

Long Term Acute Care Hospital at Connerton

University Community Health System Seeks to Establish Long Term Acute Care Hospital

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Situation

University Community Health (UCH) retained NHA to act as Project Manager after receiving a Certificate of Need to develop a 50-bed Long Term Acute Care (LTAC) hospital in Connerton, a master planned community in Pasco County, Health Planning District 5, Florida.

Solution

As Project Manager, NHA was responsible for the operational, financial and facility planning of the LTAC hospital. Upon initial retainer, NHA conducted a needs assessment alongside market and site analyses, forecasted potential volumes and developed financial forecasts to validate the CON approval. After confirming the hospital's viability in January 2007, NHA began overseeing the implementation of the hospital, including facility planning, site analyses, coordinating various parties, facilitating decision making, evaluating financing options and planning for the LTAC's implementation. A development agreement was executed in March 2007 identifying NHA as the developer, and throughout the implementation of the hospital, NHA managed the scope, budget and schedule.

In considering the contractual facets of development, NHA acted as owner's representative. In this, NHA successfully facilitated all necessary approvals, permits and licenses under both local and state jurisdiction. As needed, NHA coordinated with AHCA to extend the termination date of the certificate of need. NHA prevented any and all legal setbacks through completion.

Throughout the project, NHA consistently managed the physical development of the hospital to assure the design was implemented per the functional space program prepared by NHA at the outset and that the approved budget was maintained. NHA carried out facility planning, functional space programming, site analysis, zoning and cost evaluation. In its facility planning, NHA prepared a space allocation program, determining the size of the building, bed distribution, staffing pattern in relation to office placement and project cost. In addition, its role included architectural, engineering, interior design and construction coordination as well as medical equipment planning. NHA's position as the owner's representative enabled it to recommend selection of and negotiate contracts for the architect, engineers, interior designer, medical equipment planner, materials testing firm and general contractor, among others. This effort began in April 2007, with the design, jurisdictional approvals and pricing covering the balance of 2007.



SOLUTION OVERVIEW

Customer Profile

University Community Health is a not for profit healthcare system with four hospital locations throughout the Tampa Bay area.

Business Situation

Project manager needed to oversee operational, legal, structural, and financial aspects during development.

Solution

NHA managed all aspects of development, including planning, budgeting, contracting, design and construction coordination, other third party coordination and occupancy approvals.

Benefits

- Completion of 50-bed LTAC hospital on time and on budget;
- Improved market positioning of Health System;
- Smooth transition to owner operating and LTAC opening.

Construction initiated February 2008. In construction coordination, NHA was responsible for inspections, progress and development reports, schedules and controlling the budget, scope and sizing. During development, NHA made sure the LTAC's budget was maintained, pay applications were appropriately documented, and third party funding was received. To support the funding initiative, NHA prepared a five year financial projection of operations.

In its operational services, NHA evaluated various ownership and management options, presenting to UCH the alternatives. UCH evaluated NHA's analysis regarding these possibilities of self-managing versus third party management and determined to consider third parties. NHA prepared the request for proposal for third party management of the hospital. After finding eight contenders, NHA evaluated each group individually, pre-selected a manager for recommendation to UCH, and assisted in the negotiation of the contract terms. The management contract became effective approximately four months prior to opening, during the fourth quarter of 2008.

In January 2009, University Community Hospital LTAC received Certificate of Occupancy. In February 2009, UCH took control of the building. One month later the LTAC was licensed and in April 2009 it was accredited.

Construction was completed on schedule. The overall project development budget was well managed by NHA resulting in a 3.4 percent savings for all in project costs with 100 percent of the savings accruing to UCH's benefit.



For More Information

For more information about NHA services, call our offices at (305) 444-5007. To access information using the internet, go to: <http://www.nhaconsulting.com/>

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