

Case study: Admiraal de Ruyter Ziekenhuis, The Netherlands

Transforming care delivery through a Value Partnership

How a Dutch hospital partnered with Siemens Healthineers
to accomplish a radical modernization

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Executive summary

An innovative and comprehensive Value Partnership helps a Dutch hospital respond to a challenging healthcare market.



Admiraal De Ruyter Ziekenhuis (ADRZ) hospital, The Netherlands is overcoming the challenges it faces through a strong Value Partnership with Siemens Healthineers. The 10-year-long strategic partnership includes providing medical technology, facilities construction, financing, and management services. The Value Partnership with ADRZ leverages Siemens Healthineers strength in medical technology management and digitalization into a long-term, performance-oriented engagement focusing on the creation of value. For ADRZ the increased value manifests in improved patient outcomes and increased competitiveness.

Partnership value at a glance



Design, construction, and **leasing of six standardized operating rooms** to provide access to care.



More efficient care and improved patient experience offered to roughly **248,000 people in the region**



10% lower turnkey investment compared with conventional solutions



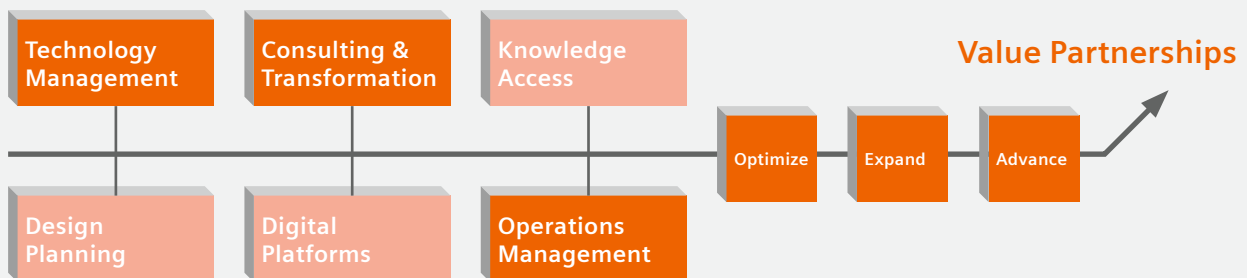
Rapid availability of new infrastructure in very short time (15 months for preparation and realization until completion)



> €12 million capital freed up through embedded financing solution for other urgently needed investments

Value Partnerships assist you to:

- Optimize your operations today
- Expand with new capabilities tomorrow
- Advance your level of innovation



We co-create solutions with and for you to generate significant clinical, operational, and financial benefits for your organization.

■ Main portfolio modules of ADRZ's specific Value Partnership

The customer

ADRZ needed to make changes in order to stay competitive, and improve patient experience.

Admiraal De Ruijter Ziekenhuis (ADRZ), The Netherlands



For some years, ADRZ has been focusing on redeveloping its care processes to provide more effective healthcare services. The management team decided to centralize the entire range of acute and comprehensive care at the hospital site in Goes. More predictable, standard care is bundled and provided at the second location in Vlissingen. This was the first step toward optimizing clinical operations to improve access to care and deliver outcomes that matter to patients. The next stages required embarking on a partnership with a technology partner.

- Mid-sized hospital with 500 beds
- Largest healthcare provider in the Zeeland region
- 2,200 employees
- 23,000 hospitalizations annually
- Two facilities in Goes and Vlissingen



"In 2015 we were in a difficult financial position and we were unable to finance new infrastructure with a bank loan or other funding sources. But our infrastructure was quite old, so we desperately needed some new investments."

Gré Schroevers,
Business Manager OR, ADRZ, The Netherlands

The challenge

ADRZ was looking for a partner with innovative financing solutions to invest in infrastructure and technology in the face of budgetary constraints.

ADRZ is a good example in the Netherlands in which a new form of strategic partnership had to be established in order to open up new possibilities.

ADRZ is a hospital that was experiencing a major challenge in remaining an attractive and successful healthcare institution for patients in the region. Changes in the service structure in order to improve efficiency became a critical need at ADRZ. As a result, the nuclear medicine was moved to Goes, where a new building complex had to be planned. In addition, a large portion of the hospital technology had to be replaced to keep up with the rising demand from patients. To achieve all of this, a major investment and innovative solutions were required.

ADRZ was facing the following key challenges:

- Remain competitive in the Dutch healthcare market
- Improve and expand medical facilities to meet increasing demand
- Expand and modernize its technology with access to innovation
- Finance all the required investments to improve healthcare services

Market challenges:

- Life expectancy is continuously increasing
 - Medical expenses per capita have doubled in the past 20 years in the Netherlands
 - Various market regulations have been introduced in the country to help manage the cost increases on a system level
 - Healthcare institutions that cannot adapt to these changing conditions face the risk of losing economic competitiveness as well as patients, and even entire medical specialties
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“The Value Partnership gives security for the next ten years. This makes life a lot easier and gives energy to focus on healthcare, and that is what we really want. We already had a close relationship with Siemens Healthineers and there was great mutual trust. This was when we started to take the next step to commonly elaborate a health infrastructure project. And Siemens Healthineers made the urgently necessary investment possible and realized this project in an incredible fast and smooth way.”

Gré Schroevers

The solution

A strategic, long-term turnkey Value Partnership to build a new healthcare infrastructure.

ADRZ and Siemens Healthineers started their Value Partnership in 2015 as a way to ensure high quality, efficiency, and safety of patient care while effectively managing investments with a fixed annual fee. With this 10-year partnership, Siemens Healthineers is providing financing, medical technology, management services, and turnkey solutions for new healthcare facilities.

The long-term Value Partnership offers the following core service elements:

- Financing and full relocation of the nuclear medicine department, covering design and construction of facilities and providing state-of-the-art technology on a managed basis, including new PET-CT and SPECT-CT systems and equipment for preparing radioactive isotopes.
- Design and construction of a complex of six operating rooms and a new hybrid OR in Goes. The new operating rooms are equipped with medical systems under a managed equipment model, including KPI-driven service. Thus way the hospital will receive the latest technology, over the ten-year period.
- Both facilities and medical technology are being leased by Siemens Healthineers to ADRZ, so that investments are managed efficiently and in line with the project budget. This allows ADRZ to take on a major investment without having to finance and expend the entire project cost all at once.

“The feasible change with this new construction is incredible. We now can deliver safe and modern healthcare to our patients. That’s our biggest advantage.”

Gré Schroevers

Solution facts at a glance:



Six new operating rooms were designed by Siemens Healthineers to optimize clinical operations.



Utilization of the six operating rooms improved to almost 90%, leading to **more than 1,000 additional hours per year in patient procedures.**



The provision of innovative technology unveils significant advantages in sustainable care. For example, around **€12,000 savings each year** can be achieved due to smart technology for medical gas supply, as less materials and energy are required.



Medical technology and integrated services were optimized to improve access to care, increase workforce productivity, and streamline clinical operations.



Financing and facility design consulting delivered by Siemens Healthineers enabled ADRZ to expand its healthcare capacity and improve access to care.



Siemens Healthineers worked with ADRZ to define processes for complying with regulations on **patient safety** in the Netherlands.



The result

Significant value creation right from the start of the partnership.



The partnership concept has helped ARDZ ensure a high level of healthcare service delivery for a period of ten years. This innovative long-term Value Partnership replaced previous short-term business models. Now ARDZ can operate profitably and can be sure to meet future patient demands.

With this partnership, ARDZ and Siemens Healthineers are jointly blazing new trails. The traditional approach of hospitals to increase efficiency of healthcare was to consolidate. The new collaboration concept involves a medical technology partner: Siemens Healthineers.

The Value Partnership with a globally experienced industry-leading company has provided ARDZ with the following key economic benefits:

Value created



> **€1.2 million capital expenses** already **saved** during the preparation phase. The costs for the execution of the OR project are 10% lower compared with conventional business approaches.



> **€12 million capital freed up** for investment in other projects to improve patient care thanks to the embedded financing solution.

The new complex, housing six standardized operating theaters, has created value in multiple ways:



1,000 additional operating hours per year, through higher utilization rates based on improved layout.



Reduction of wait times, e.g. by several weeks for complex orthopedic surgery, as all operations can be done at any operation room as each is equipped at the highest standards.



> **€12,000 savings on medical gas systems** per year, due to smart technology that requires less material and energy.

Call to action

A Value Partnership that is driving continuous business innovation in healthcare.

Healthcare institutions need innovative approaches to the delivery of patient care. These include new concepts and business models that have a transformative impact on healthcare infrastructure and services.

The need to optimize financial resources and the need for sustainable technologies and infrastructure modernization, as well as current trends in healthcare demographics, are driving a major transformation in healthcare systems and business planning models.

The medical industry is continuously evolving, and Value Partnerships help you optimize operations today, expand with new capabilities tomorrow, and advance the level of care in your network.

The Dutch market is an example of continuous innovation in healthcare models, where technology partners are driving efficiency, financing, and outcome-oriented medical services that were the sole provenance of hospitals in the past.

The Value Partnership between ADRZ and Siemens Healthineers exemplifies this innovation. By sustainably optimizing the hospital's resource management it ensures high quality care over the long term.



Would you like to learn more about how to leverage the Value Partnerships framework to optimize your operations?

Get in contact:



siemens-healthineers.com/value-partnerships



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The future

Expansion of the Value Partnership to operationalize digitalization in healthcare and optimize skill management.

“Urbanization is one of our biggest challenges. It’s very hard to find highly skilled and professional personnel. I think concepts like remote control or remote operation will be of enormous value in the future to be able to continuously offer modern and high quality healthcare.”

Gré Schroevers

About Value Partnerships

Siemens Healthineers Value Partnerships combine our strength in holistic medical technology management, digitalization and future-proof design planning into a long-term performance-oriented engagement focusing on the creation of value. We offer six comprehensive portfolio modules that can be customized and applied to optimally address your needs: Technology Management,

Consulting & Transformation, Knowledge Access, Design Planning, Digital Platforms, and Operations Management. With these areas of expertise at our disposal, we are well positioned to co-create a solution with and for you, which will generate significant clinical, operational, and financial benefits.

Disclaimer

The products/features and/or service offerings (here mentioned) are not commercially available in all countries and/or for all modalities.

If the services are not marketed in countries due to regulatory or other reasons, the service offering cannot be guaranteed. Please contact your local Siemens Healthineers organization for more details.

The results described herein by customers of Siemens Healthineers were achieved in the customer's unique setting. Since there is no "typical" hospital and many variables exist (e.g., hospital size, case mix, level of IT adoption), there can be no guarantee that other customers will achieve the same results.

The scientific overlay on the title is not that of the individual pictured and is not from a device of Siemens Healthineers. It was modified for better visualization.

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