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## StatRad Growing With After-Hours Radiology Services

**Kearny Mesa Firm Hiring, Business Is Up 35 Percent**

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Cash-strapped hospitals are finding it cheaper to outsource X-ray, CT scan and MRI readings as their operating budgets shrink in today's economy.

Kearny Mesa-based StatRad says it's well-equipped to handle that need. The privately held, 30-employee business first noticed a growing demand for after-hours radiology services among hospitals and radiology centers in the mid-1990s.

Without in-house radiology specialists, emergency room doctors in need of late-night, quick reads would have to wake the nearest radiologists and ask them to drive to the hospital for assistance.

"It was inefficient because, basically, they would be rendered unable to work the next day," said Joe Moock, chief operations officer of StatRad.

Today, with the number of imaging procedures growing 15 percent annually but radiologist numbers increasing just 2 percent, businesses like StatRad are helping to fill the gap.

Teleradiology, commonly grouped under the umbrella term "telemedicine," promises to improve patient care by allowing radiologists to examine medical images without actually being present.

At StatRad, four to six board-certified radiologists specially trained in areas such as pediatric radiology and body and cardiac imaging are at work on any given night analyzing images from the comfort of their own homes.



Joe Moock



"Even having a radiologist within the area provides a sense of comfort for ER docs," Moock said.

### Digital Imaging Systems

The company developed a computerized system allowing the ER to transmit images into a secure database. Radiologists receive the images, analyze them from home and record their findings onto the computer database using voice recognition software.

Technological advancements in medicine have helped pave the way

for StatRad and others. Today, many hospitals have digital imaging systems in place instead of traditional X-ray films to help streamline processes. For groups and hospitals without their own image archiving and communication systems and supporting technology, StatRad installs in-house systems used to remotely transmit and read images.

A small group of radiologists formed StatRad around the idea of allocating resources in 1995.

"They got together and decided to share calls," said Moock.

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StatRad serves 30 facilities statewide, including San Diego-based Scripps Health hospitals, Tri-City Medical Center in Oceanside and Palomar Pomerado Health hospitals in Escondido and Poway.

Mission Hospital Regional Medical Center, a 300-bed trauma center in Mission Viejo, has relied on StatRad for after-hours support for the past three years.

"I think the key factor was to have a group of physicians that were specialists in an area available 24/7," said Joseph Gagliardo, executive director of imaging services for Mission Hospital. "It gave us a larger window of people in the after-hours coverage."

StatRad touts a 15-minute average turnaround time and errors of less than 0.01 percent.

"I think it's the future," Gagliardo said. "More and more people are taking ahold of it."

StatRad, a million-dollar business, is experiencing its largest growth to date, up 35 percent versus last year, according to a company spokeswoman. Mook says the business is hiring.

It faces steep competition among larger, publicly traded companies such as Idaho-based NightHawk Radiology Services and Virtual Radiologic of Minnesota.

NightHawk alone serves 1,500 hospitals in the U.S. and read 718,000 scans in the fourth quarter.

Mook says that unlike NightHawk, StatRad does not have shareholders to answer to, allowing its radiologists the greater freedom of ownership.

"Doing so keeps control of the industry in our hands instead of Wall Street firms," he said.