



## Is Your RIS Stealing Your Radiology Profits?

By Randall Swearingen

It's a fact that radiology is one of the few profit centers in healthcare facilities. It's also a fact that the healthcare industry, in general, is suffering from lower reimbursement rates, higher operation costs and lower profits. With all the financial challenges facing hospitals, clinics and doctors, it's becoming increasingly important to protect every dime of profitability in your radiology department. Unfortunately, there are many ways that profits can slip away unnoticed and most of them can be prevented through the use of a quality Radiology Information System (RIS). So the question is, "Is your RIS stealing YOUR radiology profits?"

A quality RIS can maximize and protect your profits in numerous ways:

- **Increase capacity with little-to-no additional staff** – by streamlining and optimizing department workflow through a workflow engine, patient wait times and result turnaround times can be minimized. This is accomplished by systematically monitoring the patient's (and their result) progress through each step along the way from patient arrival to result delivery to the referring physician. Getting patients through the department quicker frees up personnel time to do more patients and generate more revenue.
- **Increase referring physician goodwill** – since one of the benefits of optimizing department workflow is quicker result turnaround times, that translates into referring physicians being able to begin treatment of their patients quicker. Most referring physicians have a choice of facilities to refer their patients to. Offering the fastest result turnaround times will insure that you keep their referrals coming to your department and not losing them, and the associated dollars, to a competitor radiology department. (also see article titled "[Increasing Patient Satisfaction & Referring Physician Goodwill](#)")
- **Maximize patient satisfaction** – minimizing patient wait time is one of the key factors to maximizing patient satisfaction. Since optimized workflow

results in reduced patient wait times, patients are more likely to be satisfied. On the other hand, patients who have excessive waits will most likely seek another facility for their next exam.

- **Eliminate lost charges (charge reconciliation)** – it's important to be able to reconcile exams that are ordered versus the exams that are charged. For example, a referring physician orders a Chest 2 View for their patient. After seeing the image, the radiologist decides to request an additional view. If the change order is not put into the RIS (changing the exam from a Chest 2 View to a Chest 3 View) the additional income can easily be lost. Tightly integrated QC, Transcription and Radiologist Worklist modules help to insure that the additional charge is not lost. When the technologist goes to input data for that exam, it should be apparent that the exam in the system does not match the exam they performed. But, if the tech fails to notice, the reading radiologist then has the opportunity to notice. If that too fails, the transcriptionist should notice that the exam ordered is not the exam they are typing. Lastly, when the radiologist approves the exam, he/she is given one more opportunity to catch the inconsistency. Thus, there are four checkpoints to catch and correct possible lost charges. This virtually eliminates the possibility of such lost income.
- **Maximize reimbursement** – for every exam ordered, there is an associated CPT code. To get paid by Medicare and/or insurance companies, the CPT code has to be accompanied with an ICD reason code that is considered acceptable for that CPT code. For example the CPT code for an Abdomen 2 View is 74020. An ICD code of 789.0 (Abdominal Pain Unspecific Site) is considered an appropriate reason while an ICD code of 924.20 (Contusion of foot) would not be considered appropriate and thus resulting in an unpaid claim. A quality RIS should be able to force an appropriate ICD code to be specified for each CPT code. It should also produce a month-by-month statistical report showing the dollar volume of exams, by referring physician, for appropriate reasons vs. inappropriate reasons. If the amount of inappropriate exams is increasing over time, for a given referring physician, the facility needs to take corrective action by talking to the referring physician or by ceasing to take referrals from them.
- **Focused marketing for your facility** – a quality RIS should be able to generate a management report that shows revenue by demographic groups. Revenue by sex, by age group, by zip code, etc. Running such report and recognizing where your strengths and weaknesses are is vital to maximizing your revenue. Armed with such information, you can work to preserve your strong markets while focusing more attention on cultivating your weak markets.
- **Improved departmental management** – imagine being able to quantify which departments are the most profitable and which are not. Which insurance companies are generating the most/least revenue. Which

referring physicians are referring the most high dollar exams. Discovering which techs are performing the most exams (and/or the exams with the greater standard times). Determining average elapsed times for result turnaround, patient wait times, etc. Discovering which radiologists are reading the most exams, and on and on. Information is power and ignorance is lost profitability. A quality RIS is like a powerful telescope in that you don't know what you're missing until you look through it. This gives you a good statistical handle on your department so that you can maximize your revenue and minimizing your expenses.

- **Eliminating unnecessary patient rescheduling** – not properly conveying procedure prep information to the patient and lack of conflict checking represent the two major causes of unnecessary patient rescheduling. A quality RIS will have a comprehensive exam prep database that allows different preps for different doctors. That's because doctors often like their patients to be prepped differently. If a patient is not properly prepped when they arrive for their exam, they have to cancel and reschedule. Canceling exams represents lost opportunity and lost revenue because that time slot is now wasted. If conflict checking is not performed by the RIS, during scheduling, the exam might also need to be canceled and rescheduled. For example, if a patient comes in for a abdomen two view exam but they just had a barium enema yesterday at a branch location, the patient will still be full of barium and the resulting image will be loaded with artifacts that render the exam useless. This wastes the time of the patient, the techs, the transcriptionist and the radiologist and reduces patient satisfaction. A quality RIS must be able to utilize procedure preps and conflict checking.
- **Minimize exam repeats** – with the prevalence of PACS systems today, exam repeats are not as common as they used to be with film but they still exists. Being able to track repeat rates by tech, by machine and by product is crucial to keeping the department running optimally. If the overall repeat rate rises over time, the radiology manager can pinpoint if it is due to one tech (who needs additional in-service training), to one machine (that needs maintenance and/or requires in-service training for the techs) or one product (that might be defective and/or requires in-service training for the techs).
- **Improve equipment asset management** – by tracking the downtime and cost of repairs on all the imaging equipment, as the manager, you can be in a position to save the department significant money. When the service contact renewal is coming up for a piece of equipment, with a quality RIS, you can run a report showing all the maintenance performed on that unit since the last preventive maintenance. If the machine is relatively new and has been very reliable, you might opt to underwrite the cost of maintenance instead of spending high dollars on renewing the service contact. On the other hand, you might notice that a particular machine is increasingly down and thus less and less available to perform exams.

Such management reports can help you decide when to sunset a piece of equipment and purchase a new one.

- **Pass JCAHO inspections** – management reports from a quality RIS can arm you with all the information necessary to quickly and easily pass JCAHO inspections. This saves you the manpower hours necessary to pass the inspection without the benefit of such powerful reports.
- **Minimize exposure to radiology lawsuits** – not being able to track patient radiation dosage, not being able to monitor critical results, not recording patient allergies can all lead to potential lawsuits. Having the ability to do these things puts you in a position to better protect and defend your department. One prevented lawsuit can save hundreds of thousands, if not millions of dollars for your facility. An ounce of prevention, with a quality RIS, is worth a pound of cure! (also see article titled "[Radiology Lawsuits – Reducing Your Exposure](#)")

These are just some of the many ways a quality RIS can make a significant difference in the profitability of your radiology department. Having a RIS that does not have these abilities is basically stealing hard earned profits from your facility that it should be enjoying.

Just a few years back, healthcare facilities switched entire information systems in order to meet 'meaningful use criteria' and to receive the financial benefits of doing so. Today, switching to a quality RIS system that can do all the profit saving functions described in this article, can also have significant financial benefits that will allow it to pay for itself in a very short timeframe. Radiology departments that focus on maximizing profitability, through the use of a quality RIS, will be in a much better position to survive, compete and even thrive in today's volatile healthcare world.

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