

CASE STUDY: SAVINGS THROUGH SYSTEMIZATION

► SITUATION:

Two large health systems in South Carolina merged to form the largest not-for-profit health system in the state. How should the new system blend two different approaches to equipment maintenance together under one system program to achieve maximum value, while not disrupting operations?



CHALLENGES:

- System had contracts with multiple OEMs (Original Equipment Manufacturers), which were not leveraged at the system level.
- Individual hospitals had chosen their own service partners resulting in general satisfaction with existing service methodologies, but at an increased cost to the system.
- Equipment maintenance history was stored in multiple databases across the system rather than in a centralized CMMS (Computerized Equipment Maintenance System) platform; impeding ability to manage service history across the enterprise.

OTHER QUICK FACTS:

- Mature and well-respected in-house Biomed team that system leadership wanted to keep intact and provide with additional tools and training to enhance their service abilities.
- Looking for a new enterprise-level model that leveraged their new size and provided the ability to manage all equipment maintenance expenses.
- Desired cost savings across the system, but not at the expense of service quality.

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► SOLUTION:

The system needed a new approach and expertise to both keep the current program components they liked while realizing the value they knew they were missing. They hired ESP Global to help them review their current state independently and objectively. Through ESP's agnostic market approach, they were able to solicit the service marketplace to identify creative models that would achieve the health system's specific needs and goals.



► RESULTS:

With the health system awarding their business to two global service organizations, they were able to achieve the following:

- Instead of projected potential savings of 15-20%, realized Day 1 cost reduction of 31%
- Ability to keep in-house Biomed staffing model intact
- \$2 million sign-on bonus, above and beyond realized savings, from one chosen partner
- No cost capital planning
- Enhanced cybersecurity capabilities and training, newly managed at the system level
- Full inventory validation provided at no cost to the system
- Systemwide CMMS at no cost for centralized equipment maintenance and device management

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