

● Strategic Planning

● Business and Financial Planning

● Clinical Program Planning

● Medical Staff Development

● Physician/Hospital Relationships

● Facility Planning and Space Programming

● Demand Forecasting and Resource Development

● Performance Improvement

● Governance and Management

Strategies & Solutions is the monthly electronic newsletter published by [Health Strategies & Solutions, Inc.](#), which provides cutting-edge strategies, innovative solutions, and practical ideas for health care professionals. We welcome your [comments and feedback](#). To subscribe or unsubscribe to this publication, click on the links at the bottom of this page.

Master Facility Planning: Making Strategy Part of the Plan

Hospitals and health care systems have to work harder than ever to manage their financial situation and scarce capital resources effectively. A master facility plan can help by providing a long-term vision for the organization of the campus that allows for development and renewal of market responsive and functional facilities in an orderly and financial prudent fashion. A strategically driven master plan can boost the effectiveness of the facility plan even further by



- Ensuring the facility supports strategic and financially productive priorities
- Incorporating expected demand for services and changes in technology and service delivery configuration
- Right sizing clinical capacities for optimal utilization
- Maximizing the functionality of the campus and operational efficiencies
- Avoiding facility projects with short project lives

[CLICK HERE](#)

for more information about the Pebble Project, which provides researched examples of health care facilities whose design has made a difference in the quality of patient care and financial performance

[CLICK HERE](#)

to view an HS&S newsletter article on demand forecasting

[CLICK HERE](#)

to view *Design for Success: Efficiency and Effectiveness Through Facility Design*, a special report by the Healthcare Financial Management Association

Why is Strategically Driven Facility Planning Important Now?

Many acute care campuses, particularly older ones, reflect many years of renovation and expansion that often resulted in labyrinth facilities that are dysfunctional, hard to maneuver, and inefficient. In recent years, a number of factors have contributed to these facilities becoming obsolete at a faster rate than ever without the capacity to meet the need for services in the future, including

- Delayed/insufficient plant investment, especially after the Balanced Budget Act
- Increasing demand for health care services
- Rapid advances in technology
- Changing service delivery and operating systems
- Growing consumer demand for patient-friendly health care environments
- More stringent regulatory and licensing requirements

Benefits of the Strategic Approach

A thoughtful and comprehensive master planning process includes key planning activities and design principles that can help the health care organization move toward more efficient and effective facilities that support strategic and programmatic priorities. These include

- Confirmation of strategic and programmatic priorities
- Service-specific projections for future demand based on targeted market share goals
- Identification of optimal distribution of services across service sites including additional locations for new service development
- Reconfiguration of service lines that support integrated care for patients and staffing efficiencies
- Determination of appropriately sized treatment capacity based on projected demand and targeted operating parameters
- Development of sufficient space to support patient-focused care and market-sensitive features including patient privacy and family support amenities
- Inclusion of evidence-based design features that can reduce operational expenses and increase patient satisfaction
- Reconfiguration of the existing campus(es) to support enhanced service development, parking, circulation, and access

Making It Work in the Real World

A master facility plan recently completed for a large community hospital in the Northeast identified major capacity and space deficits for many clinical service lines. However, the master facility plan option that was eventually selected addressed the capacity needs of the highest priority areas as identified in the strategic plan first, including an emergency room and critical care bed expansion. In the same plan, the first phase also included the expansion of the ambulatory surgery and interventional areas that would generate the revenues needed to allow future capital investments to be made in other services.

In another master planning process for a health system in the Midwest, the demand forecasting and capacity analyses confirmed the underutilization of some services where excess capacity could be used for future growth, allowing management to concentrate capital investments in other more capacity constrained areas.

A well thought out master plan will ensure that future campus development, new construction, and renovations are done in a thoughtful and systematic manner that will result in the most efficient use of capital resources and more productive and effective facilities.

For more information on strategically driven master facility planning, contact [Tracy Johnson](#) or [Alan Zuckerman](#), or call 215-636-3500.



If you would like a free subscription to Strategies & Solutions, please [click here](#).

©2005 by [Health Strategies & Solutions, Inc.](#)

8 Penn Center
1628 John F. Kennedy Boulevard, Suite 200
Philadelphia, PA 19103
(215) 636-3500

www.hss-inc.com

Reproduction in whole or in part without written permission is prohibited.

**Competitive strategies.
Innovative solutions.
That's our business.**



Go [here](#) to leave this mailing list or [modify](#) your email profile.
We respect your right to privacy. [View](#) our policy.

