



Medtronic and NGC to Partner Up



Medtronic Inc. announced this week that it has acquired NGC Medical S.p.A. (NGC), a privately-held Italian company. The company was acquired for \$350 million. Medtronic already owned 30% of NGC before this acquisition. With this new partnership, NGC will serve as the Managed Services arm for Medtronic's Hospital Solutions business.

Medtronic is committed to lead the transformation to value-based healthcare by leveraging the economic value of its products and services. The acquisition of NGC is another step to continue this effort. The unit will continue to operate as a separate entity.

The net impact of this transaction may be neutral for the time being, but Medtronic is confident that the transaction will provide returns in the long-run. NGC has its operations across Italy and throughout Europe, the Middle East and Africa. It manages cardiovascular suites, operating rooms and intensive care units in thirty hospitals across Italy and offers its services in other regions. With this acquisition, Medtronic will be able to gain advantage of NGC's established hospital managed services capability and will also be in a better position to provide higher levels of economic value to physicians, payers and health systems.

According to Rob ten Hoedt, the Executive Vice President and President of Medtronic's EMEAC region, "I am delighted that NGC will join Medtronic and add to our growing offering to hospitals and health systems. As we are all acutely aware, current models of delivering healthcare are not sustainable, and Medtronic is intent on finding new ways to partner with physicians, hospital systems, patients, payers and governments around the world to meet their cost and access challenges and to deliver high quality healthcare."

The CEO of NGC has expressed similar sentiments and believes that this partnership will help NGC apply its expertise, services and solutions to a much broader group of hospitals and healthcare providers.

Medtronic has entered into partnerships with hospitals all across Europe in order to provide hospital lab managed services and has been an active player in introducing and implementing programs to increase hospital efficiencies and patient experience. Their Hospital Solutions are targeted to provide solutions to help improve patient care and system efficiency through the use of its unique integration of data, medical technology and services. Its commitment to grow its business within Europe and other regions of the world will be facilitated with this new partnership. The company is also in the process of discussions with another 150 healthcare systems around the world to continue its mission.

Source: Marketwatch.com

Image Credit: Wikimedia Commons

Published on : Mon, 1 Sep 2014