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Acibadem's Mehmet Ali Aydınlar offers his insights into the Turkish healthcare sector, highlighting Turkey's burgeoning healthcare tourism industry. He also describes Acıbadem's focus of growth, globalization and fundamental values that have helped the hospital chain become a prominent trademark on a global scale.

Could you provide our audience with a brief overview of Acıbadem, with a special focus on the group's overarching strategy, recent achievements, investments, and milestones from the past three years?

In 1991, we started our journey with our first district hospital, and today, we have 22 hospitals and 16 medical centres throughout Macedonia, Bulgaria, the Netherlands and, of course, Turkey. In addition, we proudly represent Turkey with our 32 Health points that provide top-of-the-line services in 31 cities from 21 different countries. At Acibadem, we are a big family with approximately 23,000 employees, including 3,500 doctors and 4,000 nurses. This number is increasing every day and will continue to increase with the introduction of our new hospitals.

Acıbadem is a rapidly developing group, both in Turkey and abroad. In the last three years, we have become the largest healthcare group in Bulgaria via our 2016 mergers and acquisitions. After consolidating the two largest private health chains in the country under the brand of Acıbadem, we

have since performed half of all heart and cancer treatments in Bulgaria. In March of last year, we commissioned Acıbadem Altunizade Hospital with a 350-bed capacity to provide services within an internal area of 98,000 square meters, in total. The following May, we commissioned a large medical facility of 3,500 square meters in Amsterdam under the brand of Acıbadem International Medical Centre. In the near future, the facility will consist of 5,000 square meters with a capacity of 24 beds and two operating rooms.

2017 was one of the years of rapid development for us, and we are maintaining the same rate of progress in 2018. So far, we have expanded the total area of Acıbadem Maslak Hospital by commissioning a second facility in early October in order to accurately meet an increased demand; following the addition, the total internal area of Acıbadem Maslak Hospital has increased from 45,000 to 106,000 square meters and its previous bed capacity has doubled.

Acıbadem Healthcare Group continues to make a difference with its services provided to patients coming from abroad. Our continued excellence in this area was recognized by the Turkish Exporters Assembly as they awarded us “the most successful service exporter in the health sector.” We continue maximizing our contribution to the Turkish economy by increasing the number of foreign patients served every year.

As a leading health group, we also aim to transfer our unprecedented know-how that we have accumulated throughout the past 27 years in the most effective way possible – not only throughout Turkey but also to other countries. In 2013, for instance, Acıbadem made an agreement to overtake the management of Faruk Medical City in Sulaymaniyah, Iraq, to share our expertise with new regions.

Following that, as of 2017, we have been providing consultancy services for the restructuring projects of 17 state-owned laboratories in the United Arab Emirates. We set up Acıbadem’s Cerebral Plus system in a state hospital in Riyadh amidst a digitalization campaign in Saudi Arabia. Finally, in cooperation with the science and relief fund of H.H. Sheikh Sultan bin Khalifa Al Nahyan, we successfully carried out bone marrow transplants for 27 low-income patients. Based on this success, we were honoured at the Sultan bin Khalifa 3rd International Talasemi Awards ceremony in Abu Dhabi.

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In addition, we have a university that provides education in the health sciences and reflects our pioneering and holistic perspective in the healthcare sector. At Acıbadem University, we train the

health professionals of the future with the academic and technological infrastructure we have.

Along with our strong academic staff, we distinguish ourselves with the Clinical Simulation and Advanced Endoscopic – Robotic Surgery Training Center, CASE, which is one of the most advanced medical simulation training centres in the world, and our research laboratories that enable all kinds of studies to be carried out. Moreover, our state-of-the-art student laboratories provide applied training modules to our associate and undergraduate programs. Our clinical simulation centre is one of the two centres that have received a certificate of excellence in the world, alongside Toledo University.

We aim to become one of the world's best universities. In fact, the success rate that we have achieved in a short period of time surely demonstrates that we are on the right track.

What is your take on the Turkish healthcare system in general? What are its strengths and weaknesses?

The condition of the health sector in Turkey is good, overall. During my early years in the industry, most patients that were financially capable would go abroad for treatment, as the medical facilities in Turkey were limited. However, the situation has completely reversed itself in the past 25 years. Now, the health services in both the public and private sector in Turkey are of the same quality as those in the developed countries of the world. Particularly, the development of the private hospital sector in the last 10-15 years is outstanding. Of course, the private hospital sector's development is due in large part to the strengthening of the private insurance sector, as well.

Further, developments in the private health sector cannot be independently evaluated from the Health Transformation Program (HTP) that helped to restructure the healthcare ecosystem in Turkey. The most fundamental and progressive change implemented by the HTP has been the merger of the hospitals of the Social Security Institution, SSK, and other public institutions under the Ministry of Health.

Increased investments into the private health sector in recent years have also made a great contribution to increasing the capacity and quality of health services in Turkey. Thanks to the quality standardization inspired by international accreditations, such as JCI, and the state-subsidized investments into the health sector and health tourism, Turkey has boosted its reputation worldwide and is now an international hub for healthcare.

In Acıbadem Hospitals, we offer comfortable health services at international standards and we employ state-of-the-art medical technologies. We are thusly becoming the hospital of choice for patients from all corners of the globe. For example, in the first 9 months of this year, we increased the number of foreign patients served by 20 percent compared to last year, caring for an additional 28,000 guests and increasing our revenues from foreign patients by 75 percent. We believe that this success is evidence that the Turkish healthcare system is gaining traction in the international arena.

On that, what explains the rise of Turkey's medical tourism sector, specifically?

Due to its abundance of qualified health institutions, strong infrastructure and senior physicians, Turkey is one of the world's foremost health tourism destinations. For patients that seek healthcare treatment abroad, what matters most is an elevated level of expertise and technological capacity. Apart from those factors, patients also take into account the distance to a location, accessibility of a region, and, of course, the cost of health services.

To that end, we are fortunate to operate in a country gifted with a strategic geographic positioning and an advanced healthcare industry. Turkey is a highly advanced country that hosts state-of-the-art medical technology and a strong infrastructure in healthcare services, particularly when compared to its neighbouring countries. Moreover, due to its strong transportation systems, it is able to welcome guests from a variety of regions. And, crucially, Turkey provides quality healthcare services at much more affordable prices than most countries. The recent economic fluctuations have only served to make Turkey more cost-competitive on the international stage. In this respect, health tourism is remarkably promising for both private and public investors in the upcoming years.

There are direct flights to Turkey from 57 countries, many with a flight time of four hours or less. Turkey is hence easily accessible for many people. Harnessing this accessibility, the Acıbadem Health Group provides a wide range of health services for patients from North and Central Africa, South Asia, Europe and the Balkans, Russia, and CIS countries. For our patients from abroad, we namely provide services in oncology, brain surgery, haematology, organ transplantation, orthopaedics, general surgery, oral and dental health, and plastic surgery.

Turkey's location (which is just a few hours flight from many countries), quality of services offered, affordable prices, and tourism sector are the key factors at play in the development of burgeoning health tourism industry. Turkey was not even noticed in terms of health tourism or health services 10 years ago – but now, particularly in neighbouring regions, it is the "go-to" country for

healthcare.

What are some of the trends that you see shaping the global hospital sector?

We are a provider of healthcare services. Therefore, I would like to address this question in terms of the delivery of healthcare services as there are also other branches in the healthcare sector such as pharmaceuticals, medical equipment, etc.

The overall interest in health is increasing day by day and will continue to do so. The population is getting older throughout the world and the diseases are increasing as the population ages. In fact, there are numerous developments in the pharmaceutical and medical industry and new treatment methods keep emerging with new devices. Many diseases that could not be diagnosed previously are now being diagnosed and treated. In light of these developments, the pharmaceutical and medical devices sector have also been striving to produce new, more efficient products to help service providers like us increase the quality and efficiency of services.

Moreover, demand for qualified, good health care services is also on the rise with the improvement in people’s income and education levels. Therefore, I think that the healthcare sector shall remain very significant in the whole world and its prominence will keep increasing.

How do private hospital chains like Acıbadem interpret the rise of outpatient care on a global scale?

We are well aware of the fact that outpatient treatment is gradually gaining prominence. We have 16 outpatient centres to complement our hospitals. We are making great efforts to increase access to care for our patients.

Moreover, home care services and remote access to services will become more utilized with the improvement of mobile devices. We are taking part in this trend and are leading the way. With our mobile services, we provide top-of-the-line care for the patients at their homes. In other words, we are not just running hospitals. We are in every aspect of healthcare and shall maintain our growth in all fields. We will be pioneering the field of outpatient treatment by means of our innovative methods and products, and we especially try to provide healthcare services for our patients in the locations that they can easily reach.

What are your strategic priorities to continue growing Acıbadem Group internationally and domestically, while still maintaining your current level of excellence?

At Acıbadem, we have always tried to make a difference in the health sector and have never contented ourselves with maintaining our market share. We have developed and perpetuated a model that is predicated upon patient safety, as well as patient and employee satisfaction. We have always implemented the latest technologies and devices when serving our guests, receiving them in the most modern and comfortable environment possible. We will continue providing unmatched services in the future.

Additionally, I believe that we are setting an example for the whole world with our model that encompasses the entire healthcare ecosystem; we provide services in every sector of the health industry. It is our comprehensive approach that differentiates Acıbadem, and we will proceed with this holistic mentality in the years to come.

However, let us not forget that patient satisfaction is not simply won with the newest machines and medical techniques – the human element is also paramount. All Acıbadem employees perform their duties and serve patients with this in mind, and our patient-centric approach is a big part of the Acıbadem culture that we have created.

In short, we have three main principles that form the basis for our services. First, we value patient safety. Second, we strive to achieve the highest level of patient satisfaction. And, third, we aim for employee satisfaction. In the years to come, we will keep progressing with the same culture and approach and we will never forget our principles.

What is your internationalization strategy?

As an exemplary brand in Turkey, we export our 27 years of know-how to different countries, particularly those with a developing health sector. We desire to enter emerging markets with high growth potential. Accordingly, we aim to both stimulate the healthcare sector in those countries and provide their people with the world’s best service. Furthermore, we are finding success in developed country markets by introducing high-quality Acıbadem services, evidenced by our clinic in Amsterdam. We hope that our clinic in the Netherlands is just the starting point for further investments in developed healthcare economies.

Moving forward, our growth strategy entails new hospital construction and acquisitions in Turkey and abroad. Before investing in a new area, we typically take into account location characteristics

and potential partnership opportunities. It is very important that we invest in companies that are profitable, strategically located, and capable of adding value to our brand.

What are some of the values of Turkish and the Acıbadem culture that Acıbadem conveys to the global market throughout its growth in the international arena?

Ensuring patient satisfaction is an important part of our culture. This can be clearly seen in the services we provide abroad. For example, you can observe this in the health services we offer in Bulgaria, Macedonia and Amsterdam. We are known for our hospitality and our patients are our guests; we are trying to make them feel like at home.

What are the distinctive values and business principles that have helped you turn Acibadem into one of the most trusted healthcare brands in Turkey?

Before taking a step in any direction, I believe it is imperative that my team asks itself: “what should we do?” Subsequently, it is imperative that our team does good research to find the correct answer!

We started our company with the intention to become a prominent worldwide player, and we have advanced with that same dream. I believe that what has most helped us achieve our goal is our passion for excellence. Regarding my legacy, I would like to convey to future generations, “whatever you do, do it with passion – but ensure that it is a passion for excellence.” If you want to perform a task perfectly, plan and implement all factors together, in harmony. You must have a vision, be creative, and think about each and every stage of the work. You must develop a model and move quickly. If you are to achieve perfection, you will think about every detail and you will never skip steps in pursuit of success.

The aforementioned passion for excellence is my greatest source of motivation. You can see this passion behind each stage of Acıbadem’s progress; it is the same passion that carried the Acıbadem name from a small district hospital to a brand that is known the world over.

The second important principle to adopt is the desire to see the grand scheme of things. Such a desire enabled us to develop a model that can serve each and every area of health, which, as I said above, has become a model that the world now imitates. Thanks to this model that creates its own ecosystem, we continue to produce and develop services in every area of health.

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