



Hospital Purchases Radiology Software



by **Jake Lowary** -- jlowary@cadizrecord.com Tuesday, November 22, 2005

Trigg County Hospital (<http://www.trigghospital.org>) purchased a new software program that is expected to save the hospital money and bring it to the forefront of radiology technology at their meeting Thursday.

PACS, or Picture Archiving and Communications System, has been entirely developed by the Samsung Corporation and allows doctors and radiologists to view, store and share CT Scans and other radiology products over the internet and compact disc.

The product received nothing but praise in an exhibition given prior to the regular board meeting last Thursday. Board members Don Leibe, Randolph Crenshaw, Linda Burnam, Dr. Mike Gross and Bob Noel were on hand to see the presentation by Scott Wasson, president and CEO of Radiology Services and Sales Representative Richie Throgmorton.

"There are so many things it will allow the doctors to do," Throgmorton said.

Doctors can now enhance images by lightening and darkening, rotating and a horde of other tricks that can potentially increase patient care, he said.

"Increase patient care? Absolutely," he said.

He also said that new software will make the long-preferred X-ray obsolete and reduce the amount of film produced by a hospital, which is quite expensive.

Jerrold Davis, Director of Radiology at Twin Lakes Medical Center in Leitchfield, KY. Has been using the software for 3 years and said it has only improved his department and saved a substantial amount of money.

"Life is grand," he said.

Prior to the introduction of the software at Twin Lake, Davis said the cost of film and processing was approximately \$10,000 per month, not including labor. Since that time, the cost has decreased to approximately \$1,000 per month.

One of the only drawbacks, board members said, is the cost of the software. Billed at \$242,450, the hospital has financed the purchase over a 60-month period at zero percent interest.

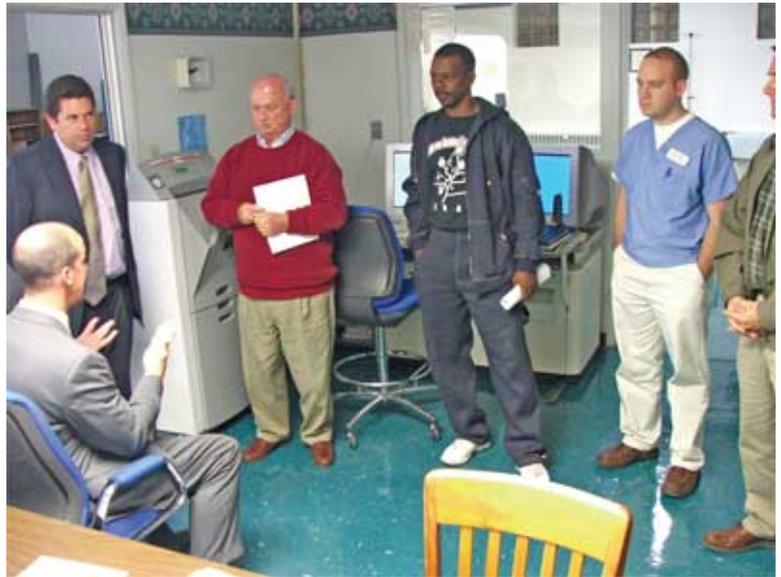
"That's the only down side to this thing," financial advisor Herb Winters said to the board during the meeting referring to the cost and the \$50,000 down payment that is required.

PACS System puts program in forefront of industry

The purchase also includes a two-year warranty, however the board opted to purchase an additional three-year warranty to keep the software as up-to-date as possible with software upgrades. At the end of the five-year period Quorum Health Resource will likely recommend to purchase a service agreement to keep the software as up-to-date as possible.

Medical Chief of Staff Dr. Eduardo Pavon also hailed the software and said that doctors in the area are supportive and eager to use the new system, adding that it will only boost patient care.

“This will decrease the liability to the hospital, doctors, everything,” he said. “With this new system we can see the problem right away.”



Salesman Richie Throgmorton, seated, explains the efficiency and abilities of new PACS software purchased by the hospital to board members Don Leibe, red, and Randolph Crenshaw, blue

The hospital will likely have to borrow on a line of credit to make the required down payment. The hospital has already borrowed on the line of credit and the debt stands at \$200,000.

Hospital CEO Lisa Coleman and Winters have calculated monthly cost for the software and said that by introducing the software the hospital would pay \$500 more per month. Winters said a large portion of the \$500 would be able to be reimbursed at the end of the year from the cost report.

The monthly payments for the system were estimated at about \$4,900 per month. The estimated monthly savings have been calculated at \$4,600.

Link: http://www.cadizrecord.com/articles/stories/public/200511/22/0003YYTT_news.html