



Managing Staffing Challenges in Private Practice: How Did We Get Here, and What Do We Do Now?

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Disclosures

- ▶ No disclosures to report

About our practice

- ▶ Founded in 1905, we are one of the oldest continuously operating radiology groups in the country
- ▶ 55 radiologists (50 FT/5 PT) and 8 APPs covering 7 hospitals, 4 freestanding EDs, an OBL, and 4 imaging centers
- ▶ Also provide imaging interpretations for 15 private practices and healthcare organizations that own imaging equipment
- ▶ We have our own management services organization (MSO) that performs billing, accounting, and IT services for our practice and a few other clients
- ▶ We are a member of Strategic Radiology, a nationwide consortium of independent radiology groups collaborating on clinical, operational, and advocacy initiatives

RAR six years ago

- ▶ 60 radiologists and 9 APPs
- ▶ 38 outside reading contracts
- ▶ We said “yes” to almost all proposals for reading contracts; the more business we took on, the more doctors we added
- ▶ High response rates to recruiting campaigns
- ▶ More new hires than retirements

So, what changed for us?

- ▶ Short supply/high demand for new radiologists
- ▶ COVID opened more opportunities for remote reading; now this has become the norm across the country
- ▶ Our largest hospital became a Level I trauma center, which increased reading volumes, conference requirements, and the percentage of uncompensated care
- ▶ Stroke Center designation at another hospital meant additional NIR coverage
- ▶ More retirements with less willingness to work on a per diem basis
- ▶ Declining reimbursement with less negotiating leverage, in part due to the No Surprises Act
- ▶ Cyber event in 2024

“Challenges” become real concerns for the new generation of RAR leaders

- ▶ Hospitals still have expectations of on-site DR and IR coverage, regardless of hospital size
- ▶ Increased conference requirements negatively impact productivity and revenue
- ▶ Daily calls/emails from other groups and teleradiology companies offering higher compensation with less call plant seeds of “greener grass”
- ▶ Unexpected losses compound planned retirement exits
- ▶ News of other Virginia-based groups dissolving or losing hospital contracts can create questions about stability
- ▶ Disparities in productivity become magnified

Strategic Initiatives: Recruiting

- ▶ Recruiting has evolved from a late summer/early fall “season” to a year-round effort
- ▶ Dialogue begins with residents vs. fellows, and offers are extended earlier
- ▶ Some candidates are brought in for multiple visits (in-person still strongly preferred)
- ▶ More flexibility in contracting, especially for selling points that fluctuate with the market (e.g. starting salary, signing bonuses, moving allowance, partnership opportunity)
- ▶ Utilization of search firms, both contingency-based and retained
- ▶ Flexibility in job design (remote, hybrid, part-time options)
- ▶ It's more important than ever to know your market, especially within a 100-mile radius
- ▶ This means getting a read on what others are offering; with so many job openings now, it's easy to skip over the bottom tier regardless of other positive selling features

Strategic Initiatives: Workload

- ▶ Re-evaluate outside reading contracts for cost/benefit. How many doctors (and ancillary staff) does it require to provide this service, and what is the cost?
- ▶ Negotiate “bodies in seats” expectations with the hospitals. Can alternative arrangements be made for contrast coverage?
- ▶ IR volumes at smaller hospitals sometimes do not justify full-time coverage, and many IR physicians (especially newly trained) are less willing to devote most of the day to diagnostic reading. Reducing or eliminating IR coverage can be difficult (but necessary) discussions with hospital administrators who want to keep their angiography suites busy.
- ▶ Utilization of IR physicians and APPs for “needle work” that’s currently being done by diagnostic radiologists.

Strategic Initiatives: Technology

- ▶ Ongoing discussions with the hospital about integrating outside reads onto the hospital PACS
- ▶ Productivity tools that offer timely feedback to physicians and practice leaders
- ▶ Evaluating AI tools to improve reporting efficiency

Strategic Initiatives: Cost Savings

- ▶ Are there services or roles that can be outsourced or consolidated (e.g. billing, coding, IT functions)?
- ▶ Our largest operating expense, after salaries, is healthcare. We have saved money by participating in a “captive” plan that was created by the member groups of Strategic Radiology.
- ▶ Likewise, we have reduced our medical malpractice and cyber insurance expense using group purchasing arrangements.
- ▶ Re-evaluating our salary/employee benefits ratio to determine if we are directing our resources to where they are most impactful.

Strategic Initiatives: Health System Support

- ▶ Financial assistance from hospitals/health systems is more common than ever; it's becoming increasingly challenging to remain 100% independent and stay competitive in today's recruiting market.
- ▶ Many hospitals now see this as one of their "costs of doing business". It's been going on with other specialties for years, e.g. anesthesiology, hospitalists, and ER.
- ▶ Discussions with hospital partners should highlight what radiologists bring to the table (qualitative and quantitative).
- ▶ Be willing to share your cost and revenue data to support a fair-market value assessment.
- ▶ Know that any kind financial assistance can come with strings attached, e.g. staffing and KPI expectations by site.
- ▶ Also know that payments may be tied to RVU production and structured as an income guarantee.

Strategic Initiatives: Collaboration

- ▶ In today's market, it's getting increasingly difficult to "go it alone"; the landscape is changing too rapidly to take a wait and see approach.
- ▶ Many have gone the route of selling to private equity-based companies, and that's worked out well for some and not so great for others.
- ▶ There are other opportunities for collaboration with other practices, however: local, national, formal, and informal.
- ▶ Practice management consortiums, social media outlets, national meetings (ACR, RSNA, RBMA) are great sources for information sharing.
- ▶ Find out from your peers what's working, what's not, and what they would do differently if given the opportunity.

Summary

- ▶ It's a very different world than it was 5 years ago (even 2 years ago)!
- ▶ Private groups will either figure out creative ways to survive, or they will face eventual replacement or dissolution.
- ▶ Strategic planning efforts should incorporate manpower/workflow, revenue, and cost considerations,
- ▶ You're not in this alone. All practices, one way or another, are going through (or have been through) the same thing and there are more opportunities for collaboration than ever.
- ▶ Tap into the knowledge base, experiences, and resources of other groups, professional societies, health system partners, consultants, and technology vendors.
- ▶ Don't let traditions or egos stand in the way of progress.



THANK YOU!

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