IMAGINGBIZ NEWSLETTER

Developing an Imaging Strategic Plan: Intermountain Healthcare

BY GREG THOMPSON ON SEPTEMBER 17, 2011

Brian Baker

Exactly what portion of the hospital bottom line comes from imaging? It's a straightforward question, but even hospital executives occasionally grope for an answer.

The difficulty often stems from an inability to see the proverbial forest for the trees. As a 26-year imaging-industry veteran, Brian Baker, president of Regents Health Resources (a consulting and development company based in Franklin, Tennessee), has seen the lack of big-picture strategy all too often. It starts from the top, filters down to the director level, and ultimately inhibits the coveted goal of system-wide integration.

"Imaging directors are in the forest, working as hard as they can to solve day-to-day operational issues," Baker says. "Administrators are overwhelmed and trying to manage without the proper tools and support. They don't get the opportunity to think strategically about their business objectives."

At Intermountain Healthcare (Salt Lake City, Utah), an integrated health system, Baker encountered an institution in a state far from disarray. Instead, the massive network of 23 hospitals and 160 health-care facilities had picked up awards for excellence and was singled out by President Obama as an island of excellence.

Even with these accolades, Intermountain Healthcare administrators sought out Regents Health Resources to boost operational efficiency within the imaging sector while preparing for accountable-care organizations (ACOs) and other changes in health-care delivery. Baker and Regents Health Resources' CEO, Bob Maier, began the massive task more than two years ago, with a subtle shift in Intermountain Healthcare's culture plus a slight change in terminology.

Unified Model

The ACO, for example, was eventually replaced by a shared-accountability model, which involved all technical, administrative, and physician staff members. As a result, utilization management, patient care and safety, and appropriateness review are now within the systemwide jurisdiction of the medical imaging medical director and an entity called the Guidance Council.

With the council's direction, the fragmentation of more than 100 radiologists' services throughout Intermountain Healthcare is being transformed into a cohesive alignment strategy, with uniform clinical and business relationships throughout the system. "Some physicians had professional-service agreements with hospitals and others did not," Maier explains. "In the new model of clinical integration, every radiologist has the opportunity—and in some cases, the obligation—to participate in establishing clinical standards that all radiologists and technical staff will adhere to in a consistent, accountable process."

Ultimately, every group sends a representative to participate in the systemwide Guidance Council to discuss important elements of clinical care before policies are established—something that was done inconsistently (or not at all) in the past. "Standardization of quality reporting, universal access to images, peer review, and other protocols are now being established in this manner," Maier says. "Business relationships with the groups are also the subject of an integrated and consistent program so that transparency and equal treatment for all radiologists provide for a more cohesive and beneficial process for the system and the radiologists."

Accountability First

With a focus squarely on radiology, Maier and Baker have followed the nuances of health-care reform and how it applies to imaging departments. They view ACOs essentially as integrated HMOs under a different organizational structure.

Much as HMOs were originally intended to do, ACOs are designed to put accountability back in the hands of care providers as an integrated network. Maier points out that a lack of integration often leads to patients getting trapped in a cycle of referrals involving primary-care physicians, orthopedists, radiologists, pain specialists, and physical therapists.

"The time and cost to patients pile up," Maier says. "Let's integrate all of those parties so they are accountable to each other. Let's coordinate care around patients, because the cost of providing imaging services can quickly get out of hand for patients who require multiple exams."

With patients struggling to pay for costly imaging studies, Intermountain Healthcare officials also recognized that reimbursement rates from government entities and insurers would continue to go down, in the long term.

"Intermountain Healthcare wanted to continue to provide the highest level of quality and continue to be an example across the United States, which was part of its charter when it was formed in the early 1970s," Baker says. "It knew there was more opportunity in imaging, but was not sure how to capitalize on it. If it could continue to operate at the same (or a higher) level of quality with 30% lower reimbursement, it would have succeeded. That started it on its search for a strategic-planning consultant and partner."

Despite reimbursement challenges, the clinical impact of medical imaging will only grow. With this in mind, Baker and Maier advocated a vigorous marketing program to spread the word about Intermountain Healthcare's considerable imaging prowess.

"The use of imaging should be promoted, not squelched," Baker says. "A quarter century ago, patients who came in with nonspecific abdominal pain would go through many tests. Today, in five minutes, we know what is going on, thanks to imaging. From a reimbursement standpoint, the outlook is not as encouraging, but we hope to be able to inform legislators and help them understand the benefits. We, as an industry, have not done a great job of promoting ourselves."

At a Glance

Initiatives undertaken by Intermountain Healthcare (Salt Lake City, Utah) under the combined leadership of the Intermountain Central Imaging Office and Regents Health Resources (Franklin, Tennessee) have resulted in over $5 million in direct, measurable savings. They include:

- reorganizing the reporting structure of Imaging Services,
- implementing a system-wide marketing program,
- creating a regionalized physician-liaison program through outsourced staff,
- clinically integrating radiologists into the Guidance Council,
- capitalizing on the physician database and tracking methodologies,
- performing sophisticated referring-provider analytics,
- developing a Web presence and physician portal,
- standardizing the equipment-acquisition process,
- internalizing equipment-service operations,
- developing best practices for clinical and operational standards,
- centralizing scheduling on a regional basis.

Leveraging Data

Getting the business on par with technology is no small task, but Intermountain Healthcare continues to benefit from Regents Health Resources' advice—thanks largely to the consultant's ability to access relevant data. Regents Health Resources ultimately examined a massive amount of information, including personnel infrastructure (which was already sophisticated, but lacked a central strategy).

"Operational policies for day-to-day operations were not consistent between facilities," Baker says. "Use and procurement of technology were not consistent. In spite of being one of the strongest data warehouses for health care, they were not able to mine the data from their existing systems in a manner that allowed them to manage the business better."

Under the direction of Brent Johnson, medical imaging vice president, and Dave Monaghan, assistant vice president, development teams tackled these problems and reported back to the Imaging Services Guidance Council, made up of radiologists, operations management, and central imaging personnel. "Integrating radiologists into the operational side of medical imaging is important so that each side works with the other, as a team, to provide quality services and accurate and timely reports," Maier adds. "There can be an adversarial role between radiologists and the hospitals they serve, and it can be difficult to get them together at the strategic-planning table."

Regents Health Resources' analysis revealed that more than 50% of Intermountain Healthcare's imaging volume was outpatient work. Radiology directors throughout Intermountain Healthcare responded by focusing more resources on outpatient processes and systematizing medical-imaging services across the entire continuum of services.

- implementing electronic provider order entry,
- standardizing scheduling through a uniform RIS,
- using call-management systems to monitor the performance and responsiveness of schedulers,
- implementing preauthorization assistance, and
- centralizing equipment-service programs.

With roughly 1,000 employed physicians in the system and another 2,500 independent physicians who support Intermountain Healthcare, change was not an easy thing to achieve. From a strategic standpoint, Intermountain Healthcare officials ultimately believed that improving a system that was already top-notch was a necessary step in maintaining excellence. "Improvement is an evolutionary process," Baker says. "Boosting customer service, for example, meant improving the scheduling and registration system, because you can't have one without the other."

"With Intermountain Healthcare, we aimed to improve clinical quality, customer service, operational efficiency, and overall strategy," Maier adds. "Our objective was to integrate all four and deliver on all four. They were great at clinical quality to begin with, but sometimes reinforcement is needed on the others, even for the best institutions."

Greg Thompson is a contributing writer for ImagingBiz.com.

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