

HEALTHCARE FACILITIES

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About Navigant Healthcare Real Estate

Navigant's Healthcare Real Estate team helps clients effectively manage the risks inherent in the planning, design, construction, financing and ownership of projects needed to support their mission. We offer an end-to-end solution - from concept to reality - throughout all phases of projects to help our clients deliver on the triple aim of improving population health and the patient experience at the lowest cost.

Our Services

- Strategic Facility Planning
- Program Management
- Development
- Capital
- Real Estate Advisory

Recent Clients

- Inova Health System
- Intermountain Healthcare
- Hackensack University Medical Center
- Rush University Medical Center
- Adventist Health

HEALTHCARE FACILITY PLANNING

Are your facilities and real estate positioned to support new care models and the transition to value-based care? While the majority of payments are in traditional FFS programs, the number of bundled payment programs continues to expand (with the addition of the CMS cardiac bundle program announced July 2016).

Accountable Care Organizations (ACOs) have continued to expand, with over half of ACO lives covered by commercial contracts.

Many health providers are re-examining their facility resources in light of this trend, and several others as shown in the diagram below.



But what are the implications of these trends, exactly, for health facilities? Taken in the context of insurer and provider consolidation, growth in physician employment, and growth in risk-based contracting, Navigant believes health systems should address three key facility implications:

- Planning must be multi-dimensional during times of transition
- Facilities must be optimized regionally
- Achieving a financial return on your facility investment is critical

Planning in times of transition requires careful evaluation of how structural changes and emerging trends will shape the business of healthcare in the near-term and longer-term. It requires sophisticated clinical activity modeling tools and data sources that take into account population health strategies, shifts to outpatient care, implications of bundled payments and care management goals. Forecasts based on a population-driven, market share methodology are misleading and surefire way to make ill-informed decisions about facility investments.

With increased focus on clinical integration, new care models, and coordination across the continuum service line planning is spanning broader geographies and sites of care. And facility planning must follow suit. These efforts must consider program location, concentration of services and equipment, role of each facility, and timing of investments in a way that advances the region, not facilities/sites individually.

Optimizing the organization's performance in the near-term while pivoting to a new health delivery model requires a careful look at major capital investments. Board members, rating agencies, and key stakeholders want to know how investments in infrastructure will support their goals and perform financially. Facility master plans must be supported by business plans and clear understanding of the impact on the organization's financials.



It will require looking not only at staffing implications but at the payment models. It's safe to say that planning facility investments based on the organization's debt capacity is not the path to sustainability.

POSITIONING YOU FOR SUCCESS

Navigant's Health Facility Planning Team has been trusted by leading health organizations to negotiate an evolving healthcare landscape and partner to create sustainable capital investment plans.

Facility investment decisions are incredibly complex and specific to the situation. Navigant has been successful in positioning organizations for success using a customized process and multidisciplinary approach to planning. Planning for the three facility implications described above will ensure your capital investments position you for success.



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.