



PACS procurement: Three starting points for success

8/17/2004

**By [Jeffrey Ganiban, J.D.](#)
*AuntMinnie.com contributing writer***

Once limited to the storage, retrieval, and viewing of images within radiology departments, PACS has evolved into an enterprise-wide solution used by all the "ologies," such as radiology, cardiology, pathology, and so on. The reach of PACS now extends beyond a facility's four walls to the entire healthcare enterprise, and into physicians' offices and homes. As a result, PACS has become a critical part of an enterprise electronic medical record.

The procurement of a PACS, as with all mission-critical systems, is expensive and complex. In most cases the customer, no matter how sophisticated, has limited experience in PACS procurement and contracting. Often, health systems and hospitals acquiring their first PACS have no IT contracting experience at all. As a result, the purchaser will often find itself dealing with a vendor on a very uneven playing field.

To help level the playing field, as well as to provide insight on the key elements that determine a successful PACS procurement and contracting process, we'll focus on the three starting points for a successful PACS project:

1. A clearly articulated mandate on the strategic importance of PACS
2. Active project sponsorship and leadership from the senior executive level
3. Dedicated project management resources

Executive mandate

By its nature, PACS touches almost every clinical department within a healthcare enterprise, becoming a significant contact point between the enterprise and its physicians. PACS also presents significant new demands on information technology resources. As a result, decisions regarding PACS selection and implementation are often made by several different constituencies, each having their own particular concerns, perspectives, and agendas.

In our experience, a successful PACS project must begin with a clear mandate from the customer's senior executives that the PACS deployment is a strategic priority and has full funding. The mandate should also clearly state the customer's expectations regarding when the decision process will be completed and the PACS deployed.

Without such a mandate, the leaders of the different constituencies may not devote the time and energy to develop a consensus about the project, or the various clinical and



PACS procurement: Three starting points for success

8/17/2004

administrative departments (such as information technology, radiology department, and others) may not devote the necessary resources.

Active senior executive sponsorship and leadership

The most successful PACS projects include a sponsor from within the customer's senior executive leadership who is widely understood to have access to, and the confidence of, the customer's senior executives. This sponsor should be fully engaged in the process (for example, he or she should be the chairperson of the PACS evaluation and selection committee), and available to act as a mediator between the key constituencies on the matters that cannot be resolved among the constituencies.

The key affected constituencies most often fall into two groups: the IS department and the clinical users. Even if both constituencies fully support the PACS project, they almost inevitably will approach the PACS evaluation and procurement process with different perspectives based on particular concerns.

The IS department will understandably focus on evaluating PACS vendors from the following criteria:

- System architecture
- Hardware requirements
- Hardware support
- Compatibility with existing infrastructure
- Compatibility with enterprise-wide technology standardization strategies
- Enterprise-wide storage strategies
- Relative cost/burden of maintenance

The IS department also may face competing priorities and demands on resources, such as other enterprise-wide deployments, that may motivate the IS department to advocate for an implementation time line or rollout plan that differs from the expectations of the executive leadership or the clinical users.

The clinical users will focus, quite understandably, on features, functionality, and workflow issues. Accordingly, these users will be most concerned with:

- User interface
- Extent to which user preferences are accommodated
- Whether work lists and reading lists can be customized
- How easily a user can navigate between different clinical applications from a PACS workstations (such as between the PACS, the RIS, and the voice recognition/dictation system)
- How easy it is to identify and reconcile "broken" or "unspecified" exams



PACS procurement: Three starting points for success

8/17/2004

Also, the users -- and particularly the physicians -- often will have expectations regarding implementation time lines and rollout strategies that cannot easily be supported by the hospital's existing network infrastructure or available IS resources.

An actively engaged executive sponsor is essential to the PACS decision process. Otherwise, the process can get mired down with the different constituencies' objectives, concerns, and agendas -- and the factors that need to be considered and addressed may be overlooked. Moreover, the procurement process can suffer a loss of credibility that will make it more difficult to build a consensus and, as a result, will jeopardize the entire PACS project.

Dedicated project management resources

In addition, the importance of assigning a PACS project manager, especially for projects involving multiple sites, cannot be overestimated. The demands presented by evaluating multiple vendor proposals (in some cases, as many as seven at the outset of a project), managing the flow of information, and coordinating internal resources can be significant.

Without a dedicated project manager, a member of the PACS selection team (usually one with other significant departmental responsibilities) or an outside PACS consultant (if one has been retained) will, by default, try to assume responsibility for project management tasks. The result will be part-time project management that will not provide the customer with a focused PACS selection process.

In our experience, the lack of a strong project manager can extend the PACS vendor selection and contracting process by at least several months, and also increase internal costs and outside consultant fees. Ultimately, weak project management and delay will undermine the credibility of the process.

Because PACS touches every clinical aspect of the customer's clinical operations and requires significant IS resources and management, conflicting interests and priorities have to be effectively managed and mediated. By taking the steps outlined above, a PACS purchaser can build a foundation for an effective process that will greatly enhance the likelihood of success.

Ganiban is vice president of Innovative Health Strategies, a strategic advisory company that assists healthcare organizations with procurement and outsourcing solutions, and provides a full range of consulting and legal services -- from technology needs assessment to contract documentation and project implementation. He can be contacted at 202-230-5150 or jganiban@gcd.com.