

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.