

# image

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## Take the Longer View

*Making the switch to DR in the current economy*

By Dennis Runyan

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Del Medical Systems Group in Chicago has been manufacturing and distributing medical imaging systems for 80 years in more than 100 countries. Having witnessed firsthand the evolution of the imaging business for the better part of a century, we have a unique perspective on these particularly challenging times for the healthcare industry.

Our focus has been and continues to be on adding value to our customers. At the end of 2008, we introduced a new digital product line designed specifically to address customer needs. Our strategy, and the one we believe will help all of us in moving forward, is to offer the latest technology in both new systems and with retrofit products. We let customers decide what works best for their particular situation.

### Money Matters

The current state of imaging from Del's perspective is that digital radiography (DR) is the must-have technology. By combining image capture and image review into one step, DR presents significant time saving over computed radiography (CR). With time saving comes increased workflow and greater productivity. While the emphasis should always be on image quality, the reality is that imaging centers and hospital X-ray departments need to recoup their expenses. The added productivity and workflow derived from DR translates into a healthier balance sheet.

According to the "U.S. Digital and Computed Radiography Markets" report from the market research group Frost & Sullivan, the combined revenue for DR and CR in the United States was \$678 million in 2005, and that number is projected to grow to \$977 million in 2012. While CR purchases continue to outpace DR, the inevitable is coming. The hidden costs of film – including storage and processing – are unavoidable. As reimbursements continue to shrink, DR will become the dominant player.

This economy is making purchasing decisions difficult, as budget cuts become the norm. Deloitte recently published its 2009 "Industry Outlook for Health Sciences," citing a worsening capital situation, higher interest and debt costs, lower endowments and investment returns, and lower contributions. Everything from staffing and capital expenditures is being carefully scrutinized.

At Del, we're hearing what everyone is hearing out there – budgets slashed, capital expenditures cut, reductions in full-time employees. With aging equipment being pushed to the limits, imaging departments are faced with "nickel-and-dime" budgets and one big problem – the patients keep coming.

An estimated 60 percent to 70 percent of all exams are general radiographic exams, which is the least-profitable aspect of the imaging business. With less revenue generated from these procedures, DR is essential to helping squeeze every bit of productivity out of each exam room.

### Making the Switch

While we have reached consensus that DR is the future, the timing isn't great for new purchases. Does it make sense to upgrade to DR? Yes. Does it make sense right now? Maybe not. Financing is being cut by hospitals across the board at an unbelievably fast rate, and many hospitals are holding off on purchasing despite their need for new technology and equipment.



Dennis Runyan (Del Medical Systems Group)

"This economy is affecting the auto industry, the banking industry, and it's affecting the hospital industry as well," says Frank Solare, president and CEO of Thorek Hospital, a 200-bed, acute care facility serving the north side of Chicago. "We all love DR, and we'd all love to have new equipment, but the resources aren't there right now. Maybe in another three to six months."

Jim Risher, president and CEO of Del Global, says, "Where we're having our biggest success is with helping customers leverage their existing investments. As part of our new digital strategy, we developed exclusive partnerships with manufacturers who bring the quality level we want and are known for, but keep costs in check. As a result, we're able to offer both new systems and retrofit systems at a price point this market can bear."

When a customer upgrades to a DR system, they will see increased throughput from their X-ray suite. The DR system allows for higher utilization of the room, which means doing more with less equipment and fewer full-time employees.

For those in a position to replace their equipment, the key is to research value to quality. Retrofit systems are a very attractive alternative especially now. Installing a flat-panel detector, for example, gives customers the option to keep their existing equipment while taking the next step in DR.

"We've decided to hold on major purchases not currently in the planning stages or not already committed. We have considered retrofit because it's less than the cost of a whole new room," Solare says.

The new digital flat panels are portable so they can be moved from room to room and used in a variety of exams. Also, these new flat-panel detectors can be integrated into existing equipment that might represent a sizeable investment imaging departments have already made.

### **Digital Advantage**

DR benefits patients and healthcare providers alike. For hospitals and imaging centers, DR is faster and speeds workflow. Technologists capture higher quality images in less time and minimize repeats because of near-immediate review of their work.

At Thorek Hospital, DR means techs can be more efficient and see a greater number of patients in a shorter timeframe. There's an overall cost-effectiveness that has a direct impact on the bottom line. Solare says he has been fortunate to avoid layoffs at Thorek, but the hospital has had a hiring freeze since November. Many other hospitals are laying off workers, and the pressure is on for imaging departments as they work to complete thousands of exams with reduced headcount.

Let's now consider patient care. Many X-ray procedures come through the emergency department, adding another layer of responsibilities on the tech. They not only need to expedite the procedure for the trauma physician to make a diagnosis; they also cannot leave the patient alone in the X-ray room to process film or the CR cassette.

DR solves both these issues because the electronic nature of DR allows the tech to send the finished image via PACS immediately to the trauma physician while copying the radiologist at the same time. This can all be done without ever leaving the patient's side. DR also gives the tech the opportunity to enhance the image for the physicians to help isolate the area of interest through a set of imaging tools that reside on the acquisition workstation.

With digital X-ray, the process is faster for patients because the tech doesn't have to deal with film and cassettes. The radiation dosage is lower, certainly a big concern for patients who undergo frequent or recurring exams, such as mammograms.

Getting an X-ray can be a nerve-wracking, even uncomfortable experience for patients. The idea is to work quickly to capture the highest quality image without having to repeat the procedure. DR provides the kind of efficiency that patients can appreciate. It is very important to patients that the technologist does not have to leave the room to process films or CR cassettes, especially in trauma situations.

### Looking Ahead

So how does DR fit into today's economic environment? Because of the pressure to reduce the radiology department budget, it becomes very easy to justify the expense for upgrading to DR. The ability to expand the use of a typical X-ray room by four or five times allows the imaging manager to offset their expense savings with the purchase of DR.

Obviously, DR is here to stay, so making wise investments now will only benefit the future. With perhaps another difficult year ahead, the idea is to squeeze the most out of the capital budget. For new system purchases, consider what's going to have the most impact in your hospital or facility.

After 80 years in the business, we've seen the economic ups and downs. The key is to take a longer view and focus on moving to DR in a way that makes sense for you.

**– Dennis Runyan is the vice president of sales and marketing at Del Medical Systems Group ([www.delmedical.com](http://www.delmedical.com)) in Chicago. Direct all questions and comments to [editorial@rt-image.com](mailto:editorial@rt-image.com).**

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