Cheap Radiology That Doesn’t Stink

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Radiology at risk of commodification, from ACR 2016.

A high-level view of a radiologist's career might include working with cutting-edge technology, saving lives, making a difference in patient care, being the doctor's doctor.

How about being the cheapest radiologist that doesn't stink? Not exactly what medical ambitions are made of. But if radiology can’t prove that it improves outcomes or reduces costs, being cheap and adequate might be the business in which radiology is headed, James Whitfill, MD, CMO, Scottsdale Health Partners, warned at ACR 2016.

Whitfill was talking more specifically about health care reform and the new era of value-based care. He addressed head on the sentiment that we’ve seen change before.

As percentage of GDP spent on health care reaches 20% and above, most economists would say that health care’s ability to compete in a global economy becomes significantly impaired, Whitfill said. “But that’s not enough, the explosion of baby boomers aging into Medicare keeps CMS awake at night; not only are we spending more of our national economic pie on health care, but we have a huge number of people coming into the Medicare system.”

Adding more strain to health care is the growth in high deductible plans which change the way consumers think about health care.

“The traditional ways of just trying to maximize revenue from a fee for service perspective is altered because people have to put their own dollars into this,” Whitfill said. When consumers were insulated from financial decisions, fee for service was an easy sell. He gave the example of a “seismic” event in the Pacific Northwest, when Boeing told its employees they could go wherever they wanted for their hip replacement, but if they went to the Cleveland Clinic, Boeing would cover all of the costs, including travel. Alternatively, they could see their local surgeon and pay their deductible. It’s not difficult to guess which option most employees took.

People are quick to blame politics for changing health care, but Whitfill said health care improvements stem from an economic issue, not a political issue.

Practice models won’t change overnight, but they have already changed drastically in some parts of the country. In Whitfill’s market, unless providers are part of a large clinically integrated network, they are being cut from insurance plans. Clinically integrated networks, like other new payment models, don’t have an immediate role for radiology, though, and this is concerning and dangerous.

“In most of our clinically integrated networks, we are following metrics around congestive heart failure, coronary artery disease, diabetes, COPD,” Whitfill said. “Besides some chest X-rays, there isn’t a ton of radiology changing those outcomes.”

James Whitfill, MD

In fact, Whitfill said, some ACOs have very simple tools that look at how much they are spending on high technology and try to lower those costs because they don’t know what else to do about radiology.
The value metrics in radiology, like turnaround time and peer review are important, Whitfill said. “But we are in a world where we need to show patient outcomes like not being dead or being at work or not being in the hospital, those are the tangible outcomes that people are looking for.” Whoever can figure out how radiology can prove tangible outcomes will be an important savior for the field, Whitfill said, but bundled payment models might provide an opportunity.

In a bundled payment, base costs attached to care are adjusted for severity, complications are modeled, and then one lump sum is assigned to an entire episode of care. “These create a tremendous incentive for specialists to come together, organize themselves, and cut costs,” he said. If radiologists can show that they improve outcomes, surgical colleagues will be incentivized to include radiology in their bundle. But if radiologists aren’t able to prove that they get the patient back to work faster, reduce readmissions, or get the OR time down, radiologists risk commodification, he said.

Whitfill encourages radiology to look closely at oncology bundles, though. “Radiology has a particularly strong use case for showing the impact of being able to get to diagnosis faster and monitor disease,” he said. “Oncology bundles are one of the first places that cross sectional imagers should really look at for potential of showing the benefit of radiology.”

The bundled procedure model is just one cost saving, value-based approach, though. As financial risk is pushed to providers more innovative and significant changes will be necessary. “If radiologists can show how to reduce total medical costs, you will be highly sought after,” Whitfill said. “If you can’t, it will be a very unpleasant future.”

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