



R A D  O U R C E

## The Impact of Quality MRI Interpretations on your Practice's Surgical Revenue

When evaluating current or new radiology partners, many physician practices focus on the fee paid to radiologists for a MRI interpretation as the primary determinant of value. While intuitively obvious, this approach ignores the effect of high quality interpretations on surgical revenue, which is much more meaningful. This white paper will explore the impact that more accurate interpretations can have on earnings and provide example figures to utilize for your own analysis.

## Overview

At Radsourc, a MRI interpretation group based in Brentwood, TN, radiologists routinely reinterpret MRI studies read by other radiologists.

### In its experience, a clinically significant difference in the findings is discovered 30-40% of the time.

Sometimes the discrepancy is relatively minor and has little impact on patient care, but in many cases findings which markedly change the treatment plan are found. Patients initially thought to have tears instead are found to have other reasons for their pain. In other cases, studies read as normal are found to have tears that are amenable to arthroscopic treatment. The impact upon a practice's core business of orthopaedic surgery is quite significant. If tears are falsely called, a planned rotator cuff repair may convert to a diagnostic shoulder arthroscopy. In cases where a tear is unrecognized, payors are increasingly likely to deny surgery.

The following tables demonstrate the relevant Medicare allowables for ASC fees and surgical professional fees in cases of diagnostic versus therapeutic arthroscopy:

ASC		
TECHNICAL FEES	IF NO TEAR THEN DX	MEDICARE 2014
29870	Knee Arthroscopy Diagnostic	\$1,172
29805	Shoulder Arthroscopy Diagnostic	\$1,191
TECHNICAL FEES	SURGERY FOR TEARS	MEDICARE 2014
29881	Meniscus	\$1,172
27332	Approach Meniscus	\$1,400*
29827	Rotator Cuff Repair	\$2,315
23410	Approach Rotator Cuff Repair (23412 or 23420)	\$2,056*

\* Reduce second code billing submission by 50%

PHYSICIAN		
PROFESSIONAL FEES	IF NO TEAR THEN DX	MEDICARE 2014
29870	Knee Arthroscopy Diagnostic	\$421
29805	Shoulder Arthroscopy Diagnostic	\$481
PROFESSIONAL FEES	SURGERY FOR TEARS	MEDICARE 2014
29881	Meniscus	\$554
27332	Approach Meniscus	\$653*
29827	Rotator Cuff Repair	\$1,101
23410	Approach Rotator Cuff Repair (23412 or 23420)	\$839*

\* Reduce second code billing submission by 50%

As is likely apparent, the impact of missed diagnoses has a remarkable impact upon surgical revenue. In the knee, when a surgeon expects to see a tear and no tear is present, the professional fee alone decreases from a Medicare expected fee of \$880.50 to \$421.00. In the shoulder, the impact of a false positive rotator cuff tear is a reduction from \$1520.50 to \$481.00. If the practice has ownership in an ASC and its associated technical fees, the impact becomes much higher.

A typical 15 physician orthopaedic practice averages 3000 MRI studies/year. If conservatively, 20% of the studies are incorrectly interpreted, and if only 10% have an impact on the surgical approach,

**the financial impact upon *professional fees alone* can range from approximately \$138K to \$312K/year.**

This analysis presumes false positive studies, and of course false negative studies where a patient with a surgical tear is denied arthroscopy have an even greater impact, as the Medicare shoulder professional fee is reduced from \$1520.00 to zero. Private payor impacts are greater still.

When your practice is evaluating current or new MRI interpretation partners, be sure to consider the impact that quality interpretations can have on your practice's bottom line. Radiologists today are looking to provide value over and above their core competencies of interpretations and reports. Look beyond the interpretation fee to select a partner that provides your practice with the services needed to offer the best in patient care.

## About Radsource

Radsource is dedicated to providing the highest quality in musculoskeletal and neurological MRI interpretation. This focused approach to care contributes significantly to our results and reputation, and helps explain why many of the most notable physician practices and MRI providers in the country turn to Radsource for MRI interpretations. Our radiologists are all highly experienced (none are hired directly out of fellowship) and all have fellowship training and/or attending faculty level academic experience. These radiologists practice in a unique environment that allows instant collaboration between multiple experts on rare or difficult cases. You will receive reports that are clear, concise, and clinically relevant, with impressions that demonstrate our keen awareness of what is important to the referring physician and the patient.

Learn how Radsource can work for you by contacting us via phone at **615-376-7502**, via email at **marketing@radsource.us** or by visiting **<http://www.radsource.us>**.



8 Cadillac Dr, Brentwood, TN 37027