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Medical firm's seed money

JumpStart backs company doing remote diagnostic image reading

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Cleveland venture development organization JumpStart Inc. is adding its 20th portfolio company -- Telerad Express LLC -- with an investment commitment of \$300,000.

Ethan Cohen, chief executive, and Alan Semel, president, are developing Telerad Express in Beachwood to provide remote diagnostic image interpretations -- a practice called teleradiology -- to small hospitals and imaging centers nationwide.

Teleradiology is electronically transmitting radiological images, such as X-rays, MRIs, CT scans and ultrasounds, to radiologists who read the images on computer screens. The radiologists electronically report their findings to doctors and other caregivers.

Demand for teleradiology is growing because more and more diagnostic images are being made and must be interpreted, yet there are fewer radiologists to do this work.

Telerad Express plans to concentrate in teleradiology done by subspecialists. A subspecialty radiologist might read just MRIs of the shoulder, while a general radiologist reads everything from mammogram X-rays to computed tomography scans of the foot.

Cohen learned about teleradiology as chief operating officer at Franklin & Seidelmann LLC, a subspecialty teleradiology company in Beachwood. Cohen worked for Franklin & Seidelmann for a year before leaving to start his own company.

Before that, Cohen was chief technology officer at MedQuist Inc., the medical transcription company in Mount Laurel, N.J. He built a workflow system for 9,000 medical transcriptionists who were working from home.

Semel spent 10 years at Datavantage Corp. in Solon, leaving the retail software-services company as vice president of sales.

Cohen and Semel intend to use the JumpStart money to build an infrastructure that moves images around and securely stores them. The infrastructure also will be designed to automatically route cases to subspecialty radiologists nationwide, as well as to return their reports to caregivers.

"Our proprietary workflow allows our clients to specify the required turnaround time for each case," Cohen said in a written statement.

"Our system then prioritizes and tracks each order to ensure that it is returned in a timely manner and that it is interpreted by a radiologist with the appropriate level of subspecialty expertise."

In addition to building infrastructure, Cohen and Semel plan to use the investment to find radiology groups nationwide to partner with. Some other teleradiology companies have concentrated on providing radiology services during the night.

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