



Executive Summary

10th North Texas

Hospital, Outpatient Facilities & Medical Office Buildings Summit

May 15, 2025

# Future of Healthcare Facilities

Tackling Aging Infrastructure & Supporting New Delivery Models

Planning, Real Estate, Design, Construction, and Operation of  
Hospitals | Clinics | ASCs | MOBs | Retail | Telehealth  
Home Health | Non-Clinical | Research Facilities

This Education and Networking Event is Presented by  
Corporate Realty, Design & Management Institute  
Association of Medical Facility Professionals  
National, Regional & Local Sponsors

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## Executive Summary

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- A Huge Healthcare Project Inside a Mega Health Complex

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## Looking Ahead: Healthcare Industry Outlook 2025 and Beyond

*Carl Fleming, Healthcare Strategist & Digital Transformation, DPR Construction*

### **The state of the North Texas Healthcare Market – Square Footage Dallas**

- Over the past 6-8 months the pace at which economic change is happening has been rapidly increasing. Market data needs to be pulled up to the last minute, because within 1-2 weeks, the data is old news. This market outlook focuses on the recent data of mega trends impacting health systems in 2025.
- The US Economy shrank in the first quarter as imports surged ahead of tariffs.
- We are not currently in a 'recession,' however consumer sentiment dropped 11% in April down to 50.8% - lower than it was during the Great Recession or the COVID-19 Pandemic.
- Why? Because consumers are anticipating higher prices due to tariffs. It is *uncertainty* – not necessarily *reality* – driving the angst. The industry is both very active and also in a holding pattern waiting to see how tariffs will impact our economy and industry.
- The Texas market is a tale of two economies. Texas is outpacing national GDP growth with a 108% increase, yet 43% of its households still face financial hardship.
- The data tells the story. 21.7% of Texas are uninsured– more than double the national average. 19.2% of Texas professionals are employed but uninsured. (Employers aren't covering as much, and young professionals are less likely to invest in healthcare insurance.)
- Additionally, there is an extreme lack of financial literacy in Texas. The number of 'unbanked' individuals in Texas who do not leverage a bank to manage their money is staggering. 12.3% of Texan residents live below the poverty line — a rate higher than the national average. These uninsured, populations will be most impacted by the pending Medicaid cuts.
- Fueled by extreme population growth of 24% over the past four years, Texas has led the nation in job growth—often referred to as 'the Texas miracle.'
- The Texas labor force grew by 27%, and it was the right type of labor – high-paying commercial jobs supporting highly educated professionals.
- By 2100, Texas may be home to the three largest cities in the U.S.
- The administration plans to cut HHS spending by nearly a third, which will severely impact rural healthcare. Larger health systems and new technologies must step up to support struggling communities. Industry leaders cite mental healthcare systems as the top concern, calling for creative strategies to sustain those delivering mental health services.
- Medicaid is at stake for 4 million Texans, with potential cuts of \$778M in funding impacting 154 DSH hospitals in Texas.

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- National hospital operating margins are rising after hitting their lowest point in 2022, but only a few are thriving. 40% are in the red, and 31% of rural hospitals face closure. “Numbers never lie but boy can you make them look good.” Volume growth is not translating to higher margins and financial sustainability, because energy prices and the cost of new technology is advancing too rapidly.
- Healthcare systems are evolving to accommodate seven different generations, including Gen Beta (born in 2025-2039) who will never know life without AI.
- AI is changing the way healthcare systems provide care to these generations. We’re going from volume-based care to value-based care.
- We’re facing youth scarcity. Who is going to care for the aging populations?
- We’re also expecting a massive future burden on healthcare systems in about 5-10 years due to Millennials, who have more morbidities and issues than any other generation. This means outpatient, ambulatory circuit centers, and acute environments are going to be increasing. The outpatient setting provides higher ROI, so the trend is to push for outpatient care since operating costs are way lower. All sites of care expected to see double-digit growth. Rehab is expected to grow 35% within the next 10-15 years.
- The 65+ age segment is the fastest growing population group in north Texas. Youth scarcity and Millennial tendency to not seek care is also driving this.
- AI is transforming healthcare in two ways: how care is delivered and how facilities are designed. Success in healthcare construction will depend not on craftsmanship, but on how well leaders prompt AI to optimize performance. AI literacy is crucial for competitiveness. While empathy remains vital, those who don’t embrace AI risk falling behind. AI can level the playing field by giving smaller competitors access to big-company insights.
- Technology is coming at us like a freight train. Don’t let it scare you. Jump on board and let it carry you to the forefront of the industry.



## Creating a High-Quality Workplace Experience in Healthcare

Megan Chavez, MS, FACHE, CPXP, Vice President, Experience Officer, Cook Children's Hospital  
(Megan not present)

Morgan Crowder, AIA, NOMA, NCARB, Healthcare Architect, Gensler

Ken Hutchenrider, FACHE, President, Methodist Richardson Medical Center

Moderator: Alan Whitson, RPA, Founder and President, Corporate Realty, Design & Management Institute

### Describe high-quality workplaces in one or two words.

- **Crowder** - High-quality workplaces are *collaborative* and *respectful* – both for staff and for patients. Providers need to optimize internal functioning, and patients need to feel involved in the care, not 'treated.'
- **Hutchenrider** – I would add, *not confusing*. Healthcare facilities can be intimidating enough. The environment is overwhelming, especially for patients who are there needing help. As a former EMT, and now as a president, we need healthcare facilities that are simple. High quality workplaces cannot be confusing.

### Hospitals and out-patients building are complex buildings. How do we make them functional and inclusive?

- **Crowder** – Reduce the disparity between staff and attending breakrooms. Bring in natural light, add a back splash, and make it a hospitable environment. Breakrooms can't be dark, old offices with an ominous coffee machine. Healthcare employees work hard. When they finally stop for a break, they deserve an environment that allows them to recharge.
- **Hutchenrider** – Ask your clients what they want and need. They'll tell you. Nurses aren't shy. Look for every opportunity to go above and beyond code to make the environment convenient and welcoming for staff and patients. Most religious preferences are easy to accommodate in a hospital facility. Ambulatory surgery centers provide great inspiration. It's possible to build on top of women's health floor, and HR doesn't need to be in the basement. It just takes some innovation.
- **Crowder** – Safety measures need to be done in a thoughtful way. We don't want people to walk into our facility and feel like they're walking into a maximum-security situation. Balance security and safety with a welcoming, hospitable ambiance.
- **Hutchenrider** – We need open, inviting environments, and for commercial healthcare systems, we need 24/7 open access into ER facilities. This can make security issues challenging. However, there's only so much we can do from a design standpoint. Communicating with hospital staff is part of security. I tell my nurses that if they're going to have difficult conversations, they need to call a police officer to go in with them or wait outside the door.

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- **Crowder** – At the end of the day, I'm an architect. We want to change the world through the power of design. The core of that mission is keeping the design human centric. Healthcare is about the patient, but we as designers need to care for the providers who care for the patients. That means providing them with a safe, inviting workplace. If healthcare staff and providers come to places they love to work they're going to provide better patient care.
- **Hutchenrider** – I need a really good Chevy, not a Cadillac. I don't like the phrase 'value engineering.' Let's have that conversation at the beginning of the process. Also, there's no such thing as bulletproof glass in a hospital. It's 'bullet resistant.'

## Money Saving Solutions

*Gene Jones, Allegion*

- Sliding doors eliminated the traditional door swing path, maximizing square footage and allowing for one additional exam room for every 11 originally planned.
- Sliding door systems help maximize useable space but they also improve privacy. And they are more cost effective.
- Thanks to advancements in sliding door technology, anything achievable with a badge swipe can now be done with these doors. (IE: Gasketed seals, NIC 39 performance, automatic and touchless operation, 45-minute fire ratings, barrier-free bed lift assemblies, and telescoping doors.)

## Designing for Security in an Era of Increased Violence

*Roy Alston, PhD, Vice President of Security and Public Safety, CHRISTUS Health*

*Craig M. Crosby, MHL, FACHE, CHPA, Vice President of Public Safety, Baylor Scott & White*

*Bria Humphrey, CSI CDT, Architectural Consultant, Assa Abloy*

*Joe Magana, MSM, CHPA, Vice President, Security, Children's Health*

*Clayton Wood, MS, CPP, CHPA, MPM, Director, Police & Security Programs, Texas Health Resources*

*Moderator: Bill Navejar, Beacon Hill Hospitality; President of IAHSS Foundation*

### How important is design in creating a safe environment for staff and patients?

- **Alston** – VERY. Security construction and design conversations need to happen as early as possible in the construction process. We know how people use and navigate our building. Including us in security conversations early on also saves money.
- **Magana** – Agreed. We need to partner with all involved to design and build a space that is safe and functional. Safety is also a feeling – if a space is too tight, people won't feel comfortable or safe in it.
- **Wood** – Discuss the security master plan up front. If your client doesn't have those plans upfront, then builders and designers can't bring them into the project flow. Bring security teams in early so we don't come in later and make things ugly and more expensive.
- **Alston** – You know architecture and design. I know security. Security is a priority, which means the design may need to be flexible. Just because something is aesthetic doesn't mean it works from a safety perspective.
- **Humphrey** – Help us by telling us who the decision makers are up front. We don't always know. And GCs, check in with your client often so we can check design conflicts sooner and avoid breaking through drywall
- **Wood** – Security needs to be brought through the building and design process early on as a key stakeholder. Technology is rapidly changing the security landscape. We need to be a partner throughout the process to ensure the project is efficient, on-time, streamlined, and within budget.
- **Alston** – When something happens at a hospital, it takes 45 minutes for the external law enforcement crew to surround the hospital. Invest in the readiness of your internal security team. We need to be able to immediately step in to stop and neutralize threats. The rise of the professional security officer within the past 5-6 years is becoming more crucial to healthcare safety strategies.
- **Crosby** – We have to always be ready to respond. It takes collaboration, resources, and commitment, but that is precisely what our staff and patients need, deserve, and expect.
- **Wood** – Agreed. We are investing in our team security training to keep everyone safe. Look at the flow of patients, how they're coming in, the data, the analytics, and bring in



local law enforcement to do a physical risk assessment. Healthcare systems security is a priority.

- **Magana** – If we have security systems for hospitals, then we need them across our care sites also. It's not just the patients who need to be protected. The staff need a 'stop, drop, and roll' security toolkit, too.
- **Humphrey** – From a design perspective, we need to think of security in layers. It's not just about locks on doors. We prevent bad guys from getting into good places by using technology, compartmentalized areas, and centralized and localized lockdown procedures... all of which needs to be part of the design.
- **Alston** – Integrating future security technology into the current design is more cost-effective in the long run. How can we utilize technology today to create space for future technological innovations? I want to see Cat 6 lines installed throughout every facility to simplify and reduce the cost of future security system upgrades.
- **Magana** – Agreed. The design team and builders need to prepare the space for future updates, because an incident may require immediate security upgrades.
- **Wood** – If we don't work it in now, it will cost more later.
- **Alston** – Especially if it's an unfunded security mandate. We need to be future forward in our design so we can pivot quickly and affordably when the time comes.
- **Navejar** – Mandatory weapon detection is the way of the future. Within 5-10 years it will be in every hospital.
- **Craig** – Consider national best practices. Visit new projects, ask questions, and apply what you learn.

## Demystifying Budgeting for Advanced Tech: CAPEX vs OPEX Strategies

*Zac A. Hillyard, Principal, SSR Innovation Group; Founding Board Member, AMFP Central Texas*

*Braheem Santos, US Segment Leader, Healthcare, Schneider Electric*

*Moderator: Kevin Krah, Strategic Account Executive, Healthcare, Schneider Electric*

### **Any advice for CFO's trying to set a tech budget?**

- Zac Hillyard emphasized that budgeting for future healthcare technology requires creativity and proactive industry engagement. Rather than relying on static models, organizations must adopt an agile mindset and maintain ongoing conversations among stakeholders to align on evolving needs. “Take inventory of what you need, and identify tech systems that may be duplicative. Then try to bundle and save where you can.”
- Braheem Santos added that hospital owners often do not fully understand the technological requests they are making. Without designers asking the right questions, crucial technology planning discussions—and eventual implementation—can fall through the cracks.
- Santos also noted that technological investments don't always equate to high costs. “Technology does not always = expensive.” Framing tech adoption through the lens of cash flow rather than upfront capital helps make a stronger case to stakeholders. The goal should be to invest early to save later, especially as operational efficiencies emerge throughout a project lifecycle.

### **Regarding CAPEX vs OPEX initiatives, could you share best practices for how we should approach budgeting?**

- Both panelists agreed that the traditional capital expenditure (CAPEX) mindset must shift to accommodate operational expenditure (OPEX) strategies, particularly when considering scalable and cloud-based systems.
- Hillyard stressed the need to rethink budgeting structures and recommended incorporating EXaaS (Experience as a Service) into the financial model. Healthcare organizations should evaluate which parts of a technology lifecycle they want to own vs. subscribe to, balancing flexibility and long-term cost.
- Santos reinforced this by highlighting the importance of evaluating SaaS vs non-SaaS systems and ensuring the infrastructure (such as adequate IO ports) supports automation of standardized processes like refrigeration monitoring.

### **How do we measure the ROI for tech investments?**

- Hillyard recommended engaging multiple experts early in the planning process, as technology is a deeply nuanced field. There is no one-size-fits-all expert, so a lean-in model—where curiosity drives continuous learning—is key to success. He noted that even achieving 80% optimization is a strong outcome. “Augmenting workflow sounds great, but simulation training is key for integration and ROI.”

- Hillyard also stressed the importance of strong program management controls and frequent alignment with CIOs and other executives, as tech initiatives often involve more than one vision or strategic priority.
- Santos encouraged teams to take a deep dive into use cases: understand how the technology will be used across departments and whether its functionality can be leveraged for multiple outcomes (e.g., using cameras for both security and patient monitoring). The goal is to reduce infrastructure complexity while maximizing utility.
- “Break your budget up into phases. Bring partners in early, which requires a lab to test and validate the software. Then deploy the software in the second phase.”
- Hillyard agreed. “Keep the lab as an ongoing simulation for your facility. Is there a space within your organization that can act as a living lab for training? Competence fuels process implementation.”

## Resilient Design: Because Bad Things Happen

*Alan Corley, PE, Vice President of Mechanical Engineering, B&H Engineers*

*Karen Garvey, MPA/HCA, BSN, RN, DFASHRM, CPHRM, CPPS, VP, Safety & Clinical Risk Management, Parkland Health*

*Dallas Hughes, AIA, LEED AP, NCARB, EDAC, Senior Client Leader, CannonDesign*

*Lance H. Mendiola, CHFM, CHSP, CBO, MS, VP Construction, Facilities Management & Real Estate, Parkland Health*

*Jacquelyn Slagle, CIC, Senior Vice President, Property Account Executive, Lockton*

*Jason Trahan, CPA, FCPA, CFF, Commercial Insurance Claims Practice Leader, Disaster Recovery Services, LLC*

*Moderator: Alan Whitson, RPA, Founder and President, Corporate Realty, Design & Management Institute*

- **Mendiola** – The number one incident is inclement weather. From an operations standpoint, we need our providers. We can't train our clinicians to drive on ice, but we can prepare by providing care quarters – a space to bed them down comfortably. From a risk standpoint, we can't control the weather. But we can control our strategies to keep the hospital operational and support all staff involved.
- **Hughes** – Resilience is about avoiding pain and making sure what happened in the past doesn't happen again. Resilient materials and design do cost money, but how much money would you spend to stay in business? Leaders need a resilience budget based on past incidents and risk assessments.
- **Corley** – On the mechanical side, the main thing is redundancy, not just for equipment but for your utilities. You need multiple sources for water and power utilities. We need 6-8 different fans. Multiple generators, air supply sources, fuel, etc.
- **Garvey** – Architects need to listen to their clients, because your clients know the critical situations that happen in these places. Right now, everything is patient-focused, but four nurses are assaulted every hour. This is why we are losing people in healthcare. We need to collaborate so our healthcare spaces are safe spaces that support healthcare workers.
- **Trahan** – Despite asset hardening, incidents like floods or ER malfunctions can still occur – making it critical to review insurance policies in advance. Ensure capital expenditures (CAPEX) are budgeted for accurate valuations and code-compliant upgrades, and work with brokers to keep insurance policies aligned with facility changes. Have a response team and resources, like FEMA consultants, in place before disaster strikes.
- **Mendiola** – Risk assessments often sit unused due to lack of funding, despite clearly identifying priorities. We need to build risk mitigation into the resiliency budget—including not just asset hardening, but staff support. Drills and post-incident mental health care are essential to ensure clinicians are ready to return to work.

- **Garvey** – Healthcare workplace violence is constant and requires attention. Design must factor in exit locations, and keep clinicians near the door in the design. If a patient erupts, you don't want a patient to be between a clinician and the way out.
- **Slagle** – So much of incident mitigation can be done ahead of time. The time to get your mitigation plan in order is not after a hurricane hits.
- **Trahan** – Budget in different levels of deductibles and understand the deductible structure so you can financially plan for potential incidents before they occur. Talk to your broker and work with them to have a plan for how to access percentage deductibles.

## Why Great Design Matters to the Bottomline!

*Gena English, Director Planning, Design and Construction, UT Southwestern*

*Christian Schulke, Administrative Director of Facilities, Scottish Rite for Children*

*Joshua A. Theodore, B. Arch, ACHE, EDAC, Vice President, Global Health Practice Leader, Leo A Daly*

*Michael Walker, EdD, Director, Real Estate Operations, Texas Health Resources*

*Moderator: Brian McFarlane, Vice President, Business Development, Rogers O'Brien Construction*

### **Thoughtful design can create real medical value. But what does great design really mean in healthcare?**

- **Theodore** – At the end of the day, design is more than a pretty place. It's about staff experience, efficiency, patient-centered care, sustainability, and accessibility.
- **English** – It needs to be maintainable.

### **How can thoughtful design reduce operational cost over the whole lifecycle of a healthcare building?**

- **Walker** – Front facing design requires alignment – is the design aligned with the building's long-term plan and community healthcare needs? And the back of house design needs to be just as thoughtful.
- **Schulke** – There's a time component. The question comes down to greatness, and greatness is measured overtime. Do walkthroughs 3–5 years later to assess what's working and what's not.
- **Theodore** – But if we have upfront alignment and collaboration and better communication from the beginning, we can mitigate many of these after-the-fact lessons learned.
- **Schulke** – Functional design needs to be maintainable. Thermostat operation, clean restrooms, easy-to-find elevators, and nearby parking... etc. Functionality is crucial to a healthcare site's design.
- **English** – People are shopping for their ideal healthcare experience, and Google and Yelp reviews are strong indicators to what's working vs not working in the design.
- **Theodore** – Adaptive reuse relies on understanding both the site's engineering and future use. If a facility isn't designed with flexibility in mind, you may face costly real estate fixes down the road."

### **How is technology changing the way we design medical facilities?**

- **Walker** – Hospitals are community hubs, but overt security can be unwelcoming. The challenge is enhancing campus safety without deterring patients—this requires discreet, well-integrated design beyond security guards or hidden systems.



- **Schulke** – We can work around small issues, but if critical systems like temperature control fail, everything stops. Predictive technology is essential to prevent failures before they happen—we need to be proactive, not reactive.
- **Theodore** – Sole proprietor solutions cost money. An open-source system allows us to pivot quicker and respond to issues as they come up.

**Ultimately, it's not about the most beautiful design. Designs need to function harder and smarter.**

## Building a Brand: The Evolution and Future of Baylor Scott & White - The Heart Hospital

*Andy Craig, Director of Project Management, Baylor Scott & White*

*Charles Shelburne, System VP, Campus Planning, Baylor Scott & White*

*Mark Valentine, President, Baylor Scott & White*

*Phillip Waters, AIA NCARB, Principal, E4H Environments for Health Architecture*

*Moderator: Julie Martinez, Associate Principal, E4H Environments for Health Architecture*

### Summary

This panel explored how The Heart Hospital is transforming cardiovascular care across the Dallas-Fort Worth region. With national recognition and growing demand, the hospital is expanding its footprint and redefining patient experience through strategic partnerships, thoughtful facility design, and a hospitality-driven care model.

### Key Takeaway: Brand as Experience

- Mark Valentine emphasized the system's reputation as the second-largest valve clinical hospital in the U.S. and a brand with international recognition. "Patients come through our doors at a crossroads in their life," he said. "When you're dealing with high-acuity cases, the importance of hospitality cannot be understated."
- Rather than relying on volunteers, the hospital invests in trained concierge staff who follow the "Strive for 5" hospitality model. New hires undergo formal orientation and ongoing training focused on guest and patient satisfaction, embedding hospitality into the organizational culture.
- Charles Shelburne described how the team looked to luxury hotels for inspiration. "Everything from valet drop-off to piano music in the lobby is designed to lower patient stress and create an environment for healing," he said.
- Andy Craig noted that while The Heart Hospital model is unique, the goal is to extend consistent branding principles across other campuses, preserving individuality while maintaining high standards of care.

### Key Takeaway: Strategic Growth via Hospital-in-a-Hospital (HIH) Model

- Because of a federal restriction on new physician-owned hospitals, the organization is expanding through an HIH approach—acquiring distressed facilities and embedding their services within existing hospitals.
- Valentine explained, "We look at a 35-mile radius and move what I call 'widgets'—beds, procedure rooms, surgical suites—to meet demand."
- Phillip Waters, Director of Planning, added, "These components are interchangeable. We can shift them based on volume and need."

- This allows the system to scale efficiently without building traditional standalone hospitals.

#### **Key Takeaway: Facilities Designed for Tomorrow's Care**

- Facility design reflects both current demands and future needs. Valentine cited the McKinney campus, which was initially built for imaging and is now being expanded for heart and vascular surgery. The Frisco campus is being designed for ambulatory surgery with universal care beds, minimizing patient transfers and reducing average stays to approximately five days—half the national average.
- “We ask, ‘What would your mom or dad want if they had to get this serious procedure?’ Then we build around that,” Valentine said.

#### **Key Takeaway: Adapting to Advancements in Cardiac Procedures**

- As moderator Julie Martinez noted, cardiac procedures are becoming more advanced—and more outpatient-focused. This is influencing how hospitals are planned and licensed.
- Waters said, “The state is looking at non-invasive procedures differently because the definition itself is evolving.” Hospitals are adapting their environments and compliance models to reflect these clinical shifts.
- Valentine emphasized a more seamless patient flow: “Everything is on the first floor—valet, concierge, procedure, recovery—so the patient stays in one area. We’re reducing disruption and improving outcomes.”

#### **Key Takeaway: Location Strategy and the ‘Halo Effect’**

- Locating heart hospitals near acute care campuses enhances both reputation and patient care. Waters described this as the “halo effect,” where a good experience at one facility improves the perception of the entire health system.
- Valentine agreed, noting that they have sometimes adjusted site plans midstream to add beds and capture this synergy.

#### **Key Takeaway: Looking Ahead – Ambulatory and Cost-Effective Growth**

- The Heart Hospital is not only expanding its inpatient footprint but also evaluating entry into the ambulatory market.
- “We’re transforming cardiovascular care and looking through a microscope to make sure we’re building in the right places,” said Valentine. “We’re proud to have one of the lowest cost-to-care ratios in the market.”

#### **Conclusion**

The Baylor Scott & White Heart Hospital system is setting a new standard in cardiovascular care by combining high-touch hospitality with strategic expansion and adaptive facility design. With a patient-first philosophy, flexible delivery models, and a strong brand identity, the system is poised to lead the next era of specialty healthcare across Texas and beyond.

## A Huge Healthcare Project Inside a Mega Health Complex

*Brian Briscoe, AIA, ACHA, EDAC, LEED AP BD C, Principal, Studio Practice Leader, HKS*

*Robert Feldbauer, Executive Vice President, Children's Health System of Texas*

*Juan M. Guerra, Jr., P.E., Vice President, Facilities Management, UT Southwestern Medical Center*

*Michael Malone, Vice President, Operations, Vaughn Construction*

*Moderator: Judah Auld, Vice President, Preconstruction, McCarthy Building*

### Summary

The panel delved into the planning and execution of Children's Health new \$5 billion campus, located in the Southwestern Medical District of Dallas-Fort Worth (DFW). The region is experiencing rapid population growth, with the pediatric population expected to double by 2050. This new facility, spanning 4.5 million square feet, is designed to meet the growing demand for healthcare services while incorporating long-term growth, cutting-edge technology, and robust partnerships.

### Key Takeaway: Strategic Planning and Complex Partnerships

- Judah Auld, the moderator, kicked off the discussion by highlighting the immense scale of the \$5 billion Children's Health campus project, stressing the importance of establishing strong, collaborative partnerships.
- Robert Feldbauer of Children's Health System of Texas emphasized, "We are bringing together two distinct cultures—an academic medical center and a non-profit pediatric healthcare organization—to create a unified approach. Our goal is to be the best in the world, and aligning governance and decision-making processes from the start was essential."

### Key Takeaway: Navigating Different Cultures in Healthcare Systems

- Robert Feldbauer shared insight into the challenges of aligning the diverse organizational cultures of UT Southwestern and Children's Health. "On a project of this scale, the culture alignment between these two institutions is key to success," he noted. The team implemented tools like the Pediatric Health Management System (PHMS) to ensure efficient collaboration, streamline decision-making, and keep the project moving forward smoothly.

### Key Takeaway: Creating a Unified Team Culture

- Michael Malone of Vaughn Construction reflected on the importance of guiding principles for the project, stating, "In our initial partner session, we focused on establishing what's truly important to us as a team and for the project. Those principles guide our decision-making today, ensuring we stay aligned and flexible."
- Robert Feldbauer also pointed out the importance of co-locating teams: "As we approach schematic design completion, getting everyone in the same room will enhance collaboration and improve design refinement."

### **Key Takeaway: The Importance of Communication and Project Momentum**

- Juan Guerra emphasized the challenges of maintaining project momentum, especially when the opening date is still years away. "A project this large doesn't move quickly," he said. "Cross-organizational communication is critical. We are already building the structure for the project before the design is even finished, which requires constant communication to prevent missteps and preserve momentum."
- The team holds weekly leadership meetings and other regular sessions to ensure timely decision-making and to address challenges head-on.

### **Key Takeaway: Design Flexibility for Long-Term Success**

- A key consideration for the new campus design is future adaptability.
- Brian Briscoe of HKS reflected on the project's evolving scope, noting that bed counts and planning documents have shifted over time. "Three or four months ago, we were in every phase of the project you could be in," he said, highlighting how the fluidity of the planning process has shaped the way the design team has approached this once-in-a-lifetime opportunity.

### **Key Takeaway: Operational Planning and Transitioning to the Future**

- Despite the long timeline, operational readiness is a top priority.
- Michael Malone and Robert Feldbauer both highlighted the importance of transition planning, stating that simply taking procedures from existing centers and assuming they'll work in a new facility won't work. We need tailored operational procedures and a strong focus on transitions to ensure smooth operations when we open the doors.
- Additionally, Juan Guerra pointed out that while the facility won't be fully operational until 2031, "the Facilities Development Plan (FDP) will be online within a few years." Operational and maintenance planning is well underway with plans to start staffing as early as 2029.

### **Key Takeaway: Designing for Resilience and Patient Experience**

- Wayfinding and signage were identified as crucial components of the patient experience.
- Robert Feldbauer explained, "We are developing a seamless experience for visitors before they even arrive on campus. This goes beyond physical signage to include digital signage that will guide patients and families effectively."

### **Key Takeaway: Managing Financial and Resource Challenges**

- Robert Feldbauer stressed the importance of strategic capital investment and timing to maintain momentum and long-term fiscal health. "We must be good stewards of the money invested at each stage, making sure that we are deploying resources efficiently and wisely."
- Juan Guerra added, "We cannot delay any aspect of this project without incurring significant financial impacts."

### **Key Takeaway: Challenges of Stakeholder Management and Permitting**

- Managing multiple stakeholders and navigating complex permitting processes is another challenge faced by the team.
- Robert Feldbauer noted, "With major donors involved and multiple regulatory considerations in the Southwestern Medical District, it's essential to keep all stakeholders informed and engaged. We are working diligently to ensure that all permits are in place and that we remain good stewards of the project and its community impact."

### **Key Takeaway: Future-Proofing Design and Technology Integration**

- As technology continues to evolve, the design team is committed to staying ahead of future healthcare needs.
- The team is addressing technological changes proactively, with Robert Feldbauer mentioning, "We need to identify the 'last responsible date' for major decisions to ensure that the equipment we purchase now won't be outdated when the building opens."
- Robert Feldbauer highlighted the importance of this forward-thinking approach: "We are proactively managing market shifts, including price changes and tariff increases, so that we can adjust as needed."

### **Conclusion**

As Judah Auld concluded, "Mega projects require mega teams," and the Children's Health campus is no exception. The combined expertise of all stakeholders, driven by a shared vision to serve the region's growing pediatric population, will be critical to navigating the road ahead and delivering project excellence.



10th North Texas  
Hospital, Outpatient Facilities & Medical Office Buildings Summit May 15, 2025

# Future of Healthcare Facilities

Tackling Aging Infrastructure, Rising Demand, and New Care Models

Planning, Real Estate, Design, Construction, and Operation of  
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