


“Financing your Growth: Lease, Loan or Equity?”

HFIF On-Site | Dar El Oyoum (DEO) Eye Hospitals

26th November 2013

On November 26th 2013, the HFIF in cooperation with Dar El Oyoum (DEO) Eye Hospitals, hosted the first event of the new HFIF On-Site event series, dedicated to exploring healthcare finance with in-sights from the field. The event attracted approx. 25 distinguished experts and leaders from both the healthcare and financial community. The CEO of DEO, Dr. Khaled Samir, presented his hands-on experience in financing DEO's growth strategy and discussed the topic with the participants.

Core discussion points were:

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- Healthcare more and more evolves into an attractive industry for the financial community
 - More awareness creation in the financial sector about the opportunities in healthcare is needed
 - The financial sector should invest more time in introducing new financial methods and strategies to the experts working in the healthcare sector
 - One challenge at the interface of healthcare and finance is the lack of entrepreneurial attitude in healthcare organizations
 - Private Equity is especially attracted by specialized services and clinics
 - Debt financing can be a challenge in hospitals when there is an emotional connection from the side of the physicians to the organization



- When realizing a project at the interface of healthcare and finance, it is crucial to secure mutual interest and trust, to work out cultural differences and open new communication channels, creating strong teams eager and able to work together
- Hospital boards should consider including finance and/or management experts in the board independent from the specific finance strategy
- When merging two hospitals, it is important to
 - ▶ have an exclusivity agreement to avoid conflicts of interest
 - ▶ question whether it makes sense to merge two existing brands under one new brand name or not
 - ▶ take into consideration already existing alliances between physicians
 - ▶ transitions should not be rushed but taken step by step
- A shortage of qualified hospital managers makes deals harder to close and corresponding strategies more difficult to implement
- The industry needs to have more Egyptian experts; it is important to strengthen both physicians and financiers to be ready to cooperate more in the future
- Hospitals can capitalize on young doctors by creating ownership among them and thus connecting them more closely to the hospital