Medtronic News

Spectrum Health and Medtronic Announce Collaboration to Drive Value in Healthcare for Patients in West Michigan

Value-Based Healthcare Programs Will Be Designed to Improve Patient Outcomes, Reduce Cost of Care

GRAND RAPIDS, Mich. and DUBLIN, March 31, 2021 /PRNewswire/ -- Spectrum Health and Medtronic plc (NYSE:MDT) have entered into an agreement with the goal of driving value in healthcare and improving outcomes for Spectrum Health patients, while reducing the cost of care. The two organizations will explore the creation of value-based healthcare programs to support the evidence-based adoption and appropriate use of medical technologies and therapies at Spectrum Health.

Spectrum Health's collaboration with Medtronic is an integral component of Spectrum Health's focus on vendor partnerships that improve quality of care, reduce costs, and ultimately drive value for patients and communities.

Through its collaboration with Medtronic, Spectrum Health will work to develop and deploy value-based healthcare programs designed to address health conditions impacting patients and communities in West Michigan. Together, the organizations will use data and near real-time analytics to design programs intended to help standardize care, reduce clinical variation, and deliver greater personalization of care by applying the right medical technologies and therapies to patients who may benefit most.

"The agreement with Medtronic aligns with Spectrum Health's vision of personalized health made simple, affordable, and exceptional," said Darryl Elmouchi, M.D., president, Spectrum Health West Michigan. "Now, more than ever, in an era when health systems are dealing with the impact of COVID-19, prioritizing value-based healthcare enables us to optimize where care is provided, create cost efficiencies, and drive variability out of operations to bring the highest quality care to our patients at the lowest cost."

The first program will be designed around Cardiac Resynchronization Therapy for patients with heart failure and electrical dyssynchrony – a condition that can cause the lower chambers of the heart to beat out of sync, forcing the heart to work harder. Spectrum Health will work with Medtronic on a program designed to automate the identification of readmission events in patients who receive a Medtronic Cardiac Resynchronization Therapy device with the AdaptivCRT™ algorithm under an existing financial accountability program. The AdaptivCRT algorithm adjusts therapy according to minute-by-minute evaluations of a patient's heart rhythm and has been shown to reduce the likelihood of 30-day heart failure hospital readmissions¹, reduce the risk of atrial fibrillation², and improve patient survival³.

"Partnering with Spectrum Health strengthens our collective commitment to improving patient lives through a value-based healthcare approach," said John Liddicoat, M.D., executive vice president and president of the Americas Region at Medtronic. "COVID-19 has shed a light on the importance of working together efficiently, and we've never had a stronger opportunity to collaborate with our customers as they seek innovative business models that deliver value."

Spectrum Health will carefully evaluate how medical device technology is used within a care pathway to understand the value created. Programs will have clearly defined metrics to help achieve the goal of improving patient outcomes while reducing the cost of care.

"Spectrum Health is focused on driving value for patients. This collaboration is intended to ensure Medtronic technologies and Spectrum Health's care deliver superior outcomes and reduce the total cost of care for patients in West Michigan," said Bill Selles, senior director of procurement, Spectrum Health. "Medtronic's position as a strategic partner in this work supports our vision of personalized health made simple, affordable and exceptional."

About Spectrum Health

Spectrum Health System, a not-for-profit, integrated health system, is committed to improving the health and wellness of our communities. We live our mission every day with 31,000 compassionate professionals, 4,600 medical staff experts, 3,300 committed volunteers and a health plan serving 1 million members. Our talented physicians and caregivers are privileged to offer a full continuum of care and wellness services to our communities through 14 hospitals, including Helen DeVos Children's Hospital, 150 ambulatory sites and telehealth offerings. We pursue health care solutions for today and tomorrow that diversify our offerings. Locally-governed and based in Grand Rapids, Michigan, our health system provided \$550 million in community benefit in calendar year 2019. Thanks to the generosity of our communities, we received \$37 million in philanthropy to support research, academics, innovation and clinical care. Spectrum Health has been recognized as one of the nation's 15 Top Health Systems by Truven Health Analytics®, part of IBM Watson Health™.

About Medtronic

Medtronic plc (<u>www.medtronic.com</u>), headquartered in Dublin, Ireland, is among the world's largest medical technology, services and solutions companies – alleviating pain, restoring health and extending life for millions of people around the world. Medtronic employs more than 90,000 people worldwide, serving physicians, hospitals and patients in more than 150 countries. The company is focused on collaborating with stakeholders around the world to take healthcare Further, Together.

Any forward-looking statements are subject to risks and uncertainties such as those described in Medtronic's periodic reports on file with the Securities and Exchange Commission. Actual results may differ materially from anticipated results.

- ¹ Starling RC, et al. JACC Heart Fail. 2015;3:565-572.
- ² Birnie D, et al. Heart Rhythm. 2017;14:1820-1825.
- ³ Singh JP, et al. Improved Survival With Dynamic Optimization Of CRT Pacing Using AdaptivCRT Algorithm: Analysis Of Real-world Patient Data. Presented at HRS 2018 (Abstract B-AB37 -06).

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