



LEADING HOSPITAL DISCOVERS HOW COST-CUTTING MEASURES CAN TAKE A CUT OUT OF QUALITY

> INTRODUCTION:

During tough economic times, a leading US medical center sacrificed their long-time endoscopic service partner, KARL STORZ, in favor of a less expensive repair option. Hospital staff realized almost immediately that this cost-cutting measure came at the expense of quality, timeliness, and surgeon confidence. The realization prompted this hospital to quickly return to KARL STORZ, and restore one of the quality services that supports their stellar reputation.

> MATERIALS AND METHODS:

Despite long-term satisfaction with KARL STORZ PROTECTION1® Services, this hospital stopped using KARL STORZ as their service provider in November 2011, solely as a cost-cutting measure. From early-mid 2012 to October 2012, they used a third-party vendor for repairs. In the first 60 days with the third-party vendor, the staff experienced a wide variety of issues with their rigid endoscopes. As a result, clinical performance suffered greatly within just 4-5 months. The most significant problems included increased frequency of repairs, slower turnaround time, inconsistent repair results, reduced image quality, and more operating room delays.

> RESULTS:

Just a few months after their switch to a third-party service vendor, the medical center's leadership staff realized that the negative results of the decision were proving too costly to both their bottom line and their reputation. Surgeons and OR staff needed to be able to rely on the high quality, consistent service, and prompt turnaround times they had grown accustomed to with KARL STORZ PROTECTION1® Services. As a result, the hospital signed a new PROTECTION1® service agreement with KARL STORZ.

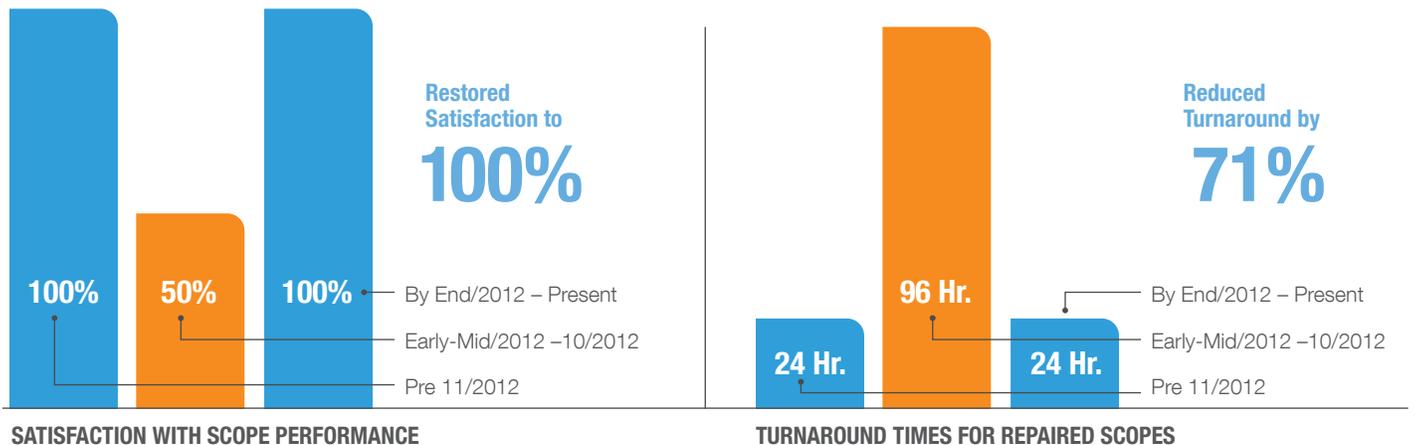
> CONCLUSIONS:

The value of timely, high-quality service is more than worth the investment. Hospitals require equipment that is well maintained and ready to deliver optimal surgical performance and patient safety at all times. The resulting surgeon confidence and satisfaction helps hospitals attract and retain the best surgeons. The quality and dependability of endoscopic equipment is essential to the facility's recruiting efforts, as well as their overall reputation.

Complete Satisfaction and Faster Turnaround Times with KARL STORZ

NOVEMBER 2011 THROUGH END OF 2012

■ Using KARL STORZ PROTECTION1® ■ Using a third-party vendor for service





LEADING HOSPITAL DISCOVERS HOW COST-CUTTING MEASURES CAN TAKE A CUT OUT OF QUALITY

During tough economic times, even the most highly effective services can run the risk of being cut out of the budget. This was the case for a leading US medical center when they sacrificed their long-time endoscopic service partner in favor of a less expensive option. Hospital staff realized almost immediately that this “money-saving” measure came at the expense of quality, timeliness and surgeon confidence. The realization prompted this nationally-acclaimed hospital to quickly return to their original provider, and restore one of the quality services that supports their stellar reputation.

> **BACKGROUND:**

Economic Challenges Prompt Dramatic Change

As a result of significant and widespread economic challenges, this hospital’s leadership staff was under great pressure in late 2011 to cut costs across the board. Despite a long-standing and highly successful relationship with KARL STORZ as both their medical device and service

provider, they felt the need to consider other options.

KARL STORZ remained the facility’s primary equipment vendor for rigid scopes and other endoscopic and video technology,

but in early 2012 the decision was made to switch to a third-party vendor for service and repairs. This decision was made solely as a cost-cutting measure, despite long-term satisfaction with KARL STORZ Protection 1® Services.



> **THE CHALLENGE:**

Change Triggers Immediate Negative Results

In the first 60 days with the new third-party service vendor, the hospital staff experienced a wide variety of issues with their rigid scopes. As a result, clinical performance suffered greatly within just 4-5 months. The most significant problems included:

- **Increased frequency of repairs** – With the new third-party vendor in place, there was a more frequent need for scope repairs. As a KARL STORZ customer, this was not something to which the OR staff was accustomed.
- **Slower turnaround time** – The turnaround time for repairs with the new third-party vendor increased from 24 hours to 96 hours. This delay had a significant negative impact on OR schedules.
- **Inconsistent repair results** – When repaired rigid scopes were returned to the OR, staff discovered that image quality with these scopes was very unreliable.
- **Reduced image quality** – Procedures that utilize high definition video technology require a pristine scope to achieve the best image



quality on the monitor. Compromised image quality in the OR due to broken or otherwise unusable scopes not only caused clinical performance challenges, but also led to great frustration among surgeons and increased risks for patients.

- **More operating room delays** – The increase in unusable scopes caused delays in the OR because staff members were forced to wait while a new scope was delivered from the sterile processing department. These delays caused great frustration among surgeons, and it was noted that if the pattern continued, the hospital would need to invest in more scopes to offset delays and restore OR efficiency.

> **THE RESULTS:**

Rapid Reassessment Leads to Restoration of KARL STORZ Protection 1® Services

Just a few months after their switch to a third-party service vendor, the medical center’s leadership staff realized that the negative results of the decision were proving too costly to both their bottom line and their reputation.

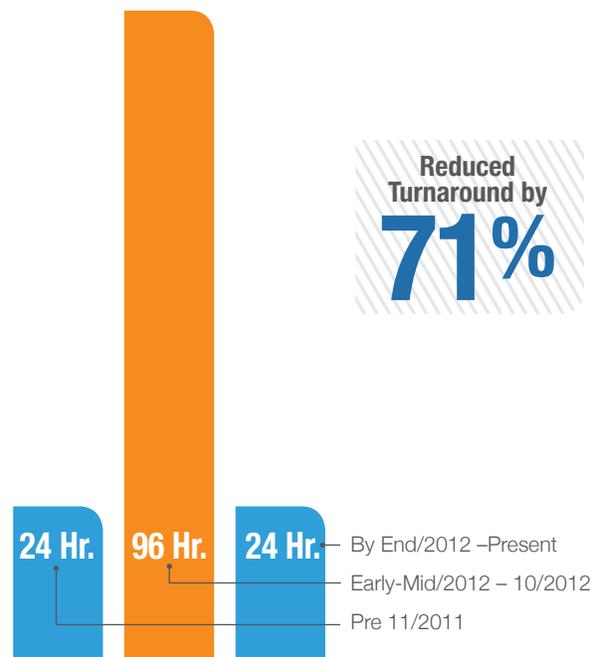
Surgeons and OR staff needed to be able to rely on the high quality, consistent service and prompt turnaround times they had grown accustomed to with KARL STORZ Protection 1® Services. As a result, in November of 2012 the hospital signed a new Protection 1® service agreement with KARL STORZ.

Rigid Telescope Performance and Repair
NOVEMBER 2011 THROUGH END OF 2012

■ Using KARL STORZ Protection® 1 Services
■ Using a third-party vendor for service



SATISFACTION WITH SCOPE PERFORMANCE



TURNAROUND TIMES FOR REPAIRED SCOPES



The Value of Timely, High-Quality Service is More Than Worth the Investment

The hospital re-enlisted the help of KARL STORZ Protection 1® Services because of the numerous clear advantages they provide, including:

- Unsurpassed product expertise
- Highly professional and dependable service
- 24-hour repair turnaround times
- Consistent quality of repaired scopes
- Improved image clarity

COST-CUTTING EFFORTS CAN PROVE COSTLY TO BOTH THE BOTTOM LINE AND A HOSPITAL'S REPUTATION

These essential service benefits help reduce or eliminate OR delays and optimize patient safety and successful outcomes. In addition, the resulting surgeon confidence and satisfaction help the best hospitals attract and retain the best surgeons.

The bottom line is that this nationally-acclaimed hospital requires equipment that is well maintained and ready to deliver optimal surgical performance at all times. This is essential for both surgeons and patients. It is also critical because there is fierce competition to recruit and retain surgical pioneers across many specialties. The quality and dependability of endoscopic equipment is essential to the facility's recruiting efforts, as well as their overall reputation.

ABOUT KARL STORZ

In 1945, Dr. Karl Storz began developing instruments that would allow physicians to see inside the human body. His visionary inventions were at the forefront of modern endoscopy, which not only revolutionized medical diagnostics, but also paved the way for minimally invasive surgery.

More than 65 years later, the KARL STORZ company continues to be a worldwide leader in advanced endoscopy solutions. The family-owned company, based in Tuttlingen, Germany, maintains an unwavering commitment to innovation, intelligent design, and clinical effectiveness.

To ensure complete solutions in minimally invasive surgery, KARL STORZ provides comprehensive repair and support services. KARL STORZ products are backed by their own service solutions through Protection 1®. This program includes Field Service Technicians, endoscope exchanges, and dedicated On-Site Endoscopic Specialists who deliver ongoing support.

For more information, call (800) 421-0837 or visit www.karlstorz.com.