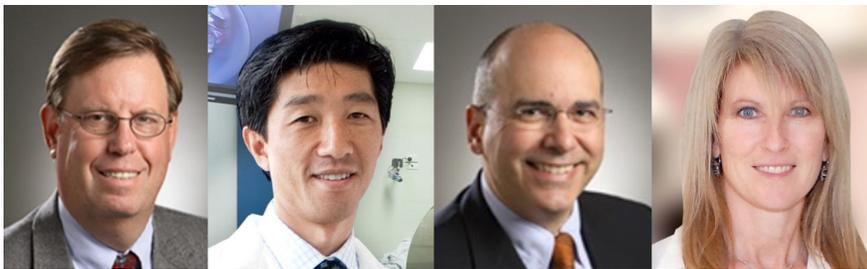




Allying and Aligning through Analytics: NJ Radiology Groups Launch Partnership

— CAT VASKO

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Edward Rittweger MD, Thomas Yu MD, Leo Fontana MD, and Alicia Daniels, MD come together to discuss a new kind of joint venture.

Radiology practices have long sought a solution to the consolidation occurring in their marketplaces, as well as the commoditization happening in their midst. The fundamental problem is delivering ever-higher levels of service and quality with diminished resources. “As an independent physician and radiology provider, I feel very strongly that an autonomous radiology practice is the best way to provide good patient care,” says Thomas Yu, MD, medical director at Advanced Radiology Solutions (Toms River, NJ). “We’re not responsible to shareholders, or a hedge fund, or a large corporation—we’re focused on our patients, our hospital partners and our community.”

Unsurprisingly, other similarly positioned radiology practices in the New Jersey area felt the same way. “In our state we have a lot of small radiology groups under a lot of market pressure to get bigger,” explains Ed Rittweger, MD, medical director at Navesink Radiology (Little Silver, NJ). “Hospitals are looking for 24/7 subspecialty reads and other services you might not be able to provide as a smaller group.”

And that’s not all they’re looking for, notes Leo Fontana, MD, radiologist at Navesink. “One small radiology group might not have the critical mass necessary to get powerful data and analytics,” he says. “Radiology needs to deliver those to its partners to help develop and shape new reimbursement and practice models. We have to position ourselves to be proactive partners.”

Alicia Daniels, MD, radiologist at Advanced Radiology Solutions, concurs: “Every time we go to a meeting with the hospital it is always all about data,” she says. “We know we need to be able to deliver.”

Hiding in Plain Sight

Rittweger describes the solution at which the groups arrived as “a fairly simple concept that was hiding in plain sight”: instead of competing against one another as small entities, what if they joined together in a JV alliance? “We were all looking to maintain our independence while getting the advantages of being a larger group,” Fontana says. “If you join a larger group, you can lose a lot of your autonomy. This alliance was a way to get the best of both worlds.”

Not only is this approach best for the groups, it’s also best for their customers, Yu says. “A lot of these big box companies don’t provide the leadership they say they will be able to,” he notes. “They lose contracts as fast as they can get them, and in the process they cause a lot of disruption—it’s like musical chairs. Corporate consolidation has been a detriment to the field so

far, but if radiology practices work together, we can provide the resources and leadership that our hospital partners need.”

By collaborating instead of competing, the groups have the combined capital for necessary new investments; they can provide managed services to other groups, opening up a new revenue stream while helping preserve the profession; and they can harness the data and produce the analytics that will be so vital to future survival. “The alliance provides the resources to build the analytics platform we’re going to need,” Rittweger says.

Measuring to Grow

Of the many reasons for aligning through a JV/alliance model, the one all the practices mention most often is data—having enough of it, and being able to do enough with it. “Data is the new currency,” Fontana says. “In the future, volume won’t matter—what will count will be how we measure and demonstrate our value.”

For that reason, Yu says, analytics are built right into the alliance’s DNA. “We have to create analytics that go beyond the basics to drive what we do, our behavior and the behavior of our colleagues,” he says. “We have to provide best practices, reduce unnecessary utilization and increase diagnostic value. Working with our partners using real-time clinical information will allow us to continuously improve our quality.”

For instance, Fontana says, the groups will be able to utilize their own data to improve the position of their hospital and health system partners, thereby mitigating the threat of competition from commercial radiology practices. “As part of our hospital contracts we have an appendix with certain deliverables, most of which are measurable,” he says. “We’ll collect analytics on those so that we know how we’re doing on a near-real-time basis with meeting those parameters and can take corrective action as needed. We’ll be able to report back to the hospitals we work with and show them that we’re providing the kind of service they expect.”

Rittweger notes that internal analytics and reporting will be just as important. “Some of the quality indicators we’re responsible for can’t be tracked by the hospitals,” he says. “Turnaround times are a big issue, as well as peer review. We need decision support to help manage utilization, and we’d like to develop that internally. Our goal is to develop benchmarks across the alliance to help everybody to attain the highest level of

quality they can. If we see someone is lagging, it’s our job to help bring them up to the standards everyone else is maintaining.”

Fontana adds that a robust platform for normalizing and aggregating all of the practices’ data is essential for survival in an unpredictable future. “We need to collect as much information as we can not knowing exactly what’s going to be important two years from now,” Fontana says. “And we need it stored such that we can go back and query it.”

Looking Forward

It’s Rittweger’s hope that the New Jersey alliance will pave the way to supporting smaller radiology groups provide the service their hospital partners need. “We like to think we’ll be able to provide services not only to our groups, but to other like-minded groups with similar issues,” he says. “If they need a specialty radiologist they don’t have, we can have our network help them obtain that service without being at risk for losing their contract.”

Leveraging the power of their combined clinical data, the alliance will be able to develop powerful protocols for improving care, Yu says. “There is a tremendous amount of opportunities to improve upon the practice in many ways,” he notes, “but if you were out there on your own, you wouldn’t have the feedback you need to do it. If you’re setting up a protocol just for your unique hospital, there’s not a lot of analytical power backing that. But across a continuum of a lot of hospitals, those numbers become much more significant.”

Daniels concurs. “If you have a couple of points of data, that’s not nearly as impressive as a lot of data points,” she says. “By combining, we’ll be able to give physicians reliable feedback to direct care. If we can save money by having them order the right tests, then that adds even more value.”

Fontana looks forward to discovering what else the groups can do with their combined data. “At first we met together because we knew we had to,” he says. “Now we’re doing it because we want to. We see a lot of potential to be mutually beneficial, respect each other’s boundaries while supporting one another, and to cooperate on analytics and other important initiatives.”

Most importantly, the alliance groups will not just retain, but proactively build upon their ability to deliver the best possible service and care in their communities. “No matter how big the group is, the issues are always local,” Rittweger says. “It’s very important to keep that independence.”