

Communicating the Value of Nuclear Medicine in a Changing Health Care Environment

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INTRODUCTION

Radical shifts in the U.S. health care system continue to challenge the future of medical imaging. Ambitious growth and innovative research, the very life of most imaging departments, are becoming early casualties of health care reform. Concerned nuclear medicine physicians, administrators and industry executives are all seeking strategic solutions to survive. Although the federal government is no longer in the driver's seat, health care is definitely on the road to reform.

This article begins by reviewing recent health care trends and their impact on nuclear medicine. It concludes by offering a prescription that may help us all do more than just survive these tough times.

What are these new directions, and how are they affecting nuclear medicine? The three trends most widely recognized as shaping health care are:

- Increased consolidation among hospitals and physicians groups;
- Increased managed care contracting; and
- Increased emphasis on outcomes studies and practice guidelines.

Consolidation Among Hospitals and Physician Groups

Hospital and practice group consolidation and alliances are early reactions to the changing health care environment. In a survey of 1,191 hospital executives, 81% said they would not be operating as a stand-alone institution within five years (1). Nuclear medicine and radiology practice groups are also cultivating relationships with larger, nonim-

aging and often multispecialty groups (2). Consolidation provides a broad base to negotiate contracts for medical services. It also creates a communication and education opportunity that will be discussed later.

Managed Care Contracting

One of the primary reasons that so much consolidation is occurring is the desire by health care organizations, including imaging centers, to gain the competitive advantage of size when they are bidding for contracts. Many of these contracts are with managed care companies. It is estimated that 57% of all employees, covered by private insurance in group health plans, are enrolled in a managed care plan (3). Nearly 90% of all medical groups recently surveyed had contracts with a health maintenance organization (HMO) or preferred provider organization (PPO) (4). These managed care systems have proliferated primarily because they help curb costs. For example, in 1993 the average HMO monthly premium increased by only 2.7% versus 7.1% for the traditional indemnity service (5,6).

They accomplish this by emphasizing:

- Prevention of disease;
- Primary, not specialist, care;
- Accountability for and tracking of patient outcomes;
- Alignment among the goals of the patient, payer and physician; and
- Coordinated approaches to total quality management (TQM).

If nuclear medicine is to thrive in today's managed care market, we must embrace these cost-effective approaches to patient care and promote education. This is especially true as nuclear medicine outcome studies are conducted and practice guidelines are developed (7).

Emphasis on Outcomes Studies and Practice Guidelines

The employers' demand for lower health care costs has created the payers' mandate for optimal use of health care dollars. The cost-effectiveness of medical technology is now

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on trial (8). Unfortunately, clinical efficacy has not been demonstrated for many medical imaging procedures, including nuclear medicine exams. To complicate matters, there are many ways to define and direct these outcome studies. The imaging leadership is not standing on the sidelines—a defense is in the making (7,9). Is it enough? Once we have the ammunition, will we have the right targets? To thrive, the entire nuclear medicine community must continue gathering ammunition and then steady its aim.

THE DIAGNOSIS AND THE PRESCRIPTION

Dr. Henry Wagner states, “The effectiveness of nuclear procedures is among the best kept secrets in medicine. We must educate decision makers, not just physicians, but also patients and third party payers” (10). As Dr. Wagner points out, although nuclear medicine scores fairly high on delivering cost-effective care relative to other imaging procedures, we flunk the communications test. Therein lies our problem, and our solution. Of what use is the best test if few know its value? All of nuclear medicine, including physicians, administrators, technologists and industry, must now focus on communication and education. The traditional marketing approach can’t accomplish this mission. We must rely on a new approach that emphasizes practice development at the local level.

What Is Practice Development?

Practice development is the planning and implementing of educational programs that are designed to bring about an exchange of value. Notice that practice development is primarily concerned with education. The old marketing ideas of advertising, promoting and selling are surrendering to the realization that education and communication are the keys to practicing medicine and increasing referrals. Practice development is also based upon the exchange of value. Only by first knowing what our patients, payers and referring physicians need can we deliver a service to meet those needs. Zig Ziglar, one of our nation’s top motivational trainers, sums it up well, “You can get just about anything in life you want, if you help enough people get what they want” (11).

Why Bother with Practice Development?

There are several reasons why a systematic approach to practice development at the local level is critical if nuclear medicine is to thrive in the new health care environment. They include:

- **Increased competition:** 93% of all large physician practice groups have marketing departments (12).
- **Stimulate growth:** nuclear medicine hospital procedures are on the decline for the first time in years [personal communication, JA Vanden Brink, 1993].
- **Impact practice guidelines:** we must have a systematic method of influencing these guidelines as they’re implemented locally (13).

- **Systematic quality:** increasing demand for quality has created a need to use a systematic approach to measuring it (14).
- **It pays:** research has shown that a comprehensive practice development effort can increase referrals by 7–57% (15,16).
- **We owe it to our patients:** if we are in nuclear medicine because we know it helps patients, don’t we owe an education to those who don’t know it?

What Do Referring Physicians Really Want?

Once we understand how important it is to communicate the value of nuclear medicine, we must stop. That’s right stop—to make sure we know what our referring physicians want from us. Remember, we said that practice development is based on the exchange of value. Therefore, it is critical that we understand what is of value to referring physicians.

Research studies have shown that the following factors most influence physicians’ referral patterns (17,18):

- **Competence:** perceived level of expertise or reputation;
- **Communication:** quality and timeliness of the consult;
- **Familiarity with the physician:** personal knowledge of the specialist;
- **Positive feedback from their patients;**
- **Fast and easy scheduling;** and
- **Insurance approval:** the service is covered.

It is important to note that the first three factors all deal with how well we communicate the value of our nuclear medicine service. Even the perception of poor communication may decrease referrals. Before we can develop more business, we must first take care of the business we already have. It is much easier and less expensive to keep existing patients than to find new ones. This is especially true in the changing health care environment, where an unhappy patient or referring physician will not be shy about taking their business elsewhere if the service does not meet their expectations.

The last three factors that influence physician referrals are concerned with how well the service is delivered—from the time the phone call is made to schedule the appointment to when the patient returns to his own physician. What happens during this time will determine what the patient tells his physician. So what are the most important steps you can take to delight your referring physicians?

Six Steps to Delighting Your Referring Physicians

Notice we are talking about delighting referring physicians, not just satisfying them. The reason for this distinction is that in today’s service-oriented society and competitive health care environment, quality is assumed. You must keep your nuclear medicine customers more than satisfied. Listed below are six simple, though not always easy, steps to help you increase referrals by delighting your referring physicians.

Evaluate Your Physicians' Needs. One way of doing this is to send a cover letter and a survey asking them to help you improve your service. Remember to focus on how you are helping them. You may want to offer an incentive for completing the survey as a means of improving the response rate.

Follow Up. Nothing damages a relationship more than having physicians feel that their time spent filling out a survey was wasted. Market research has shown that most customers who go away dissatisfied, don't go away mad—they just go away. They usually don't tell you why, but they do tell everyone else. So avoid this fatal error and follow up. Send a letter thanking them for their input and explaining what has been done to improve your service based on their feedback.

Attend Your Physicians' Meetings. This is probably the most time-consuming, demanding and slow payoff aspect to practice development. It is also the most effective. Regular, personal contact with a competent physician is the way that practice patterns are influenced the most. So attend as many of their meetings and conferences as possible. You can then begin to slowly introduce the benefits of specific nuclear medicine procedures as they relate to their cases.

Provide Ongoing Education. Only when your physicians know and trust you, will they pay attention to any of the educational material you send. All of your educational pieces should demonstrate that you care more about their diagnostic dilemmas than selling your services.

Stay in Touch. Thank-you notes, fast follow-up, as well as other small correspondence play a big role in keeping your services in front of the referring physicians.

Delight the Patient. No matter how well you take care of the physicians, if you don't take care of their patients you lose. Total quality management is critical. The patient needs to feel good about your service from the first contact to paying the bill. Well, maybe being happy to receive the bill is stretching it, but you get the idea. You must delight the patient to please the physician.

Life would be much simpler if you only had to focus on the needs of one type of customer—your referring physicians. Unfortunately health care is not so simple. There are two other major league players who are critical to your success in today's health care environment—payers and patients. What do they want? How can you delight them?

What Do Payers Really Want?

We all know that managed care payers are now focused on providing service at the lowest possible cost. This is a radical change for most of us because we have been conditioned by an environment called fee-for-service. Costs were not the major variable in the healthcare equation in the past. Although we may think the lowest bidder always wins today, this is not the case. If we understand and deliver (at a reasonable price) what payers and their customers value, they will pay for it. Why? Because these payers have customers (enrollees) they must please. And every year most of these enrollees have a choice to stay or leave their health care plan (19).

Cost is still the overriding issue, but there are a few other variables in our success formula. What are they? The two most important are quality and accessibility. It is true that these are assumed. However, managed care contractors are not satisfied with talk about them—they want to see how well you are addressing and documenting them. It is your system of ensuring continuous quality improvement and how well you communicate it that will make the difference. Although there are many elements in the quality equation, we will emphasize customer satisfaction because of its importance and relative ease of measurement.

Accessibility includes not only quick and easy access to your service, but also excellent relationships with large numbers of primary care physicians. Payers are signing up these "gatekeepers" to keep the top of the funnel wide and then empowering them to control costs. To increase your access may require joint-venturing with other groups. This is one of the reasons we discussed consolidation as a major force shaping health care. It thus behooves you to understand who the most influential primary care physicians are, how they order imaging procedures, and how they select specialists for referrals. Once you understand these issues you can start implementing an educational strategy designed to delight your payers.

Six Steps to Delighting Your Payers

Understand Your Payers' Needs. You may want to explore the issues discussed above with your payers to see how important they are to them. Ask these payers to help you improve your service by completing a short questionnaire and/or meeting with you regularly to ensure you are exceeding their expectations. Remind them that it will help you meet their needs and those of their enrollees if they take the time to do this. If you find out what they want, it will help you get what you want.

Send Letters. Thank them for their input and explain what has been done to improve your service based on your discussions. Make sure they understand this is an ongoing TQM process.

Improve Access. Feedback from payers, patients and physicians should reveal how simple it is for the patient to schedule, find your facilities, have the procedure done, exit and get billing questions answered. How well you document this process to payers is also of growing importance.

Keep Your Payers Informed. Payers want to know about the latest research and therefore need to be part of your ongoing educational effort. Visit them or invite them to tour your facility. Try to involve the managed care medical director. The key is develop a relationship with the payers, not market at them.

Share Your Practice Guidelines. Payers should know how you are trying to control costs through the utilization review process. If you have adopted the American College of Radiology imaging guidelines, show them how you are using them.

Keep Your Payers' Patients Happy. All the education in the world is useless unless the payers' enrollees are delighted

with your service. Patients do have a choice and the payers know this.

What Do Patients Really Want?

As previously mentioned, one of the primary keys to thriving in the changing health care environment is to keep your patients delighted. Although patients' expectations may differ, research indicates that, in general, most patients want the following (20):

- **Access:** fast and friendly scheduling, parking, reception and minimal waiting;
- **Caring:** a spoonful of sugar does help the medicine go down;
- **Competence:** perception of doing the scan well the first time;
- **Communication:** to be kept informed before, during and after visits; and
- **Financial clarity:** bills that contain no surprises.

None of these should come as a surprise to you. But the real questions are: How well are you delivering service from your patients' perspective? How do they feel about it? Take the following steps to address your patients' concerns.

Survey Your Patients' Needs. Ask patients before they leave to help you improve service by filling out a short questionnaire. Remind them it will help future patients.

Follow Up. Send a letter thanking patients for their input and explaining what has been done to improve your service. This lets your patients and your staff know that you are serious about TQM. Involve as many of your staff as possible in helping address the concerns identified by the surveys. Regular progress reports at staff meetings sends the message that quality counts and staff will feel that time spent on improving operations and supporting practice development was worthwhile.

Keep Patients Informed. Waiting areas, changing rooms and dark imaging rooms are intimidating to patients. The best way to make them feel better is to give them some control. Keep them well-informed before, during and after the procedure to give them this feeling.

Rapid Turn-Around. Return patients to their referring physicians quickly and get the report out as soon as possible.

Stay in Touch. Although the patient's referring physician should continue to be your primary contact, occasional correspondence can increase the patient's satisfaction. Simply helping patients decipher complicated bills or sending holiday greeting cards can be very effective.

We have reviewed the major trends in health care and how they are changing nuclear medicine. We've discussed what our patients, payers and referring physicians want in this challenging environment. But what do you *do* with this information? How do you create and implement a plan that will help you thrive in today's sea of change? Can this entire process be automated so you don't drown in paperwork?

CREATING A PLAN TO GET RESULTS

Your Team

Before you can create or implement a game plan you need a team. Obviously, most nuclear medicine services do not have the luxury of a full-time marketing expert. This responsibility frequently falls on the shoulders of the administrator or chief technologist. For many, however, it is a heavy load due to time constraints, insufficient training and conflicting responsibilities. This is why it is absolutely critical that both the medical and administrative leadership commit to the process of practice development. Anyone who helps deliver service could be part of the team, but only those who are truly committed to its ongoing practice *should* be members.

After you have assembled the team, it is time to create your practice development mission. This is important because it sets a course by which your staff will make decisions in the future. Spend a few hours with your team away from your service to develop your mission. A sample mission statement might be: Our nuclear medicine staff is committed to providing a cost-effective, high-quality imaging service that improves patient care by meeting the measured needs of our patients, referring physicians and payers.

Your Referring Physicians, Payers and Patients

It's easier to reach your destination if you know your starting point. The next step in creating a plan is to understand your current situation. In marketing this is called a situation analysis. It is simply a series of questions to guide you. Answering these critical questions may not be easy unless you have an excellent information system that tracks and analyzes key trends. You may not have one of the new commercial systems available that automates your marketing analysis, but the insights you'll gain by digging for these answers will make your efforts worthwhile.

As previously discussed, practice development is based on the exchange of value. Understanding who your referring physicians, payers and patients are will help you educate them about how nuclear medicine meets their needs. We have already reviewed what they value. Now it is the time to find out a few more specifics about your customers by answering these situation analysis questions.

General Practice Questions:

- Which physicians refer the majority of your patients?
- How have the referring patterns changed over time for each specialty?
- What are your service's strengths and weaknesses?
- What are the opportunities or threats facing your service?
- Who are the competitors to your service?
- What is your service or hospital best known for?

Referring Physician Questions:

- What are your referring physicians' biggest diagnostic challenges?

- How do your physicians feel about the cost and quality of your service?

Managed Care Practice Questions:

- Which managed care contractors are the major influence in your market?
- What is your payer mix? Which groups refer the most?
- Who is doing the contracting and how are they making clinical decisions at your institution?
- What are your payers' needs and challenges?

Patient Questions:

- Where are your patients coming from?
- What procedures represent the majority of your business?
- How has your procedure volume changed over time?
- How do your patients feel about your service?

With an understanding of where you are and what your customers truly want, you can now create your plan to get what you want using S.M.A.R.T. outcomes.

S.M.A.R.T. Outcomes

Defining the outcomes you want during the year provides the direction you need for the final step. We specifically use the term outcomes, instead of results, because it conveys the fact that you will produce something. The only question is, will it be what you want? S.M.A.R.T. outcomes help answer yes.

S.M.A.R.T. stands for specific, measurable, attainable, responsible and timed. It is a method for stating your objectives. For example, saying you will increase the number of oncology procedures is not a S.M.A.R.T. outcome. Stating that your practice development team will increase bone scans from four to six per day during the next six months using specific strategies is S.M.A.R.T. Your outcomes must be written with respect to four areas that help you develop and implement a specific action plan. These are the four Ps of marketing—product, price, place and promotion.

Creating Your Action Plan

Product. Your nuclear medicine product is a service. So you need to decide what part of the service you want to emphasize. Consider your strengths and opportunities, the competition's weaknesses and the needs of all your customers (physicians, patients and payers). What procedures should you highlight? The worst thing to do is to try to be everything to everybody. Focus on your own practice by answering the following questions:

- Which procedures do you want to increase?
- How many procedures will you be doing six months, or a year, from today?
- Who is primarily responsible for achieving this?

Price. It's not always clear what price really means in this changing health care environment. Should we call it price,

charge, fee or premium? Managed care contracts, new alliances and government regulations are making it increasingly difficult to determine nuclear medicine pricing. Most nuclear medicine services have experienced an enormous pressure to lower prices. Assuming you have some flexibility in determining your pricing structure, should you lower prices? The answer depends on what outcome you want to produce. If you want to increase the number of referrals and not lose money, a little analysis will help you make the decision. You must know your true costs. One thing will become clear as you analyze your business—nuclear medicine is a volume sensitive service. Just like the airline and hotel businesses, nuclear medicine's fixed costs are high. This means discounting may make sense after costs have been covered and if you have evidence that a price change will increase your volume.

A related aspect of price is your practice plan budget. How much should you budget for practice development? Many experts recommend a budget of 3% of annual gross revenue for these activities. This includes research, planning, creating additional communications material, printing, postage and business lunches with referring sources. However, this may be a bit unrealistic. The average practice budget is about \$40,000 per year (21). If you can get a commitment to half of this amount, you'll have plenty of money to implement the recommendations at the end of this section and invest in the new systems coming to market that automate this entire process. The payback will be far greater than the expense (15,16).

In order to determine price, you must determine:

- What will you charge for the procedures you are focusing on?
- What is your annual budget?

Place. Place refers to how your patients get to your facility and how the service is distributed. It includes defining your access and waiting times, as well as the number of your patients that come directly and indirectly to you. Direct patients are those that are referred to you without an intermediary, such as a referral directly from a general practitioner. An example of an indirect patient is one who came to you from a specialist who had received the referral from a primary-care physician. It is important to remember that these practice patterns continue to change in this dynamic environment. Only by tracking these trends can you be sure you are educating the right audience about value of nuclear medicine.

You must define your place of distribution to answer the critical question, how easy is it to do business with you? The answers greatly affect your referrals. This is one of the reasons regular feedback is so critical. Ask yourself:

- How will you make it easier to do business with you?
- What service improvements will you make?
- Who is responsible?

Promotion. Promotion is a necessary pill that many medical professionals still have difficulty swallowing. However, the old approach to promotion no longer has the power to change practice patterns, if it really ever did. You need to forget the expensive four-color brochures, and many of the other self-promotion pieces, and focus on education as the tool for transformation. Why? First, because of the daily advertising assault we are all subjected to. We are bombarded by more than 3,000 messages per day (22). In addition, the new gatekeepers of medicine want education, not promotion, to help them make increasingly complex decisions. Finally, ask yourself this question—if you were a busy referring physician, would you change the way you practiced medicine based on a slick brochure? Your key to unleashing the flow of referrals at the local level is to educate and communicate, not advertise and sell.

All the educational efforts you employ to communicate the value of nuclear medicine will be futile unless you follow a few fundamentals of effective communication (23). As the message sender, it is your responsibility to:

- Know who your receivers are and what they want;
- Know which receivers are able to take action;
- Deliver an effective message; and
- Track the impact of your message.

With these ideas in mind and a clear understanding of what your patients, payers and referring physicians want, it is time to implement a systematic approach to educating them. This should be an ongoing educational campaign to keep them informed about the positive impact of nuclear medicine. Your campaign might include:

- Sending clinical update newsletters;
- Attending referring physicians' conferences;
- Visiting major referring groups;
- Working with in-house contracting group;
- Educating local practice guideline committees; and
- Developing patient education material.

An effective practice development plan must become part of your ongoing system of doing business and caring for patients. Otherwise, you will find the development and implementation of the plan too difficult and short-term. Your system should first provide a method of tracking key referral patterns so you are able to answer all the questions asked in the situation analysis. Then, it must automate how you communicate the value of nuclear medicine to your target markets.

CONCLUSION

Merger mania, expanding managed care and practice guidelines are assailing our health care system and challenging the once-bright future of medical imaging. Yet nuclear medicine need not become a victim of reform if we commit to the new approach of practice development. An approach that consistently communicates the value of nuclear medicine to our local markets. An approach that combines the forces of education, communication and computer technology. Practice development must become integrated with how we do business and care for patients. If we take this approach, we will thrive despite these turbulent times.

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