

HEALTHCARE REAL ESTATE

Navigant's Healthcare Real Estate professionals partner with our clients to advise, manage and execute strategic capital investments needed to support their mission.

We offer an end-to-end solution – from concept to reality – throughout all phases of projects to help clients deliver on the triple aim of improving population health and patient experience at the right cost.

Our services include:

STRATEGIC FACILITY PLANNING

More than ever before, the alignment of facility resources with an organization's business and clinical goals is critical to long-term success. Our team of professionals have been working with leading health systems in this time of transition to create financially prudent facility investment plans that position health systems to lead the transformation in healthcare.

PROGRAM & PROJECT MANAGEMENT

We serve as an extension of your executive team, helping you to manage every phase of a major capital program, from strategy, team formation, facility planning and operational planning to budgeting, design, construction, activation and transition planning. Throughout the process we integrate, synthesize and facilitate the flow of information to build consensus among project stakeholders.

REAL ESTATE ADVISORY

We offer a comprehensive range of real estate advisory services, all focused on helping our clients maximize the operational and financial performance of their real estate portfolios and projects.

DEVELOPMENT

We act as our clients trusted development partner to execute ambulatory network, integrated wellness, micro-hospital, free-standing ED and mixed-use healthcare village strategies that improve population health and the patient experience at the lowest possible cost. We ensure projects are planned on the application of measurable objectives for clinical, operational, financial and strategic performance.

CAPITAL

We help our clients objectively evaluate and implement financing and ownership structures that best satisfy their strategic, operational and financial objectives for new facility development initiatives. We have access to over \$2 billion in capital to fund development projects, ranging from private equity, institutional and REIT capital to creative tax-exempt operating lease structures and public-private partnerships.





STRATEGIC FACILITY PLANNING

Highlighted Projects:

Lee Health is the largest public health system in the state of Florida, with a total of 1423 beds and over 1 million patient encounters each year. Lee Health engaged Navigant to assist in developing a strategic facility plan for a “Curve 2” population health focused medical village on a 31-acre parcel located in the rapidly growing community of Estero, FL. With a special focus on the senior population, the medical village will aim to offer convenient, easily accessible and integrated medical and preventative wellness services across the continuum of care in a pleasing village environment and retail setting.

Intermountain Healthcare located in Salt Lake City, consisting of 22 hospitals and 185 clinics engaged Navigant to develop a regional network plan for five of its hospitals to help inform the strategic capital investment plan. Among the challenges were managing diverse stakeholder groups and the varying quality of facilities and infrastructure.

We forecasted clinical activity and capacity requirements targeting care delivery in the most optimal care setting in terms of patient experience, cost, and quality. We also designed regional organizing models that best positioned Intermountain for success in a risk-based environment.

Services

- Financial feasibility assessment
- Facility master planning
- New facility operational and space programming
- Merger/acquisition due diligence and integration planning
- Ambulatory facility prototypes, design standards and branding
- Lean 3P Planning



PROGRAM & PROJECT MANAGEMENT

Highlighted Projects:

Mount Carmel Health System in Columbus is investing \$700 million in the Mount Carmel East Modernization Project and Grove City Phase II Project, which is comprised of a 204-bed greenfield hospital (with new Patient Tower and Diagnostic & Treatment Platform) and a Medical Office Building.

Navigant assisted Mount Carmel with developing their business plan, including validating market specific use rates and volumes in the context of population health management, and final submission to Trinity Health’s corporate leadership for capital approval. We are currently serving as Program Manager overseeing the planning, design and construction of the multi-year, multi-phase major capital program.

Genesis HealthCare System engaged Navigant to develop a Master Facilities Plan for consolidating two campuses - the Good Samaritan Hospital and the Bethesda Care Center - into a single, state-of-the-art health facility capable of competing in the pay-for-performance environment.

Inpatient services were consolidated at Bethesda to vacate the inpatient facility at the Good Samaritan campus. A new patient tower was built alongside the renovated Bethesda building, creating a single, expanded medical center. The upgraded medical center includes all private patient rooms and Centers of Excellence for heart and vascular, cancer, orthopedics, women’s health, neuroscience and emergency and trauma care.

Navigant served as Program Manager overseeing the 3-year phased \$225 million facility consolidation effort and also developed an integrated 60,000 square foot ambulatory facility under a fast track design / build delivery approach.

Services

- Integrated project delivery
- Operational and communication planning
- Evidence-based design solutions
- Last Planner Pull Planning
- eBuilder Enterprise Management
- Building Information Modeling (BIM) management
- Constructability / Peer Reviews
- Technology and FFE coordination
- Local and state agency coordination
- Building commissioning coordination
- Activation planning and transition management
- Move management



DEVELOPMENT

Highlighted Projects:

Navigant was engaged to serve as the Development and Program Manager for Northwestern Medicine's new Outpatient Care Pavilion (OCP), a 1 million square foot mixed-use high rise integrated into Northwestern's downtown Chicago destination campus. The facility contains advanced imaging and diagnostic testing services, ambulatory surgery, clinical institutes, physician offices, retail space and a 575-car parking garage.

Navigant provided a comprehensive array of services including financing and ownership structuring options, development and program / project management, operational and facility planning, hospital-physician clinical integration services, business modeling, leasing and Building Information Modeling (BIM) management.

Rush University Medical Center recently completed the most comprehensive capital program in its history. The \$1 billion "Rush transformation" encompassed investment in new technology, building new facilities and improving patient care processes, while at the same time reorienting the entire physical campus around patients and their families. The campus has been designated by the City of Chicago as its first "Green Campus".

Navigant managed the overall development of the first phase of this transformation, a 220,000 square foot Orthopedic Ambulatory Building / Center of Excellence that is jointly owned by Rush and Midwest Orthopaedics at Rush under an air rights lease structure. The building was the first healthcare facility in Chicago to achieve Gold LEED® Certification. Navigant provided a comprehensive range of services, including market and financial feasibility, financing and ownership structuring, master site planning, zoning and entitlement coordination, operations planning and leasing.

Services

- Site selection, due diligence and acquisition
- Zoning and entitlement procurement
- Financing and ownership structuring
- Design / build development
- Mixed-use development
- Marketing & leasing
- Green and Well Building strategies
- Asset and property management coordination



CAPITAL

Highlighted Projects:

Navigant completed a strategic facility plan and served as program manager for KishHealth System's new \$100 million replacement hospital campus located in a rural but rapidly growing market. In addition, Navigant developed a 42,000 square foot medical office building on the new campus under a 3rd party ownership structure. Navigant developed a creative structure that gave KishHealth, which is part of Northwestern Medicine, an ownership interest in the building without requiring an equity investment. In return, KishHealth leased the additional space needed to satisfy the minimum pre-leasing required by the project lender. This solution helped maintain the desired size of the project to support projected market growth and permit construction to proceed on schedule. The building was 90% occupied upon completion, a win-win result for all stakeholders.

Navigant developed an 86,400 square foot ambulatory care / medical office building on an off-balance sheet basis for Rush-Copley Medical Center, who Navigant has enjoyed a long-term relationship with dating back to the early 1990's when we served as program and development manager for their replacement hospital campus. The ambulatory project included an endoscopy center, women's center, neuroscience institute, retail space, a multi-specialty clinic that was designed using LEAN design principles and a 500-car parking structure. Navigant worked closely with Rush System auditor's to expedite the review of the transaction structure to ensure all operating lease requirements were satisfied to obtain an opinion letter and keep the project on its fast track schedule.

Services

- Third-party development
- Joint venture real estate partnership structures
- Physician ownership programs
- Build-to-suit leasebacks
- Tax-exempt operating lease structures
- Public-private partnerships
- Medical building acquisitions



Highlighted Projects:

Texas Health Resources (THR), with 24 acute care, transitional, rehabilitation and short stay hospitals, is one of the largest faith-based – non-profit health care delivery systems in the US. Navigant’s healthcare real estate group completed multiple real estate advisory engagements as part of a major system-wide performance improvement and cost savings initiative.

Initially, Navigant conducted a valuation study of THR’s 2.4 million square foot medical office building portfolio and a “sell vs own” analysis. Navigant also completed a clinic consolidation opportunity assessment for THR’s 250+ clinic facilities located through-out the greater Dallas-Fort Worth market area.

Baptist Health South Florida serves more than a million patients every year, with people flying from around the World to visit Miami to consult with medical experts. Navigant conducted a performance improvement assessment of their 2.5 million square foot non-acute care portfolio and 6 acute care hospitals.

Through our initial assessment we identified operational savings opportunities through a combination of consolidating real estate, streamlining the management reporting structure, re-defining the levels of service in 3rd party vendor contracts, leveraging technology to improve productivity & efficiency, implementing an energy management system and centralizing call centers.

Services

- Ambulatory portfolio consolidation and optimization studies
- Health system asset rationalization studies
- Portfolio valuation and monetization studies
- Performance / process improvement studies
- Feasibility studies
- Financing options assessments
- Project risk management assessments
- Construction audits / compliance assessments
- Project Efficacy Reviews / 2nd Opinions
- Standard policies & procedures
- Project management technology assessment & implementation

About Navigant

Navigant Consulting, Inc. (NYSE: NCI) is a specialized, global professional services firm that helps clients take control of their future. Navigant’s professionals apply deep industry knowledge, substantive technical expertise, and an enterprising approach to help clients build, manage and/or protect their business interests. With a focus on markets and clients facing transformational change and significant regulatory or legal pressures, the Firm primarily serves clients in the healthcare, energy and financial services industries. Across a range of advisory, consulting, outsourcing, and technology/ analytics services, Navigant’s practitioners bring sharp insight that pinpoints opportunities and delivers powerful results. More information about Navigant can be found at navigant.com.

RANKED BY MODERN HEALTHCARE AS ONE OF THE
TOP
HEALTHCARE FACILITY DEVELOPMENT FIRMS
FOR 18 CONSECUTIVE YEARS

NO LITIGATION
HAS BEEN FILED ON
OVER
\$12 BILLION
OF COMPLETED
PROJECTS


ASSISTED OVER
300
HOSPITALS,
HEALTH SYSTEMS
— AND —
ACADEMIC
MEDICAL CENTERS

ACCESS TO OVER
\$2 BILLION 
IN COMPETITIVE BALANCE SHEET READY CAPITAL



COMPLETED MORE THAN **\$12 BILLION** IN CAPITAL IMPROVEMENT PROJECTS INCLUDING PROVIDING PROGRAM MANAGEMENT SOLUTIONS FOR **20 NEW HOSPITAL PROJECTS** AND DEVELOPING **MORE THAN 100 AMBULATORY CARE PROJECTS**

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