



Diagnostic Big Picture: Don't be Penny-Wise & Pound-Foolish

With rising medical costs in a tough economy, payers are under intense pressure to tighten the reins on medical spending, particularly in areas of high inflation. Diagnostic radiology—with a 20 percent annual growth rate—is now the fastest rising medical expense, increasing at twice the rate of prescription drugs and overall healthcare spending.

To address this challenge, providers are promising to deliver savings, but it's important to keep the big picture in mind. In this issue, we look at a common scenario in which a provider promises savings, but in the long run, additional incurred costs—from scheduling delays, lost time, and diagnostic costs—result in a much higher bill, especially when compared to the total savings and value that a specialty network like One Call Medical can provide.

Network XYZ Promises \$25 in Diagnostic Savings

To leverage advertised savings of \$25 in diagnostic radiology costs, an injured employee was scheduled with an imaging facility 50 miles away. The patient must make two trips - one to have an MRI with contrast performed, and another to perform an MRI without contrast.

- **Scheduling Delays.** This particular vendor averages a one-week delay in scheduling patients for exams. As a result, the patient would miss five days of work. Assuming temporary total disability (TTD) costs for the region is approximately \$90 a day the cost would total \$450 for the five lost days.
- **Patient Travel.** The patient would have to make two round trips to the provider office, 50 miles each way. This would incur an additional two days of lost time, adding another \$180 in TTD costs. In addition, the patient would require reimbursement for a total of 200 miles of medical-related travel at the standard 53-cents/mile rate, totaling \$106.
- **Diagnostic Imaging.** Despite touted savings, the vendor charges a total of \$1,025 for the two MRIs.

| Network XYZ Total Expenses | |
|---------------------------------------|----------------|
| TTD: | \$630 |
| Mileage: | \$106 |
| MRIs: | \$1,025 |
| ----- | |
| Total Bill: | \$1,761 |

One Call Medical Delivers Total Value & Savings

One Call Medical offers a complete turnkey solution to manage diagnostic radiology. It is the nation's largest network of radiology providers, with more than 2,900 imaging centers in locations in all 50 states. In the scenario above, One Call Medical would provide the following savings and benefits:

- **Prompt, Convenient Scheduling.** OCM typically schedules diagnostic imaging services—such as MRI, CT, or PET scans—within 24 hours of receiving a referral. At most, the patient would miss one day of work for \$90 in TTD costs. In addition, the test would be scheduled at a location convenient to the patient's home or work, avoiding unnecessary travel expenses.
- **Quality Providers.** OCM uses a rigorous provider credentialing process to identify and select only the best radiology facilities that deliver quality scans and valid test interpretations, which lead to an accurate diagnosis, effective treatment plan, better care for the injured worker, and optimal recovery and return-to-work results.
- **Substantial Diagnostic Savings.** One Call Medical typically delivers savings that are 45 percent below state fees or usual and customary rates (UCR), nationally on average. Combined, the two MRIs would cost a total of \$800.

| OCM Network Total Expenses | |
|---------------------------------------|--------------|
| TTD: | \$90 |
| Mileage: | \$0 |
| MRIs: | \$800 |
| ----- | |
| Total Bill: | \$890 |

Look at the Big Picture

With diagnostic radiology costs continuing to increase, payers are taking appropriate steps to control costs, but they must keep the big picture in mind and consider the total savings and value a network can provide.

The scenario outlined in this article shows how an organization may be enticed to save \$25, but in the end, pay \$871 more than they should. This is a classic pennywise, but pound-foolish approach. Claims staff must be trained to take a step back and look at the complete package of benefits offered.

Partnering with a leader in diagnostic management, such as One Call Medical, gives payers access to quality radiology providers, prompt scheduling of services, improved care for injured workers, and discounted rates that deliver substantial savings. In addition, OCM can help payers channel a larger percentage of tests through its network for greater penetration and an even higher level of savings. For more information, please contact:

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About One Call Medical

One Call Medical, Inc. (OCM), the leading specialized Preferred Provider Organization, offers a nationwide network of fully credentialed high quality facilities and reduced cost for radiology and neurodiagnostic services. Our network includes coverage in all major metropolitan areas across all 50 states. One Call Medical customers realize significant cost savings, receive exceptional scheduling and medical report turnaround services and are confident in knowing that their patients obtain the best quality diagnostic testing in credentialed facilities. Our customers include the nation's leading Workers' Compensation and Group Health insurers, third-party administrators, as well as self-insured employers. More information about One Call Medical can be found at www.onecallmedical.com.
