SOUTHWEST MEDICAL IMAGING

AFFILIATED WITH RADIOLOGY PARTNERS

QUALITY REPORT 2019 2020

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457,125 EXAMS OUR IMAGING CENTERS COMPLETED

432 SERVICE HOURS VOLUNTEERED BY SMIL EMPLOYEES AND THEIR FAMILIES

785,572 EXAMS INTERPRETED BY SMIL RADIOLOGISTS

PATIENT SURVEY OVERALL SATISFACTION WITH SMIL

RADIOLOGISTS

AVERAGE ON 5-POINT SCALE

IMAGING CENTERS

42 # OF LUNG CANCER SCREENING EXAMS IN 1ST MONTH OF PROGRAM 2020

ABANDONED CALL RATE FOR MAIN SCHEDULING LINE

2019 AVERAGE

4.0%

1,000 LAUNDRY KITS MADE FOR GUESTS AT THE RONALD MCDONALD HOUSE



\$5,000 EMPLOYEE CONTRIBUTIONS DONATED TO MAKE-A-WISH FOUNDATION

> 1,500 # OF PB&J SACK LUNCHES MADE FOR LOCAL FOOD BANK

HOSPITALS

PHYSICIAN LEADERSHIP



DR. DAN MAKI







MICHAEL DOUGLAS, CEO



WELCOME

The radiologists and leaders at SMIL implemented big changes in 2019, and have continued to grow and improve early into 2020. This report provides you with an overview of our quality improvement initiatives and performance metrics.

First, we are proud of our new name, SOUTHWEST MEDICAL IMAGING! SMIL is still who we are, and teal still runs in our veins but changing our name more accurately reflects how we see the whole community we serve. We are truly not just in Scottsdale anymore!

Together with Radiology Partners, we deepened our already decades-long relationship with HonorHealth[™]. We expanded the radiologist's professional services to include interpretation for imaging at the John C. Lincoln and Deer Valley Medical Centers, Sonoran Health and Emergency Center and over a dozen HonorHealth outpatient imaging locations. We are working to transform radiology by dedicating resources and tools to enhance quality and value for our patients.

SMIL leadership is excited to announce Michael Douglas joined us as SMIL's CEO in January. Mr. Douglas has deep experience in radiology, most recently with Alliance Imaging in Operations and Business Development. He brings fresh ideas and valuable experience to SMIL and enhances our highly talented and capable executive team.

The SMIL Board and CEO invite you to learn about our latest achievements, our plans to further improve quality and our commitment to pursuing excellence in patient care.

MISSION

To be leaders in medical imaging and intervention through clinical excellence, advanced technology, innovation and research, and to serve our patients and referring clinicians in a collegial work environment.

VISION

To be nationally recognized as a premier provider of service oriented patient care using medical imaging, guided intervention and state-of-the-art-technology.

VALUES

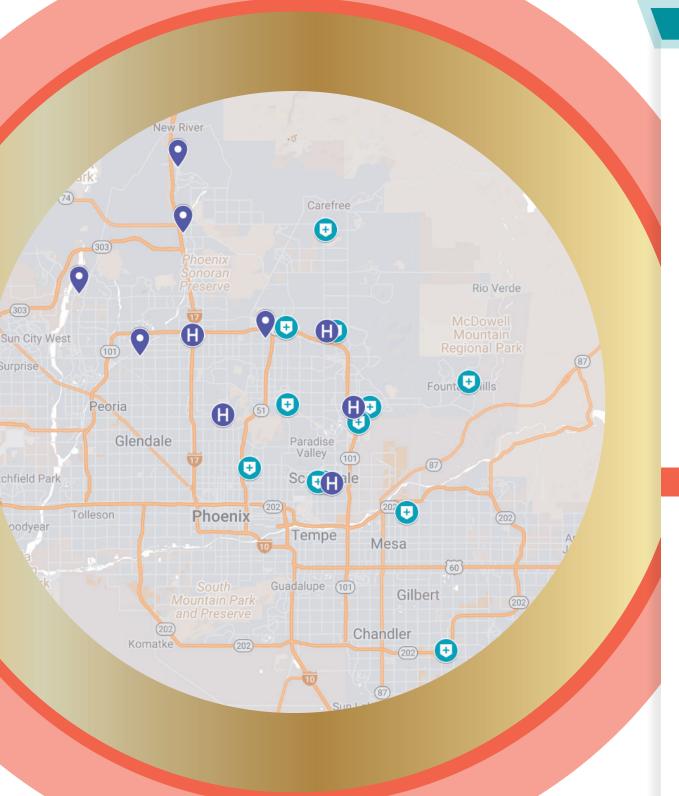
SERVICE | We are committed to providing excellent service and compassionate care with responsible stewardship of our resources and traditions.

INTEGRITY | We honor commitments and maintain the highest standards of behavior.

QUALITY | We pursue excellence in patient care and service.

INNOVATION | We improve quality of imaging services by adopting new technology and participating in research.

EQUITY | We strive for equality of effort and benefit.



WE'VE GOT YOU COVERED

IMAGING CENTERS

NORTH SCOTTSDALE	GILBERT
SOUTH SCOTTSDALE	PARADISE VALLEY
	PHOENIX
FOUNTAIN HILLS	MESA

HOSPITAL PARTNERSHIPS

HONORHEALTH[™] DEER VALLEY MEDICAL CENTER

HONORHEALTH™ JOHN C. LINCOLN MEDICAL CENTER

HONORHEALTH™ SCOTTSDALE OSBORN MEDICAL CENTER

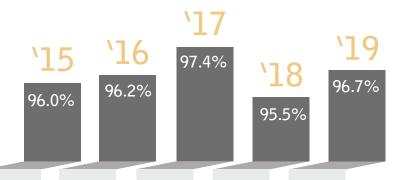
HONORHEALTH™ SCOTTSDALE SHEA MEDICAL CENTER

HONORHEALTH™ SCOTTSDALE THOMPSON PEAK MEDICAL CENTER

KEEPING PACE AT HONORHEALTHTM ENSURING FAVORABLE CLINICAL RESULTS:

SMIL tracks the outcomes of biopsies performed by our radiologists and physician assistants at the Scottsdale Osborn, Shea and Thompson Peak Medical Centers to ensure pathologists can make accurate diagnoses for our patients.

PERCENT AGREEMENT BETWEEN RADIOLOGY AND PATHOLOGY FOR GALLBLADDER SURGERY:



We also correlate the interpretation of our imaging studies with surgical pathology to confirm we made an accurate diagnosis. Each time a patient undergoes gallbladder removal surgery (cholecystectomy) a SMIL radiologist reviews the pathology report and all the available imaging studies done before surgery. This rad-path correlation confirms we are providing the best possible care to our patients.

PERCUTANEOUS NEEDLE BIOPSIES AND DIAGNOSTIC ACCURACY 2019

	POOLED MEANS SUCCESS (%)	SMIL SUCCESS (%)		
BODY AREA				
LUNG	89	91		
MUSCULOSKELETAL	82	93		
OTHER SITES	89	97		
OVERALL	85	95		
	COMPLICATION RATE RANGE (%)	SMIL RATE (%)		
BIOPSY COMPLICATIONS				
PNEUMOTHORAX	12 - 45	17.8		
PTX REQUIRING CHEST TUBE	2 - 15	7.2		

Source: Gupta S, Wallace MJ, Cardella JF, Kundu, S, Miller DL, Rose SC; Society of Interventional Radiology Standards of Practice Committee. Quality improvement guidelines for percutaneous needle biopsy. J Vasc Interv Radiol 2010; 21: 969-975 [49].

HONORHEALTH...

HOSPITAL OUTPATIENT IMAGING EFFICIENCY MEASURES

As part of its Hospital Outpatient Quality Reporting Program, CMS created several Outpatient Imaging Efficiency (OIE) measures to promote high-quality, efficient care and to reduce unnecessary exposure to contrast material and/or ionizing radiation. SMIL has long-standing, excellent relationships with several local hospitals where we provide professional radiology services.

In particular, three OIE measures involve decisions and work flows where radiologists make a positive impact:

OP-10: ABDOMEN CT USE OF CONTRAST MATERIAL

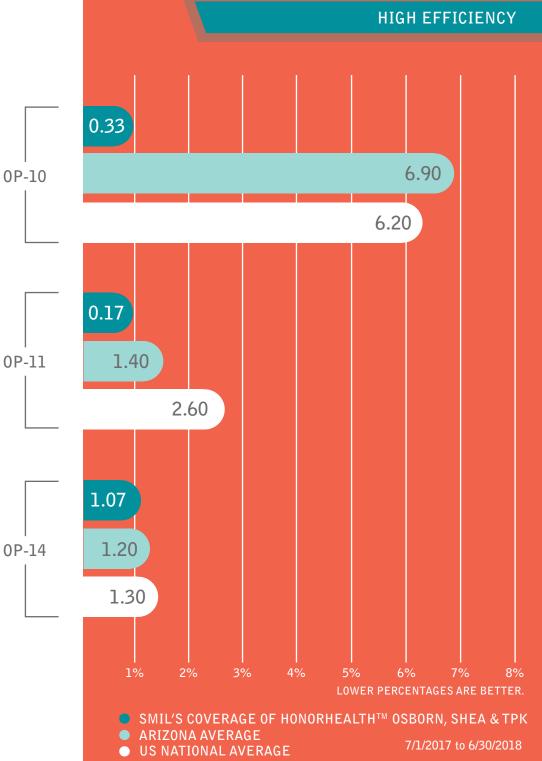
Percentage of abdomen studies that are performed with and without contrast out of all abdomen studies performed.

OP-11: THORAX CT USE OF CONTRAST MATERIAL

Percentage of thorax studies that are performed with and without contrast out of all thorax studies performed.

OP-14: SIMULTANEOUS USE OF BRAIN CT AND SINUS CT

Percentage of brain CT studies with simultaneous sinus CT performed on same day at same facility.



SMIL QUALITY PERFORMANCE

In The Advisory Board's *Radiologist Professional Services Performance Dashboard*, the authors outline several metrics designed to help radiology leaders evaluate the clinical performance of radiologists in a hospital setting. The authors broke down performance into three categories: "traditional" reflects typical performance 3-5 years ago; "new status quo" reflects typical performance of successful radiology groups today and "progressive" reflects the highest performers.

HONOR HEALTH...

CLINICAL PERFORMANCE OF RADIOLOGISTS IN A HOSPITAL SETTING

	TRADITIONAL	NEW STATUS QUO	PROGRESSIVE	SMIL PERFORMANCE
EMERGENCY DEPARTMENT TURNAROUND TIME (TAT)	2 - 4 hours	30 min – 2 hours	Under 30 min	14 min
HOSPITAL INPATIENT TAT	Same day results	4 – 8 hours	Under 4 hours	29 min
HOSPITAL OUTPATIENT TAT	24 hours	4 – 8 hours	Under 4 hours	30 min
PERCENT OF SELF-EDITED HOSPITAL REPORTS USING VOICE RECOGNITION	Under 80%	Above 80%	100%	98%
PERCENT OF CASES PEER REVIEWED	1% or fewer	1% - 2%	Greater than 2%	3.0%

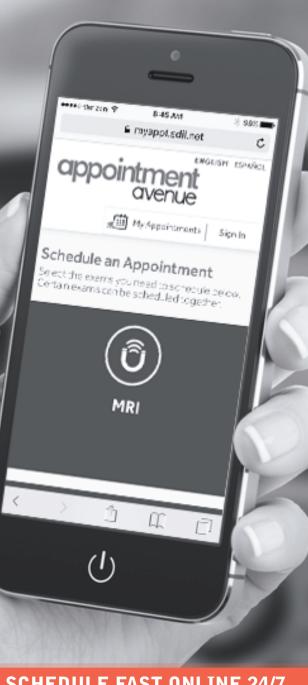
LUNG CANCER SCREENING EXAM VOLUMES EXCEED EXPECTATIONS

SMIL expanded its service offering in January 2020 to now include low-dose CT Lung Cancer Screening exams.

The only recommended screening test for lung cancer is a low-dose CT scan. Screening is recommended for adults who have no symptoms but are at high risk.

Across the country, there are more patients who qualify for lung cancer screening than who are getting the low-dose CT scan. According to the American Lung Association, only 16 percent of lung cancer cases are diagnosed at an early stage. However, early detection using low-dose CT screening, can decrease lung cancer mortality up to 20 percent among high-risk populations.

SMIL is committed to increasing the number of eligible high-risk patients in our community who get screened. We launched our program beginning January 2020 and exceeded our goal number of patients 4-fold in the first month!

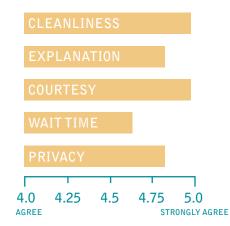


SCHEDULE FAST ONLINE 24/7

PATIENT EXPERIENCE

In our patient satisfaction surveys, we ask for the strength of agreement with several different aspects of the patient's experience:

- The imaging center was clean •
- The technologist explained what was going to happen ٠
- Courtesy of the person who performed your exam •
- My wait time was satisfactory •
- Staff showed concern for my privacy •



PATIENTS WHO SCORED THEIR **OVERALL SATISFACTION WITH SMIL** AS EITHER GOOD OR VERY GOOD 97%





MAMMOGRAM

DENSITY SCAN

DEXA BONE





class online radiology scheduling tool.

In response to feedback from our patient satisfaction surveys we developed Appointment Avenue, a first-in-



ULTRASOUND



CT SCANS

TEXT MESSAGING CAMPAIGN

SMIL is committed to reaching our patients in ways they prefer. We have wanted to send patients appointment reminders via SMS messaging or text messaging but could not find a commercial software application that met our rigorous standards. The best solution was to create our own system that allows the level of customization we want for our patients. Our new system is called



PRISM and was launched in early 2020.

Our preliminary data shows a decrease in our no-show rate. We look forward to conducting additional analytics as the data becomes more robust.

NO-SHOW RATE (INDIVIDUALS CHART)



FISCAL WEEK

PRIM

ACTIVE SHOOTER DRILL

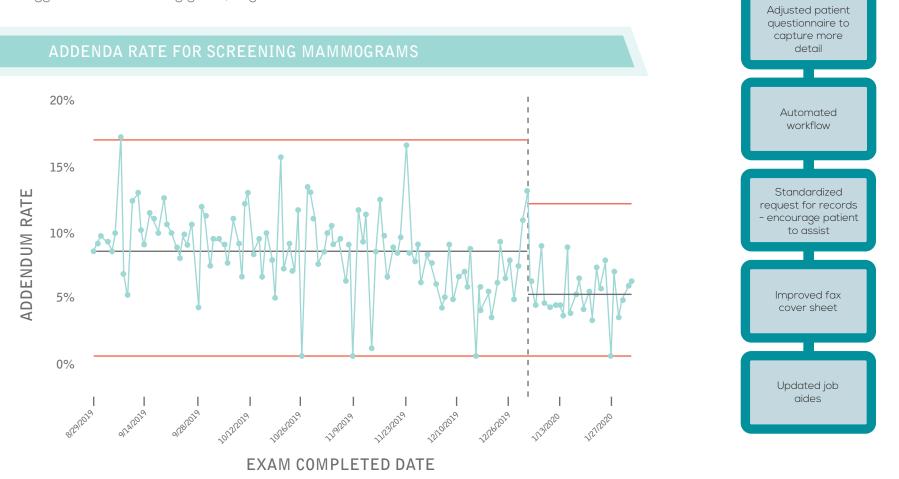
Considering the tragic events that have occurred across the nation, we understand that an effective, collaborative response to incidents is critical to the preservation of life. In May 2019, 85 SMIL employees joined members of the Scottsdale Police Department SWAT team, SWAT medics and the K-9 Unit in multiple "active shooter" drills at our Mountain View locations. SMIL employees were educated on the Department of Homeland Security principles of "Run, Hide, Fight!"

They also learned how to help injured individuals, listen and obey commands from first responders and provide valuable suspect information to the police. We also had our MRI and Nuclear Medicine managers provide safety training for the officers regarding the tremendous magnetic pull of an MRI and the types of radioactive isotopes used in medical imaging. We would like to thank all the participants and especially those who spent many hours organizing this training scenario.

GETTING IT RIGHT THE FIRST TIME

Our patients come to us from near and far. Often this means their medical records are also housed near and far. To improve employee and physician efficiency, we began a process improvement project in Mammography. The goal is to increase the relevant patient information and prior imaging studies available to the radiologist at the time they need them, as measured by decreasing the number of addenda they create.

Providing our radiologists with pertinent information about a patient drives accurate interpretation of images. When we can't get all the items we need just in time, the radiologist must return to the report later and create an addendum. Our preliminary data suggests we are making good progress.



SMIL RESEARCH

TYPES OF RESEARCH SMIL CONDUCTS

Sponsored Clinical Trials:

Traditional Phase I-IV studies in collaboration with companies that contract directly with SMIL to collect data to support their FDA or similar submissions.

Investigator Initiated Trials:

Internal studies initiated by SMIL investigators.

Collaborative Clinical Trials:

Studies where we partner with our colleagues across the U.S. to support their research needs, whether that involves training or enrolling research subjects, or collecting imaging to assist them in their studies.



PATIENT SURVEY SATISFACTION WITH SMIL RESEARCH

> 4.8 AVERAGE ON 5-POINT SCALE



NOVEL STUDIES IN SPONSORED RESEARCH

	STUDY	DESCRIPTION	NUMBER ENROLLED
Join the STRIVE Research Study to help detect cancer early	STRIVE	The STRIVE Study: Breast Cancer Screening Cohort for Training and Validation of the GRAIL Test	4738
Screening Mammogram Addendum Rate	Toray	Analysis by EarlyGuard™ of Serum miRNA from Women Referred for Additional Testing Due to Abnormal Breast Imaging Classified as BI-RADS® 3, 4 or 5	154
TMIST》	TMIST	Tomosynthesis Mammographic Imaging Screening Trial	521
CHANGING MORE LIVES, TOGETHER. EXACT SCIENCES	Exact	Blood Sample Collection to Evaluate Biomarkers in Subjects with Untreated Solid Tumors	26
BLUESTAR GENOMICS	Bluestar	Collection and Distribution of Biofluids and Tumor Tissue Biospecimens	29
ASCELIA PHARMA	Sparkle	A Multicenter, Open-label Study to Evaluate the Safety and Diagnostic Efficacy of Mangoral in Patients with Known or Suspected Focal Liver Lesions and Severe Renal Impairment	Opened Q1 2020
HOLOGIC In Survey of Units	Brevera	A Prospective, Multi-site Clinical Study to Collect User Feedback on Design Improvements Made to the Brevera™ Breast Biopsy System	Opened Q1 2020

pradiology partners

RADIOLOGISTS IN NATIONAL PRACTICE TO TRANSFORM RADIOLOGY

The physicians of Southwest Medical Imaging (SMIL) joined national practice Radiology Partners in December 2017. With the tools and resources a national practice brings, the radiologists of SMIL will continue their long standing history of delivering quality services to their patients and communities.

Radiology Partners (RP) is the largest physician-led and physician-owned radiology practice in the U.S., with approximately 1,600 radiologists, serving over 1,200 hospitals and other healthcare facilities in 24 states across the nation. RP is a physician-led practice whose mission is to transform radiology by innovating across clinical value, service and economics, while elevating the role of radiology and radiologists in healthcare. Using a proven



healthcare services model, Radiology Partners provides consistent, high-quality care to patients, while delivering enhanced value to the hospitals, clinics, imaging centers and referring physicians we serve.

Radiology Partners works every day to transform radiology through:

- Customized educational investment in developing the best radiologists and leaders
- Deeper integration of radiology in the overall healthcare delivery process
- Clinical best practice development by a dedicated team focused on execution and quality outcomes
- State-of-the-art clinical technology for radiologists and referring physicians

OUR MISSION o transform radiology.

OUR PRACTICE VALUES

Integrity

We are truthful with others as well as ourselves. Our words are consistent with our beliefs; our actions are consistent with our words.

Teamwork

We work together. The best of us alone cannot exceed the results of all of us together. We support, respect and value each other.

Excellence

We put forth our personal and professional best. We provide the highest level of care possible and deliver superior experiences for our patients, referring physicians and clients.

Service

We are here to serve. We strive to understand the needs of our clients, especially our patients and referring physicians and exceed their expectations.

Accountability

We take responsibility for our actions. We acknowledge that each of us has a role in the success of our practice.

CLINICAL VALUE

Radiology Partners is committed to transforming radiology through clinical excellence. The team carefully select clinical initiatives that:

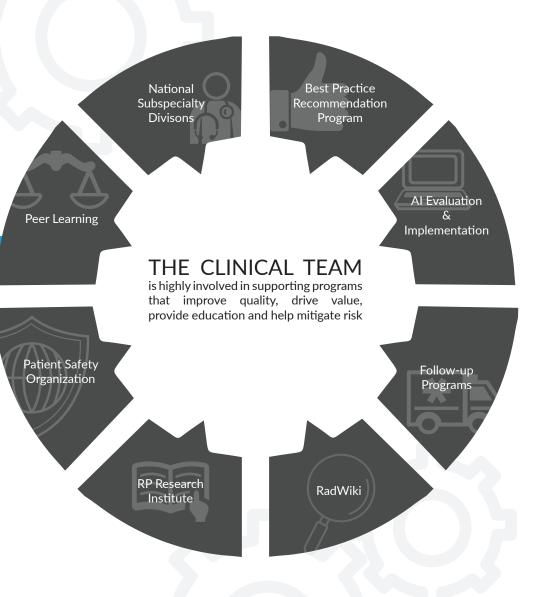
- Reduce variability
- Are evidence-based
- Save patient lives
- Promote the right test for the right patient
- Reduce unnecessary utilization
- Simplify the recommendation-making process for our radiologists
- Deliver measurable benefits

In accordance with the mission to provide high clinical quality to patients, referring physicians and clients, RP has developed numerous **Best Practice Recommendations**. These are created through extensive literature review and with the collaboration of radiologists across multiple specialties.

These clinical scenarios were selected as areas where published literature showed high variability in the management of these findings.

BEST PRACTICE RECOMMENDATIONS

- Incidental Thyroid Nodule
- Ovarian Cyst
- Abdominal Aortic Aneurysm
- Incidental Lung Nodule
- Adrenal Mass
- IVF Filter Retrieval



17

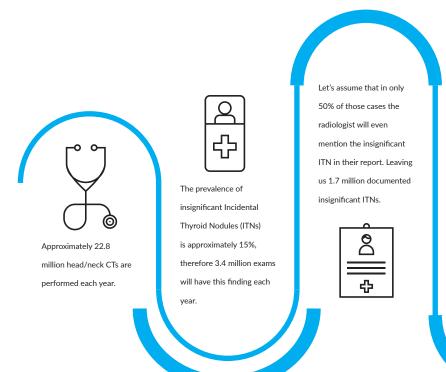
BEST PRACTICE RECOMMENDATIONS TRANSLATE TO COST SAVINGS

As a leader in creating and demonstrating excellent clinical value, RP conducts analyses on how implementing and adhering to the Best Practice Recommendations can reduce healthcare costs.

For example, literature demonstrates that when a radiologist finds a thyroid nodule on a head/neck CT that is not known to have been imaged before, what they may recommend as a next step is highly variable. Even when the nodule can be deemed insignificant based on evidence-based guidelines, some may recommend more imaging or a biopsy, rather than appropriately stating that no additional imaging is required. This impacts patients and the nation's healthcare system.

INCIDENTAL THYROID NODULES: ESTIMATED \$1B NATIONAL

COST SAVINGS USING APPROPRIATE IMAGING RECOMMENDATIONS



RP's data suggests that about 35% of the time, a radiologist will recommend a dedicated thyroid ultrasound (US) to further study the nodule.



A thyroid US costs about \$350. So these 596,000 exams, that are likely not needed, cost the healthcare system a total of \$208 million.



Literature demonstrates that about 50% of the time, a radiologist will recommend a Fine Needle Aspiration (FNA) of a thyroid nodule seen on an US exam. Half of 596,000 leaves us with 298,000 FNAs being performed at an approximate cost of \$1,000 each. These procedures cost the system

\$298 million.

Between 25% and 41% of the time, the pathology results of the thyroid nodule FNAs will result in a patient having surgery to further sample the nodule or remove a portion of the thyroid.



Using the low end, that means 74,500 potentially unnecessary thyroid surgeries will be performed, to the tune of \$7,625 per surgery. This costs the healthcare system approximately \$568 million.



If the 30,000 radiologists practicing in the U.S. could appropriately recommend that no follow-up imaging studies are needed for insignificant ITNs, the healthcare system could save the cost of the follow-up US exams, the FNAs and subsequent surgeries which total just over \$1 billion.



By their very nature, quality and process improvement represent an ever-changing journey. We view the challenges ahead as opportunities to learn for the betterment of our ourselves and our practice. In doing so, we will improve the care we provide our patients and raise the caliber of service for the referring providers, hospital clients in all the communities we serve.

