

# CASE STUDY: LARGE FAITH-BASED HEALTH SYSTEM

## ► SITUATION:

A large Midwestern health system had a mature in-house service organization supported by various OEM service contracts. Over decades, the in-house team matured but now needed to make annual investments in training and other technical support tools. How should they invest while desiring to reduce overall expenses?

## CHALLENGES:

- Clinical engineering leadership was short on specific strategies to obtain needed resources as they were pressed to drastically reduce their costs.
- Other service organizations (hospitals and vendors) were poaching their experienced service talent.
- They couldn't confirm that they had adequately leveraged scale to maximize master service agreements.
- It had been too long since they shopped the marketplace for a bird's-eye comparison to their existing program from a quality and financial view.

## OTHER QUICK FACTS:

- As the health system grew, contracts, while centralized, were not adequately leveraged.
- Marketplace opportunities have matured since leadership sought alternatives.
- Cost avoidance became as important as cost reduction.
- In-house clinical engineering staff, while extremely talented, were nearing retirement.

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## ► SOLUTION:

IDN needed a fresh set of eyes, so they hired ESP Global to conduct an agnostic assessment in order to uncover opportunities. ESP Global supported CE leadership in consolidating "all" service-related expenses and went to the service marketplace for options. This process provided visibility for various service program models, including in-house support and outsource solutions. Throughout the RFP discovery phase, they validated costs, confirmed the value of the CE department to the organization, and pursued guaranteed outcomes and external investments.

*"Peter and his team were knowledgeable, knew the appropriate questions to ask for our HTM needs, and brought a comfort to our leadership in a time of change."*

John Farnen  
Vice President, Facilities  
Mercy Health

## ► RESULTS:

By selecting two global service organizations, they accomplished the following:

- Eliminated the ongoing costs for in-house development by shifting those investments to their service partners
- Retained staff by transferring all in-house talent and related expenses to one of their new partners
- Created more dedicated service capacity while gaining more OEM support
- Realized millions in initial investments through new partners in technology, including new RTLS, ongoing training, maintenance software (CMMS), and completion of a much needed inventory audit conducted at partner's expense
- Increased emphasis on remote diagnostics and remote repair analytics
- Decreased costs of the "entire" service portfolio Day One by double digits

**For more information about ESP Global services, call us at 888-404-4377.**