One way for a center to differentiate itself from the competition is to



*Siemens' SOMATOM Emotion 6 has a slim, wide-open CT gantry that provides easy-to-use, fast, high-quality CT.*

employ advanced technology. Radiologix recently purchased and installed **Siemens Medical Solutions'** Malvern, Pa. SOMATOM Emotion CT scanners at several of its centers.

Donald Pelton, vice president of materials management for Radiologix, explains, "We want to plan as far ahead as we can for a fixed investment. Financially, the Emotion made great sense for us. It's a mega, multi-slice, yet it's an affordable scanner. Siemens is doing a great job in the market with this piece of equipment."

The new Emotion scanner represents the ideal CT package for DICs. It offers the full functionality of high-end CT, including such advanced clinical applications as abdominal, neurological, orthopedic, and pediatric imaging. Other features of the Emotion include the ability to perform routine angiography with integrated D visualization tools.

The Emotion is relatively easy on the budget, but Radiologix had other reasons behind the decision to implement the scanners. Its small footprint, ease of installation, reliability, reduced patient dose, and low costs per exam made it the ideal choice for the DIC network. In theory, these are excellent reasons for purchasing any piece of technology. And in practice, Siemens' Medical SOMATOM Emotion has delivered.

For starters, Pelton affirms, "the scanners are reliable and have been easy

to install.” And Siemens’ service has kept the scanners up and running. Also, budget conscious administrators are more than satisfied with the low cost per exam with the scanner.

The specifications of the Emotion CT are impressive and provide ample reason for DICs to choose the scanners. But other factors often come into play for DICs as they evaluate new CT solutions. DICs should consider asking the following questions, which, along with the price, will help point a DIC in the right direction:

- Does the vendor strive to work as partner with a DIC? Does it understand the environment?
- Has the vendor delivered quality equipment in the past?
- What are the equipment specs and capabilities? Does it offer the desired packages?
- What is the lifecycle cost of the equipment?

The Emotion CT certainly translates into reduced costs per procedure, contributing to bottom line results, and it boosts business in other ways as well. The advanced functionality of the Emotion allows DICs to expand into new clinical markets. With the ability to perform CT angiography, DICs can easily grow the physician referral base and provide advanced clinical services to cardiologists and internists. The Emotion gives referring physicians a high level of confidence in a center’s expertise in performing more complex studies.

The ability to enter new, niche markets gives Radiologix a competitive edge. Pelton asserts that the advanced functionality of the Emotion is fast becoming a necessity. “In some past instances, DICs did not need all of the bells and whistles,” he explains. “But imaging is becoming more virtual. Our centers need to reconstruct, transmit, and utilize in D. With the Emotion , D reconstruction can be fast and effortless.”

Another factor in the DIC financial equation is throughput, and the Emotion line clearly meets the demands in this arena. Pelton is over seeing the installation of several Emotion scanners. “In each market,

we anticipate the same outcome,” he says. “The speed of the equipment gives us the ability to scan patients more efficiently without sacrificing patient care or service. We also can provide more procedures each day, thereby increasing the number of procedures we can achieve.”

This healthy increase could well be worth the investment in the new technology, but it is likely just the tip of the iceberg. The limiting factor to increasing patient throughput is not scan time, so technologists at Radiologix, for example, are working on ways to improve their patient flow and scanning efficiency.

### ► The Comprehensive DIC Vendor

It isn’t easy being a DIC. Numerous challenges exist, including competition, high operating costs, the technologist shortage, and savvy customers. The last thing any profit minded DIC needs on its plate is additional challenges related to equipment. These hurdles, unfortunately, come in all too many flavors. Top on the list might be unreliable equipment. For some unfortunate centers, this scenario is all too familiar. A scanner is booked for the day, but mysteriously goes down at a.m. Appointments are shuffled or cancelled, which frustrates both techs and patients. The patient might, in turn, share the experience with the referring physician, who, next time, could opt to try that *other* DIC down the street.

Technology quandaries play a part as well. Any imaging technology is only as good as the operator, which means user friendliness is absolutely key. Defining that term, however, is some thing of a moving target. Some vendors might tout their user friendly solutions. But older, DOS based systems can be quite challenging. Or each piece of scanning equipment could have its own look and feel, hindering the technologists’ learning curve when new technology is implemented, further complicating workflow.

Finally, the one size fits all approach is one that some vendors seem to espouse. Some vendors can be blind to the unique needs of DICs. They might have a good package, but it could be the only package they sell. And DICs

not only differ from hospitals; they also differ from each other. The right equipment for one center might not work in another. So finding a flexible vendor who can work in a partnership relationship is critical for DICs that want to move to the next level.

“Siemens,” Pelton says, “has a very good understanding of the DIC market.”

Radiologix, for instance, has chosen to work with Siemens and found that the company understands its needs. Over time, the company has installed each type of Siemens scanner: high field MRIs, open MRIs, CT scanners, and nuclear medicine cameras. The common link among the modalities is Siemens *syngo* software. Pelton asserts, “We might not have bought these units if they didn’t have a common operating platform. It’s really important to us.”

The Windows based platform is shared among most Siemens imaging modalities and is associated with a number of benefits. Because *syngo* is Windows based, it is very trainable for technologists. They also can maneuver through the various systems to keep workflow going. Techs can move from center to center with ease, and training new technologists on the system is quite simple. Finally, *syngo*’s user friendliness can enhance job satisfaction and help DICs retain valuable employees.

Siemens’ commitment to the common *syngo* platform is matched by a complementary commitment to offering its DIC customers affordable, flexible solutions. Emotion technology can be tailored for various markets, and Siemens encourages customers to devise solutions that meet their individual needs. For example, Radiologix has tailored Emotion CT scanners for specific markets. One scanner might be built for speed a bread and butter scanner that can handle a multitude of patients quickly. Another Emotion scanner might be designed with a full array of features for cardiology procedures.

Pelton and his Radiologix colleagues see the Emotion playing a key role in the organization’s future. “We’re excited about this equipment,” he admits. “It will take us to another level in what we are able to offer to patients and referring physicians.”