Ready for replacement? New IMV survey finds aging MRI scanner installed base

(Des Plaines, IL February 4, 2014) The average age of installed MRI scanners in the U.S. has increased from 8.7 years in 2010 to 11.4 years in 2013, raising the prospect that many scanners could be ready for replacement, according to a new market research report by IMV Medical Information Division.

“The last spike of new MRI installations extended from 2002 to 2004,” observed Lorna Young, senior director of market research at IMV. “The research finds that the market is ready for replacement of the older units that are at the end of their useful lives. Providers are also planning to take advantage of the wider bore sizes and higher magnet field strengths that are now available.”

Survey results indicate 20% of all MRI users plan on purchasing a new system in the next three years, which is down slightly from 22% of MRI users reported by IMV in 2012. An additional 24% of users who responded with “maybe” on purchasing a new unit represent a significant but less certain potential market for MRI systems.

The main purchasers of MRI systems are the larger 200-plus bed hospitals and their associated imaging centers. Independent imaging centers, such as those owned by physician practices, have been particularly hard hit by the economic slowdown, and are especially concerned with managing their bottom line.

Survey respondents from imaging centers were more likely than hospital respondents to feel that reductions in Medicare and third-party reimbursements are causing their MRI revenue to decline in 2013. Consequently, although independent imaging centers comprise 36% of MRI sites, they comprise only 20% of the sites planning MRI system purchases.

MRI department administrators are experiencing a number of pressures, such as dealing with falling reimbursements, managing prior authorization processes, maintaining department accreditation, and staying abreast of how changes in federal and state healthcare reform will impact their operations.

While they are addressing these challenges, technology improvements that facilitate speed, broaden the clinical applications to address referring physician needs, and improve patient comfort are driving the purchase criteria for MRI systems for those who are in the buying mode. Going forward, three out of every four new MRI installations will have wide-bore widths of 70 cm or more.

Young noted that 1.5-tesla units are still the mainstay of the modality, representing more than 70% of all recently installed MRI systems. However, interest in very-high-field MRI units is continuing to grow, with 3.0-tesla units comprising more than one-quarter of planned MRI purchases.

IMV’s study estimates that 33.8 million MR procedures were performed in the U.S. in 2013, in 7,845 hospital and nonhospital locations. This represents an average growth rate of 2.8% per year from 32.0 million procedures in 2011. Respondents reported that reductions in reimbursements, from both
Medicare and third-party payors, are causing their MR revenues to decline despite the slight increase in utilization.

The major categories for MR procedures are spine, brain, and lower and upper extremity procedures, which together constitute 22.4 million or two-thirds of MR procedures in 2013. However, the areas with the biggest growth are breast, prostate, vascular (MR angiography), and pelvis and abdominal procedures, which together grew almost 50% from 5.3 million in 2011 to 7.9 million in 2013.

As a percentage of total procedures, the use of MR contrast media has stayed relatively constant, from 41% in 2001 to an estimated 43% of MR procedures in 2013, after a decline to 37% in 2011. In September 2009, the U.S. Food and Drug Administration (FDA) announced that it would be requiring changes in the drug label for gadolinium-based contrast agents (GBCAs) to minimize the risk of nephrogenic systemic fibrosis (NSF), a rare, but serious condition associated with the use of GBCAs in certain patients with kidney dysfunction. The initial reaction to this regulation may be a possible reason for the downward dip in 2011 in contrast utilization, but its use appeared to be returning to pre-2010 levels in 2013.

IMV’s 2013 MR Market Outlook Report describes trends in MR procedure utilization, the MRI system installed base and purchase plans, power injectors, contrast media utilization, capital and consumable budgets, site operations characteristics, and respondent opinions about the factors affecting the future outlook for MRI. In this report, IMV also provides market scenarios for MRI unit purchases from 2013 through 2017. Vendors covered in this report include Bayer, Bracco, GE Healthcare, Hitachi Medical Systems, Mallinckrodt, MEDRAD, Philips Healthcare, Siemens Healthcare, and Toshiba Medical Systems.

The report is based on responses from 450 MRI administrators nationwide. Their responses have been projected to the universe of 7,845 short-term general hospitals and imaging centers in the U.S. that use fixed MRI systems or mobile service providers to perform MR imaging, as identified by IMV. For more information about IMV’s report, visit the corporate website at http://www.imvinfo.com or call 847-297-1404 to speak with a representative.

IMV Medical Information Division is a marketing research and consulting firm founded in 1977, specializing in medical imaging and other advanced healthcare technology markets. IMV’s market research services, in combination with its databases of U.S. imaging sites with selected modalities, provide clients valuable assistance in strategic planning, customer satisfaction, product development and sales initiatives.

Contact:
Gail Prochaska
gprochaska@imvinfo.com
847-297-1404 x116