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Press Information

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BANNER HEALTH PARTNERS WITH PHILIPS TO REDUCE HOSPITAL READMISSION RATES FOR PATIENTS

Banner Heart Hospital named the first accredited heart failure institute in Arizona by delivering superior patient care both in the hospital and the home

ANDOVER, Mass. – Banner Heart Hospital, in partnership with Tri-City Cardiology, Banner Home Care and Banner Hospice, REM Medical and Cigna Healthcare, was recently named as the first accredited Heart Failure Institute in Arizona by the Healthcare Accreditation Colloquium.¹ The accreditation recognizes the hospital's focus on delivering superior care and quality outcomes for patients with heart failure. One of the key milestones of accreditation focused on improved transitional care, which includes follow-up care in the home after hospital discharge.

As part of this initiative, Banner Home Care partnered with Royal Philips Electronics (NYSE: PHG; AEX: PHI) to provide telehealth services to patients with heart failure and other chronic diseases. Banner Home Care has provided telemonitoring to more than 550 patients in the past three years, and has achieved a readmission rate of 3.8 percent for patients on telehealth, versus a national readmission rate of 29 percent for Medicare-certified home health agencies.²

Banner Home Care, in conjunction with Banner Heart Hospital, developed its successful telehealth program using Philips technology. Patients with chronic diseases like heart failure take their own vital sign measurements at home using small wireless devices. Clinicians monitor patient data such as weight, blood pressure, pulse, and blood oxygen levels on a daily basis through a secure website, and send short health assessment surveys and education on managing chronic conditions through a home hub device called the TeleStation. With this telehealth offering in place, Banner Home Care can make more timely care decisions and intervene earlier, leading to fewer rehospitalizations and enhanced patient self-care.

Banner Heart Hospital is one of only seven accredited heart institutes in the U.S., and the first to be named in the Southwest. Based in Mesa, Ariz., it is part of Banner Health, one of the largest non-profit health care systems in the country. According to the Healthcare Accreditation Colloquium, accreditation is achieved when a program demonstrates a patient-focused approach to care that prepares patients for a successful return home. This approach also includes education for patients and their families to help enable individuals to participate in their own care and gives them more independence in an effort to avoid frequent hospitalization.

“Banner views home health as an integral part of the continuum of care, providing for both patient education on self-care and the opportunity to further reduce avoidable readmissions,” stated David Baker, CEO, Banner Home Care. “Philips has demonstrated a strong commitment to developing best practices in managing chronic disease and incorporating evidence-based protocols into its

telehealth offering, which has enabled improvements in our clinical workflow and patient outcomes.”

Banner’s telehealth program with Philips, which launched in August 2007, doubled the number of patients on its service within its first twelve months due to critical success factors demonstrated by Banner Home Care. First was the presence and strength of its clinical champion, who led the agency’s internal implementation and expansion. Second, a focus on optimizing cardiac care in the hospital, in the community and at home, as well as a commitment to bring innovation to the field, have helped make the Banner telehealth program a success.

“Not only has Banner Home Care achieved an impressive reduction in readmissions, which helped Banner Heart Hospital earn its accreditation, the organization also has been instrumental in evaluating new use cases for telehealth. For example, they have a study underway to confirm the effectiveness of the Philips TeleStation as a means of providing education and self-care support to patients recovering from coronary artery bypass graft (CABG) surgery,” said Mike Lemnitzer, senior director, Philips Telehealth Solutions. “In addition, we applaud Susan Salo, Banner Home Care’s clinical champion, on having been the first customer to earn a Professional Telehealth Certification from Philips, confirming her expertise in the field.”

About Banner Health

Headquartered in Phoenix, Banner Health is one of the largest, non-profit health care systems in the country and employs more than 32,000 people. The system owns or manages 22 acute-care hospitals, long-term care centers, outpatient surgery centers and an array of other services including family clinics, home care and hospice services, and a nursing registry. Banner Health is in seven states: Alaska, Arizona, California, Colorado, Nebraska, Nevada and Wyoming. To learn more about Banner health, go to <http://www.bannerhealth.com>.

About Royal Philips Electronics

Royal Philips Electronics of the Netherlands (NYSE: PHG, AEX: PHI) is a diversified Health and Well-being company, focused on improving people’s lives through timely innovations. As a world leader in healthcare, lifestyle and lighting, Philips integrates technologies and design into people-centric solutions, based on fundamental customer insights and the brand promise of “sense and simplicity”. Headquartered in the Netherlands, Philips employs approximately 118,000 employees in more than 60 countries worldwide. With sales of EUR 26 billion in 2008, the company is a market leader in cardiac care, acute care and home healthcare, energy efficient lighting solutions and new lighting applications, as well as lifestyle products for personal well-being and pleasure with strong leadership positions in flat TV, male shaving and grooming, portable entertainment and oral healthcare. News from Philips is located at www.philips.com/newscenter.

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1. The Healthcare Accreditation Colloquium, press release, Sept 14, 2009.
<http://www.thacinc.com/Newsletters/PressReleases/BannerHeartHospital.aspx>
2. Medicare Home Health Compare scores for Banner Home Care, Gilbert, AZ: <http://www.medicare.gov/HHCompare>