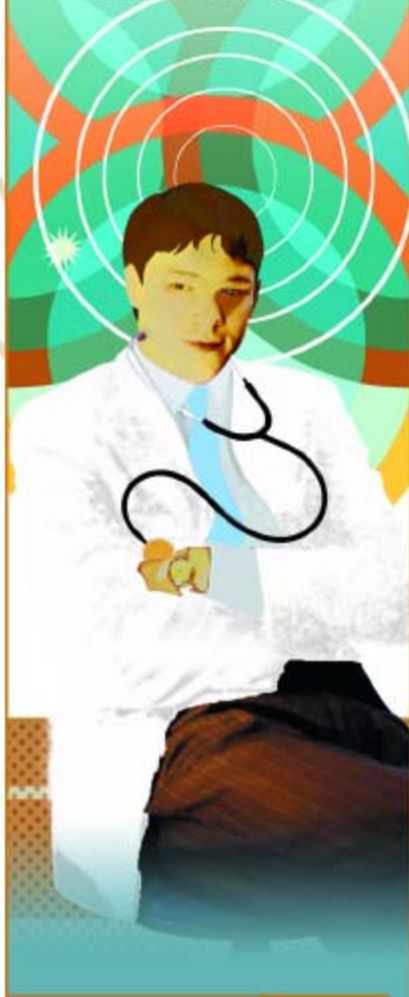




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## LEARN FROM EXPERIENCE

### Hospital Based Radiology Groups are Getting Fired More Often than Ever Before

Once upon a time when you were with a quality radiology practice in a quality community doing good work, you could be virtually assured a career home. Hospitals are using their perceived leverage to press radiology practices to accept the working conditions they dictate on the condition of continued employment. "My way or the highway".

From where does the power the hospitals are exercising emanate? Here's the "blinding glimpse of the obvious". Other specialists admit patients and most radiologists don't. Butts in the beds pay the bills. With referring specialists having their income streams reduced, they are seeking to create new revenue streams by doing procedures radiologists do today. This leaves the hospital with the conundrum of not wanting to have specialists send their patients to "the other" hospital and trying to keep "Radiology Associates" happy. You will lose more often than win in this battle.

Another factor is that one of the true profit centers of a hospital is the radiology department. Now that they have laid out all the capital for that IR suite, sixty four slice CT and new magnet, they will want the specialists to have all their cases sent to the hospital versus these specialists buying their own machine. And, the specialists want to read their own cases as a condition of sending the cases to the hospital. Additionally, hospitals will not sit still for you opening your own imaging center to draw patients from the hospital market. You won't like hearing this, but they see themselves as offering you a franchise they feel like they can take away at will. In their minds, it is only through their benevolence you have films to read today.

Lastly, that outpatient radiology is commodity, often sold to the lowest bidder, is becoming universally accepted. Minimum quality levels are the expectation. Your years of training, call, and experience are forgotten when the same case can be sent halfway around the world to be read for less. Of course, for that tough case, they want you in the room with them.

The predominant reason these groups are being fired is that the hospital wants specialists able to do their own cases while the radiology group takes all call. The hospital wants to restrict the radiologists from doing any outside work which could be construed as competitive, and frowns on non-cooperation in hospital initiatives to contract with managed care companies. I wish it was for quality, but it's not. When radiologists dig in, hospitals put out very public RFP's or call the staffing companies like Heritage Radiology or Team Radiology to leverage their position. Those guys you thought were friends and colleagues in the next town see your hospital as marginal business to them and the phrase "no hard feelings" gets used a lot.

What happens when a group is fired is strange-often akin to when President Reagan fired the flight controllers in the 80's. Many members of the group stay and work for the new group. Often, only the head of the group leaves along with the trouble makers, the righteously indignant, and more often now than ever, the radiologists who read the slowest. The new group acquiesces to the hospital making the hospital the winner in the game.

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