

Outpatient Imaging Utilization Trends

Beginning with the DRA of 2005, a cascade of negative reimbursement pressures—including exam bundling, a weak economy, radiology benefit management programs, and the adoption of appropriateness criteria—has had an effect on historical outpatient imaging utilization trends. This fourth installment of the Imaging Market File explores utilization trends,

by modality, for hospital outpatient and freestanding outpatient locations nationally, from 2007 to 2010, while identifying the regulatory and economic factors that are likely to have had an impact on these trends (using complementary timelines). The database includes volumes from 96 outpatient imaging providers and 24 hospitals in 14 states. Total outpatient exam volume is 13.7 million, from

2007 through 2010.

While the data represent almost 14 million exams across 14 states, the 96 outpatient and 24 hospital locations do not represent same-market comparisons between hospitals and outpatient centers. The data set analyzed did not provide the ability to determine whether a drop in volume for one provider was picked up by other providers in the same market.

Imaging Timeline

US Economic Timeline



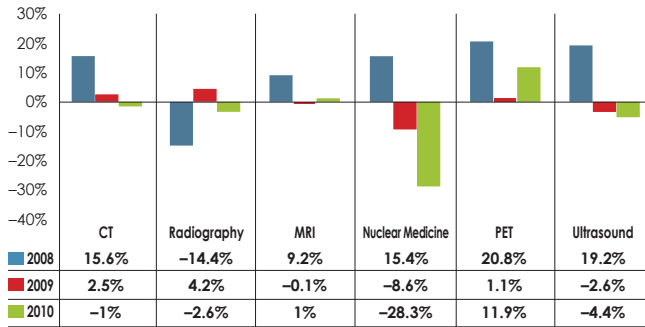


Figure 1. Combined hospital and freestanding outpatient imaging center volumes: This figure represents combined outpatient volumes of 13.7 million exams performed at 24 hospital and 96 freestanding imaging-center sites between 2007 and 2010. Over the four years of data capture, PET was the single modality that exhibited volume growth in each of the three comparison years. Ultrasound and nuclear medicine both show declines in 2009 and 2010, reversing strong double-digit growth trends from 2007 to 2008.

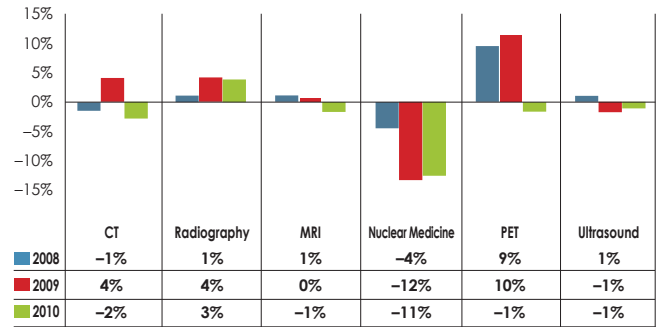


Figure 2. Freestanding outpatient imaging center volumes: After exhibiting high-single-digit and double-digit growth in the early part of the decade, freestanding outpatient imaging-center volumes were flat or declined in 2008 in all modalities except PET, a modality for which CMS steadily broadened coverage throughout the second half of the decade. CT, radiography, and PET saw increases in 2009, but in 2010, volumes decreased in every modality except radiography.

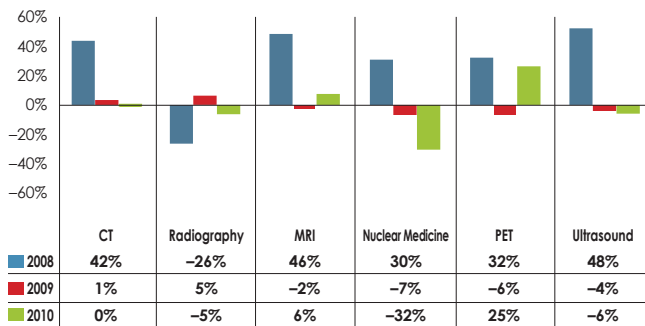


Figure 3. Hospital outpatient imaging volumes: After significant increases were logged in 2008-over-2007 volumes, declines were seen in all modalities except CT and MRI in 2009. In 2010, only PET volumes increased. Hospitals, however, generally display more positive trending than freestanding outpatient imaging centers in all modalities. Is this due to hospital acquisition of outpatient providers, or is the shift due to the closure of unsustainable outpatient imaging center locations?

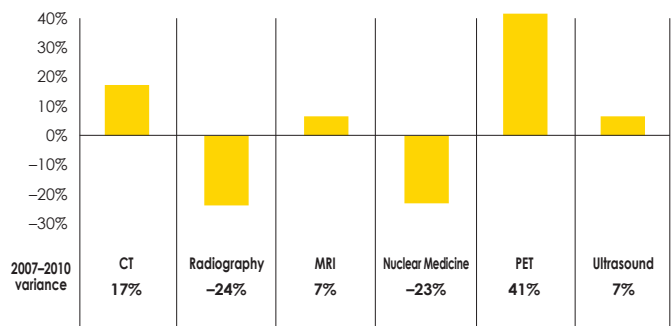


Figure 4. Variance between hospital-based and freestanding outpatient imaging center volumes: The net sum total for the four-year change measurement can be misleading in some modalities. For example, CT demonstrates terrific growth overall when 2007 is used as a baseline. If the 2007 data are removed, total growth of 17% becomes 1.5% for the period 2008-2010. Similar significant four-year MRI growth demonstrated in the data transforms into flat utilization when the 2007 baseline reference and associated growth in 2008 (over 2007) are removed.

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