Billing for Secondary Reads of Outside Exams – Making the Case at Your Organization

Image exchange technology is making it increasingly easy and convenient to get a patients’ outside exams into the hands and onto the worklists of your highly specialized radiologists. These improvements open radiology organizations up to a potentially significant new revenue stream from reimbursement for secondary interpretations of outside exams.

Simultaneously, the healthcare market is moving toward global payments at a rapid pace. This change is forcing provider organizations to strategize on how to quickly implement cost reductions while increasing the value of the care they provide patients. Additionally, several new research studies support the claim that patient care is improved when tertiary and quaternary care centers reinterpret exams read by radiology generalists. Other research indicates that organizations are being reimbursed for secondary reads when they submit complete claims. If your radiology department is not billing for these vital services, the time may be right to rethink that decision. Here are three factors to consider.

1. **Patient care is improved when subspecialist radiologists at tertiary care facilities provide overreads of outside exams originally read by general radiologists in community care settings.**

   In a 2012 study published in the *American Journal of Radiology*, researchers at Gunderson Lutheran Medical Center, Children’s Hospital at Vanderbilt, and Texas Children’s Hospital found a substantial rate of disagreement in the interpretations rendered by outside community radiologists and the pediatric radiologists who re-read them at tertiary care facilities. Of the cases reviewed for the study, 41.8% were classified as having a significant disagreement, and of these, 20% were found to have major disagreements. For certain subspecialties, the discrepancies were even greater. For example, the authors note a 32.6% rate of disagreement for body imaging exams, particularly in identifying fracture in hemorrhage. This research suggests that in some complex cases, the evaluation of such conditions may simply be beyond the scope of the staff at referring community institutions.

   A similar study on adult patients, conducted by Johns Hopkins Medical Center and published in the *Journal of the American College of Radiology* in April 2010, found that 7.7% of neurology transfer patients had discrepancies in the interpretations of their imaging. This study also found that in patients for whom a definitive diagnosis was obtainable, the secondary read was more accurate in 84% of the cases.

   Patients go to tertiary care facilities for second opinions – their oncologists, neurologists, orthopedists and cardiologists are reimbursed for their specialty care. The subspecialty knowledge your organization’s radiologists provide should be reimbursed as well.

   **2. Significant cost savings are attainable by not reimaging patients who are cared for under global payment models.**

   In a study published late last year in the *American Journal of Radiology*, researchers at Johns Hopkins Medical Center looked at retrospective data to quantify savings that were achieved by being able to access and evaluate prior imaging before treating a patient. As part of the study, they examined nearly 12,000 reports to identify where prior imaging was available and if the outside exams needed to be repeated. They found that reimaging was necessary in only 1.5% of the cases – most typically due to poor imaging quality of the original exam.

   The researchers found that if every exam they interpreted as a second opinion study had not been available, and instead been repeated and reinterpreted, the global cost (according to Medicare Part B) would be $4.7M. If no studies were repeated, and instead were only reinterpreted, the professional fees, based on Medicare Rates, would be only $800K. The savings potential for not reimaging these patients was nearly $4M.

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It may be time to revisit this topic with your payors. We recommend you start the conversation with the ones your organization has the best relationships with, regardless of how they rank in your payor mix. Many lifeIMAGE customers have explained that persistence, and a diplomatic approach, has helped them convince one or two of their payors that reimbursing for secondary reads provides significant cost savings. Once a few payors in your region are reimbursing for this service, it is likely that others will follow suit.

Payors are reimbursing more and more organizations for overreads of outside exams.

Payors are increasingly open to paying a provider's professional fee for a secondary read, as opposed to paying both a technical and a professional fee for a repeat scan.

In a 2012 study featured in the publication *Emergency Radiology*, researchers at Beth Israel Deaconess Medical Center reported that the institution is reimbursed for 91% of the secondary interpretations it performs on outside CT exams. Further, 70% of those claims are reimbursed on the first submission.

In order to be reimbursed, the specialist who wants the overread must place an order that provides sufficient information to the radiologist, and also to the billing office, so that a complete claim can be generated. lifeIMAGE provides customizable tools that many organizations are leveraging to capture this information from ordering clinicians throughout the enterprise and get the information into the required downstream systems. Specifically, one lifeIMAGE customer reports that, because of this customizable, distributed workflow, it has been able to generate $1.2M in revenue each year from outside exam reinterpretation. Several others are increasing the number of outside exams they interpret and get paid for.

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