



Monograph: Rush North Shore Medical Center

Olympus® CPP® Helps Rush North Shore

Provide “America’s Best” Digestive Care

When Rush North Shore Medical Center needed to upgrade the equipment in its Endoscopy Center, budgetary constraints put what appeared to be a cap on the assets it could purchase. Yet by using the innovative Cost Per Procedure® (CPP®) program from Olympus America, Rush completely equipped five endoscopy rooms with leading edge Olympus® equipment with no initial capital investment.

The Olympus CPP Program provided the desired results. Physicians have access to state-of-the-art equipment, the hospital has preserved its capital funds and patients have received the very best of care. In fact, the Endoscopy Center played a part in Rush North Shore being named one of “America’s Best” hospitals in the U.S. for treatment of digestive disorders by *U.S. News and World Report*.

Rush North Shore Medical Center is committed to providing state-of-the-art, patient-centered services from inpatient care through sophisticated outpatient diagnostic treatment to those who live and work in the North Shore suburbs of Chicago. Through its affiliation with Rush-Presbyterian-St. Luke’s Medical Center, the 268-bed

facility serves as a teaching hospital with a full range of residency programs. To serve the growing needs of the community, Rush North Shore provides a full range of gastroenterology services at the Endoscopy Center.



The five-room Center performs approximately 7,500 procedures per year, 80 percent on outpatients. Staffed by about 20 physicians and 18 support staff, the Center strives to be user friendly and focused on the needs of both patients and physicians. This means using advanced state-of-the-art gastroscopes, colonoscopes and video equipment from Olympus, the leader in gastrointestinal endoscopy.

The Challenge: To Remain State-Of-The-Art

“We have looked at other equipment over the years, but our physicians have uniformly preferred Olympus over other manufacturers,” says Bennett Plotnick, MD, the Center’s Director of Gastroenterology and Endoscopy.

Because of its strong R&D program, Olympus constantly brings new advances to market in areas such as ease of use, optics and video imagery. “Our ability to diagnose has expanded exponentially,” asserts Dr. Jan Faibisoff, MD, a gastroenterologist who has been practicing at Rush North Shore for almost 20 years. “The biggest advance in gastroenterology

has been in endoscopy. Since the availability of fiber-optic endoscopes, and now, videoscopes — which are top-of-the-line, so sophisticated allowing you to see so much detail — the improvement is just phenomenal.”

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Thus it pays to stay current for the sake of both patients and physicians. “Older scopes can frustrate physicians if the lighting isn’t clear, if the picture isn’t as good as it could be, or if the irrigation doesn’t work as well as it should,” says Gayle Steinberg, Patient Care Director at the Endoscopy Center. “Clearly, this can have an impact on patient care.” In addition, older equipment can be prone to break down, leading to expensive repairs and disruptions of patient schedules.

Two years ago the Center’s four endoscopy rooms were equipped with scopes that were beginning to show their age. The Center’s management would have liked to replace the old with all new equipment, but the budget for capital expenditures was tight — so tight that only a few scopes could be purchased over time. The resulting mix of older and new equipment would not have served the Center well, Steinberg believes.



Mildred S. Lee, Tech IV, and Karen Sable, MD, Rush North Shore Gastroenterologist, review followup instructions as Dr. Sable converses with a patient over the phone.



Jan Faibisoff, MD, Rush North Shore Gastroenterologist, and Hida Serifovic, EPCT, are pictured with Olympus equipment.

“This could have caused scheduling problems since all of the physicians would want to use the new scopes due to the improved optics,” Steinberg says. “Conceivably, this could have led to physician and staff dissatisfaction, poor patient outcomes and lower unit productivity. What was needed was a way to bring in all new equipment without breaking the budget.”

The Solution: The Olympus® Cost Per Procedure® Program

The solution was Olympus America’s Cost Per Procedure (CPP) program. A highly flexible, usage-based financing solution, CPP leasing payments begin only when procedures begin, matched to procedure volume. This allowed the Center to equip four endoscopy rooms with all new Olympus equipment with no up-front capital investment required.

“The beauty of the Cost Per Procedure Program is that it provided a cost-effective way for us to acquire new equipment while conserving our capital,” says Ed Conway, Assistant Vice President of Finance at Rush North Shore. To make it even easier, service and maintenance were included under the Cost Per Procedure agreement, providing the Center with a truly trouble-free solution. Says Steinberg, “Nobody services Olympus scopes like Olympus does.”

“...it was a simple matter to amend our agreement by adding to the Cost Per Procedure agreement terms.”

—Gayle Steinberg, RN, BS, CNOR Patient Care Director GI Endoscopy and Director, Surgical Business Operations and Sterile Processing

The Cost Per Procedure program recognizes the importance of financial flexibility to today's healthcare providers. "When Olympus presented the CPP option — bringing in all new equipment with no initial capital outlay — we thought it was a no-brainer," Steinberg says. "We sat down with our Olympus sales representative, discussed all the scopes, video processors and light sources we would need, as well as the number of procedures we anticipated, and tailored a flexible plan that suited our situation."

The CPP program's flexibility also benefited the Center when it added a fifth endoscopy room. Says Steinberg, "We made a list of everything we needed in that room and it was a simple matter to amend our agreement by adding to the Cost Per Procedure agreement terms." A one-page amendment is all it takes with Olympus, whereas other financing sources may require a more complex process.

"...I think CPP® is the wave of the future."

— Bennett H. Plotnick, MD,
Section Director of
Gastroenterology and
Endoscopy

All in all, Rush North Shore's physicians and business managers have been pleased with the arrangement. "The CPP Program allows the Endoscopy Center to operate with fixed expenses, a real benefit in this day and age of budget constraints," Plotnick says. "Yet it also gives the physicians state-of-the-art Olympus equipment. Based on our volume, the costs are quite low. I think CPP is the wave of the future."

The Result: Rush North Shore Medical Center Among America's Best Hospitals

In fact, Plotnick believes the Center's excellence in endoscopic technology contributed to Rush North Shore being named among the top 50 U.S. hospitals for treatment of digestive orders by *U.S. News and World Report*. The ranking appears in the magazine's 13th "America's Best Hospitals" edition of July 15, 2002, and is Rush North Shore's second such ranking in three years.



Voltaire Dizon, RN, and Bennett Plotnik, MD, Section Chair for Gastroenterology at Rush North Shore, discuss the day's cases in the Rush North Shore Endoscopy Lab.

In the report, *U.S. News* uses strict criteria to determine America's Best. In the digestive disorders category, some of these factors include number and types of procedures performed, technology, the hospital's teaching affiliation, its reputation, mortality rates, and care-related factors such as nursing ratios.

"Having top-of-the-line, latest generation Olympus endoscopy equipment has kept the complication rate down and increased the procedural success rate." Plotnick says. "I see a correlation between the technology we use and being named to this prestigious ranking."



Balancing the budget

Tailoring an Olympus® Cost Per Procedure® solution is relatively easy, following a basic four-step process.

1. Estimate your practice's annual number of procedures.
2. Multiply it by the number of years in the CPP® term.
3. Divide that by the financed amount (cost of the equipment times finance multiplier).
4. Add a per-procedure service contract fee (service cost divided by total number of procedures).

Using this analysis, Rush was able to calculate a CPP® cost of \$38.00 per procedure fixed over a 48 month term. This is based on a projected 662 procedures per month or a total of 31,776 procedures for the life of the term. This CPP® program covers Olympus® equipment and service.

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Value Creation

Create and Execute Superior Strategies for Today's Economic Climate that Provide Intelligent Total Business Solutions.



Olympus Financial Services®

Cost Per Procedure® (CPP®) is just one of the financial options from Olympus. Whether a medical practice, hospital, or laboratory plans to acquire new equipment, diversify healthcare services or improve liquidity, Olympus, with over 80 years of healthcare experience, offers a solutions-based approach.

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Rush North Shore Medical Center At A Glance

Type of facility:

Five-room Endoscopy Center at Rush North Shore Medical Center

By the numbers:

Performs 7,500 endoscopy procedures per year, 80% outpatient

Services:

Full range of inpatient and outpatient gastroenterology services

Location:

Skokie, IL, serving Chicago's North Shore

Medical staff:

20 physicians, 18 support staff

Endoscopy equipment:

Olympus® endoscopes, including those with variable stiffness, wide screen scopes and flushing pumps to assist in bad prep and bleeder cases

Equipment financing:

Olympus Cost Per Procedure® (CPP®) program

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