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HEALTH FACILITIES MONITOR

What You Need to Know Now



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TOP STORIES

Change Attack, Disruptors will Test Hospital Finances

National data on hospital financials has so far reflected a strong start to the year, but challenges are likely ahead in wake of the massive Change Healthcare cyberattack and amid increasing competition from disruptors, according to Kaufman Hall's latest "National Hospital Flash Report." Source: Becker's Hospital CFO Report, Kaufman Hall

Federal Funding Fuels Massive U.S. Healthcare Infrastructure Upgrades

In 2021, the American Rescue Plan Act allocated \$1 trillion to construct, renovate, and modernize healthcare facilities while the Build Back Better Act provided another \$10 billion for healthcare facilities. That funding is still flowing.

Source: Campus Safety

Baltimore Bridge Collapse May Hamper Healthcare Supply Chain

Hospitals and health systems may see short-term supply chain disruptions, such as delayed deliveries, in the wake of the Francis Scott Key Bridge collapsed on March 26.

Source: Becker's Hospital Review

Healthcare Facilities Spending to Rise

Mortenson has released a new survey, "Building the Next Chapter in Healthcare," that highlights trends and insights playing out nationwide.

Source: Healthcare Facilities Today, Mortenson

A Modular Construction Solution to The Mental Healthcare Crisis

Stand-alone prefabricated crisis units can ease overburdened emergency departments—and COVID taught us how to use them.

Source: Building Design + Construction

Micro-Hospitals Continue to Make Inroads in U.S. Healthcare

Micro-hospitals have been growing in importance for at least a half dozen years. These inpatient facilities feature a handful of short-stay beds and offer some of the same services as larger hospitals—but are cheaper to operate.

Source: GlobeSt.com

REITs Pour Capital into Healthcare Real Estate

Real estate investment trusts closed out 2023 with a surge of investments in healthcare properties as they look to capitalize on an aging population that is becoming increasingly

dependent on medical care.

Source: CoStar

Tenet: Value-Based Care "Increasingly Affecting" Hospital Operations

Many health systems are expanding value-based care strategies, but Dallas-based Tenet Healthcare has warned investors that the "trend toward value-based purchasing and alternative payment models may negatively impact our revenues."

Source: Becker's Hospital CFO Report

HHS Considers Medicare Incentives for Hospitals Supply Chain Practices

To address the nation's drug shortages, the Department of Health and Human Services (HHS) is floating a plan that would attach new Medicare payments and penalties to hospitals' supply chain practices. The Hospital Resilient Supply Program would see hospitals graded based on progress adopting practices that promote supply chain resilience or prevent shortages.

Source: Fierce Healthcare, Department of Health and Human Services



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MERGERS, ACQUISITIONS, AND PARTNERSHIPS

Deal Merging Geisinger into Risant Health Complete

The deal merging Geisinger into a new nonprofit with Kaiser Permanente's health care system has been completed. It makes Geisinger Risant Health's first health system acquisition "dedicated to increasing access to value-based care and coverage."

Source: Fierce Healthcare, WNEP, Kaiser Permanente, Becker's Hospital Review, RevCycle Intelligence

St. Louis' SSM Health, BJC HealthCare Launch Laundry Service Joint Venture

To prevent laundry service interruptions, SSM Health and BJC HealthCare have launched a joint venture, St. Louis Healthcare Support Services, LLC, to own and operate a regional laundry facility in St. Louis. They expect it to handle 35 million pounds of linens annually when it opens in mid-2025

Source: Fierce Healthcare

INNOVATION

Inside Mayo Clinic's \$5B "Digitized" Hospital

Mayo Clinic leaders have said to not think of their new, \$5billion campus – slated to open in 2030 – as a hospital but as part of a continuous care journey spanning virtual, inpatient, outpatient and at-home treatment.

Source: Becker's Health IT, Healthcare Finance

ENERGY & SUSTAINABILITY

Powering Down Imaging Systems Saves Tens of Thousands in Electricity Costs

Research on the energy efficiency of a fleet of interventional imaging systems at University Hospital Basel in Switzerland demonstrates clear financial benefit from modifying use patterns. Source: Radiology Business

First Hospitals Earn Joint Commission's Sustainability Certification

Four Hackensack Meridian Health hospitals are the first in the country to achieve the Joint

Commission's sustainable healthcare certification.

Source: Fierce Healthcare

SAFETY & SECURITY

ECRI Releases 2024's Top 10 Patient Safety Hazards

The nonprofit patient-safety organization worked with its Institute for Safe Medication Practices affiliate to identify and rank 10 patient safety concerns.

Source: Health Exec

Is Weapons Detection Worth It?

Hospital leaders have underscored that addressing workplace violence commands a multipronged approach, and weapons detections systems are just one component to their strategy, albeit among the more costly efforts.

Source: Becker's Hospital Review

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BUILDING, BUYING, SELLING

NORTHEAST

New York Is Headed for a Medical Office Leasing Boom

Medical office inventory in New York City reached 6.3 million square feet in the fourth quarter of 2023, and it will get a lot bigger in the next decade as the number of octogenarians in the United States and demand for outpatient health care services increases, according to JLL.

Source: Commercial Observer, ROI-NJ.com

Allegheny General Hospital in Pennsylvania to Undergo \$1B Upgrade

Highmark Health and Allegheny Health Network have unveiled a \$1 billion project to upgrade Allegheny General Hospital, in Pittsburgh. The focal point of the ten-year initiative is a new patient tower to house the AHN Cardiovascular Institute. Construction is set to begin in 2025. Source: Hospital Management, Highmark Health and Allegheny Health Network, ABC4

Jefferson Health Unveils \$762M Philadelphia Outpatient Center

Philadelphia-based Jefferson Health has completed its \$762 million Honickman Center in Philadelphia, part of a more than \$1 billion urban development project in the city's East Market. The 462,000-square-foot outpatient facility starts seeing patients on April 15. Source: Becker's Hospital Review

Tufts Medicine, Acadia Healthcare Break Ground on Behavioral Health Hospital

Tufts Medicine and Acadia Healthcare Company have begun construction on a 144-bed behavioral health hospital in Malden, Mass., slated to open in the Fall of 2025.

Geisinger Wyoming Valley Medical Center Open Medical Office Building

Geisinger has completed construction of the Medical Office Building at Geisinger Wyoming Valley Medical Center in Wilkes-Barre, Pa. The five-floor outpatient specialty facility encompasses more than 165,000 square feet.

Source: Geisinger, Fox56, Times Leader, The Citizens Voice

Mass General Brigham "All In" on Hospital at Home

The Somerville, Mass.-based health system has one of the oldest and largest acute-care-at-home programs in the country. Mass General Brigham plans to roll out additional hospital-at-home care pathways soon, with the goal to reach 10% of inpatient capacity.

Source: Becker's Health IT

Valley Health System to Open New Hospital in New Jersey

Scheduled to start operations April 14, the 370-bed hospital in Paramus, N.J., has single-patient rooms and an expanded emergency department.

Source: Hospital Management

Closed New York Hospital Up for Auction

The 203,829-square-foot Lockport, N.Y.-based Eastern Niagara Hospital is being featured in an April 18-25 online auction hosted by real estate auction franchise Tranzon.

Source: Becker's Hospital Review

Connecticut Bill Calls for a Plan Regarding Private Equity Firms in Healthcare

On February 28, 2024, bipartisan legislation was introduced in the Connecticut General Assembly by the State Senate and House of Representatives that would require the executive director of the Office of Health Strategy to develop a plan concerning private equity firms acquiring or holding an ownership interest in health care facilities in the state.

Source: Epstein Becker Green, Connecticut General Assembly

SOUTHEAST

\$318M Makeover of Arkansas Children's Northwest Hospital Starts

Construction is set to begin this month on a \$318 million project that will transform Arkansas Children's hospital campuses in Little Rock and Springdale, Ark.

Source: CBS5

AdventHealth Plans \$254M Hospital Amid HCA Turf War

Altamonte Springs, Fla.-based AdventHealth has selected a location for its new \$254 million community hospital in Weaverville, N.C., though the system is still awaiting the resolution of an appeal filed by Asheville, N.C.-based Mission Health.

Source: Becker's Hospital Review, Advent Health, Healthcare Facilities Today, Hospital Management

New ASC Coming to Expanding Alabama Medical Site

A new ASC is coming to Foley, Ala., near South Baldwin Regional Medical Center, which is launching a \$250 million expansion project. The ASC will be operated by Community Health Services, which operates South Baldwin Regional. Construction will start later this year in Foley, Ala

Source: Becker's ASC Review

Construction Begins on \$18.3M Hospital Expansion, Renovation

Hoar Construction has broken ground on the expansion and renovation of Crisp Regional Hospital in Cordele, Ga. Plans for the project include the addition of 15,000 square feet across two stories, including 7,500 square feet of operating suite space.

Source: REBusinessOnline

Ground Broken on Centra Langhorne Medical Center

Remedy Medical Properties and its partner Kayne Anderson Real Estate have broken ground on a 130,000-square-foot medical office building near Centra Lynchburg General Hospital in Lynchburg, Va. The new five-story MOB will be 100% occupied at its 2025 opening.

Source: Healthcare Facilities Today, Commercial Property Executive, Becker's ASC Review, REBusinessOnline

Piedmont Columbus Regional to Expand Midtown Campus

Piedmont Columbus Regional has announced its Midtown Campus in Columbus, Ga., will undergo a renovation and expansion over the next two years to increase its ICU capacity. The 99,038-square-foot project will include 43 new ICU beds.

Source: Healthcare Facilities Today, WTVM

Wellstar MCG Health Breaks Ground for Grovetown Hospital

Wellstar hosted a groundbreaking and beam signing ceremony for the long awaited Wellstar Columbia County Medical Center in Grovetown, Ga.

Source: WRDW, The Augusta Chronicle, Hospital Management

Medical Facility Spurs Economic Development in Ridgeland, MS

While the development of an 85,000-square-foot medical office in Ridgeland, Miss., is itself a benefit to its surrounding community, the project is also expected to drive economic development around it.

Source: CoStar

WVU Foundation Announces \$50M Funding for New Cancer Hospital

The West Virginia University Foundation has announced a \$50 million funding boost for the development of the Hazel Ruby McQuain Comprehensive Cancer Hospital. The project is expected to unfold over the next few years, coinciding with the health system's campus plan updates.

Source: Hospital Management

CHI Memorial Hospital Breaks Ground on New Georgia Facility

CHI Memorial Hospital has begun the construction of a new healthcare facility in Ringgold, Ga. The hospital is expected to feature 64 in-patient beds, an intensive care unit, and a fully equipped 24-bed emergency department, as well as multiple operating rooms. Source: Hospital Management

FLORIDA

New Florida Law Adds Rules for ERs

Under new legislation, all hospitals with EDs — including hospital-based off-campus EDs — are required to submit a plan to the state that details how they will help patients access the appropriate care setting if and when they present to the ED with a non-emergent condition or indicate throughout their episode of care that they do not have regular access to primary care. Source: Becker's Hospital Review

BayCare to Start Construction on \$548M Manatee County Hospital

BayCare Health System has announced plans to build a new comprehensive acute care facility in Manatee County, Fla., in October this year. The \$548 million project will feature 154 beds in private rooms and a 45,000-square-foot medical arts building.

Source: Hospital Management

Ground Broken on Health First's \$410M Merritt Island Hospital Complex

The new 120-bed hospital will open in early 2027 and replace the existing Cape Canaveral Hospital located in Cocoa Beach.

Source: Hospital Management, Healthcare Facilities Today, Construction Dive, Global Data, Healthcare Design, Becker's Hospital Review

Orlando Set to Receive New Flagship Hospital at Orlando Health Campus

After sitting mostly vacant since 2018, an aging medical center has been refreshed and converted into a new flagship location for Select Medical in Orlando, Fla. The new Select Specialty hospital will offer 63 beds across 72,000 square feet of space.

Source: CoStar

Avera Announces Largest Building Project in its History

Avera announces plans to build a six-story tower addition to Avera McKennan Hospital & University Health Center in Sioux Falls, S.D., and a three-story building on the Avera on Louise Health Campus. Combined, the projects will cost \$245 million and span 350,000 square feet. Source: Avera. SiouxFalls.Business

Ohio State to Build \$183M Medical Office, Outpatient Center

The Ohio State Wexner Medical Center is set to begin construction on a \$183 million outpatient campus in Powell, Ohio. The Powell campus will have a two-story health center and an attached five-story medical office.

Source: Becker's ASC Review, NBC4i.com

Froedtert ThedaCare Health Breaks Ground on \$84M Wisconsin Hospital

Froedtert ThedaCare Health has broken ground on a new hospital in Oshkosh, Wis., expected to be completed by 2025.

Source: Healthcare Design, Healthcare Facilities Today, Oshkosh Northwestern, NBC26, Hospital Management

ORA Orthopedics to Build \$50M Facility

ORA Orthopedics plans to build a \$50 million facility in Bettendorf, lowa. The new facility will be a 113,000-square-foot headquarters and ASC. Construction is expected to begin this summer and be completed in 2026.

Source: Becker's Spine Review, The Quad City Times

McLaren Greater Lansing to Build \$40M Ambulatory Care Campus

McLaren Greater Lansing, part of McLaren Health Care, has announced plans to expand further with the construction of ambulatory care campus in Grand Ledge, Mich. The nearly \$40 million construction will be anchored by a freestanding emergency department.

Source: McLaren Health Care, Healthcare Facilities Today, Lansing State Journal, Hospital Management

3 Wisconsin Medical Office Buildings Sold for \$15M

Three medical office buildings in Stillwater, Lino Lakes and New Richmond, Wis., have been sold to healthcare real estate manager Hammes Partners. The buildings total 50,640 square feet. Source: Becker's ASC Review, Finance & Commerce

Transwestern Brokers \$8M Sale of Medical Office Building in MN

Transwestern Real Estate Services has brokered the \$8 million sale of Maple Grove Executive Plaza, a 58,000-square-foot medical office building in the Minneapolis suburb of Maple Grove, to an entity linked to MSP Commercial. The property is home to Children's Minnesota Specialty Center, iSpine Clinics and Edina Realty.

Source: REBusinessOnline, ConnectCRE

Parkview, Ortho NorthEast to Bring New ASC to Warsaw, Ind.

Parkview Health and Ortho NorthEast have begun construction on a 14,750-square-foot orthopedic ambulatory surgery center and medical office building in Warsaw, Ind., set to be complete by July 2025.

Source: Times Union Online, 21AliveNews, Becker's ASC Review

Deaconess, Memorial Hospital Acquire Former St. Joseph's Hospital

Deaconess Health System and Memorial Hospital and Health Care Center have acquired the former St. Joseph's Hospital property in Huntingburg, Ind. St. Joseph's Hospital has been closed since 2007.

Source: Healthcare Facilities Today

MyMichigan Health to Acquire 3 Ascension Hospitals

Ascension has a definitive agreement in place to offload three northern Michigan hospitals and other facilities to MyMichigan Health.

Source: Fierce Healthcare, Becker's Hospital Review

5 Healthcare Construction Trends Shaping Houston's Future

Houston is known for its world-class health care, houses the largest medical complex in the world, and boasts a jaw-dropping 85 hospitals and more than 19,000 beds. For Houston to continue to lead the way in medical innovations, it works to build and provide patients with state-of-the-art health care facilities.

Source: Houston Business Journal

Banner Health to Build 3-story Medical Office Building

Phoenix-based Banner Health has submitted an application to construct a three-story medical office building in Scottsdale, Ariz. It is the first step in a planned \$400 million hospital complex in the area.

Source: Becker's ASC Review, Hoodline, Phoenix Business Journal

Construction Begins on Oklahoma City Mental Health Hospital

Oklahoma's soon-to-be largest mental health hospital is officially beginning construction. The \$150 million Donahue Behavioral Health is projected to open in 2026.

Source: KOSU, Oklahoma State University

UT Health Opens New ASC

Tyler, Texas-based UT Health has opened a new 108,000-square-foot outpatient and surgery center at Kyle Seale Parkway in San Antonio.

Source: Becker's ASC Review, UT Health

3-Story Texas Medical Office Building to Open

A three-story medical office building that has been in the works since 2016 is set to open in Spring, Texas, in May. Its first tenant will be an unnamed local ASC, which will occupy 25,000 square feet of the property.

Source: Becker's ASC Review, Houston Business Journal

Collin Springs Behavioral Health Hospital Opens in Texas

Collin Springs Behavioral Health Hospital has opened its doors in McKinney, Texas. The 56,000-square-foot hospital is operated by Lifepoint Health unit Lifepoint Behavioral Health.

Source: Hospital Management

WEST

Tenet Closes \$550M 2-Hospital Sale to Adventist Health

Dallas-based Tenet Healthcare, parent company of ASC chain United Surgical Partners International, finalized an agreement to sell two California hospitals to Roseville, Calif.-based Adventist Health for around \$550 million.

Source: Becker's Hospital Review

Sutter Health to Build \$442M Neuro Care Complex in San Francisco

Sutter Health is investing \$442 million to establish a new neurological and neurosurgical care complex in San Francisco. The five-story, 129,000-square-foot facility Mission Bernal Care Complex is anticipated to open its doors to patients in 2028.

Source: Hospital Management, Becker's ASC Review

Kaiser Permanente Seeks Approval for 5-Story Medical Office Building

Oakland, Calif.-based Kaiser Permanente is seeking approval to build a five-story medical office building in Sacramento, Calif. Kaiser is also seeking to build a 312-bed hospital next to the office building.

Source: Becker's ASC Review, KCRA

Kaiser Permanente-Backed Habitat Health to Offer PACE Services in 2025

Kaiser Permanente and a pair of investment firms have unveiled a joint venture to help older, low-income adults receive care support without needing to be moved from their homes. Habitat Health, which operates as a PACE program, plans to begin serving program participants in 2025. Source: Fierce Healthcare, Becker's Hospital CFO Report

Oregon Health Authority Approves New Springfield Rehab Hospital

PeaceHealth, a not-for-profit Catholic health system, and Lifepoint Health's business unit Lifepoint Rehabilitation have secured regulatory clearance to establish a new inpatient

rehabilitation hospital in Springfield, Ore. Construction of the 67,000-square-foot hospital is expected to begin this fall.

Source: Hospital Management

Kaiser Permanente Buys ASC Previously Operated by SCA Health

Oakland, Calif.-based Kaiser Permanente opened its first ASC in southern California. Antelope Valley Surgery Center in Lancaster, Calif., is 12,500 square feet.

Source: Becker's ASC Review, Antelope Valley Press

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