

Ensuring health systems capacity – is construction right for you?

Theresa Brigden, Senior Principal, Indirect Spend



Why it matters:

Often, when healthcare systems run out of beds, leaders question whether to build more space. And with high-cost projects and tight margins, it's imperative that systems be more strategic with their spatial needs.

Strategies to consider:

- Understand your community's needs. Before embarking on any construction project, it's crucial to understand the specific needs of the community and populations your health system serves. This includes considering factors such as demographics, healthcare needs and potential growth. For instance, an aging population may require more long-term care facilities, while a younger, growing community might need more pediatric and maternity services. "Understanding the communities and populations you're serving should inform whether you expand, revitalize or reimagine your healthcare spacing needs," Brigden said.

“ It’s no surprise that many systems are faced with the dilemma — to build or not build. ”

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Strategies to consider (Continued):

- Consider build, buy or partner options. Healthcare providers should evaluate whether to build new facilities, buy existing ones or partner with other organizations. Each option has its benefits and challenges:
- Building new facilities allows for customization (as well as standardization of materials systemwide) but requires significant capital at a time where margins are tight.
- Buying existing facilities can be quicker and less expensive but may require renovations, and a challenge here may be in standardizing products or materials or creating consistency across facilities.
- Partnering with other organizations — such as sharing a warehouse or building a shared central sterile plant — can lead to additional resources and improved operational efficiencies but requires negotiation and agreement on use.
“There are a lot of considerations providers should look at before automatically sticking a shovel in the ground,” Brigden said. “It’s a complex decision with many, many factors.”
- Focus on flexibility and adaptability. The COVID-19 pandemic required healthcare facilities to be flexible and adaptable, and now we’re seeing providers design spaces that can be easily reconfigured to meet changing needs. For example, the addition of modular walls to new construction builds or renovation projects allows for different room configurations and spaces that can quickly switch from general medical use to specialized care, such as with infection disease treatment.
- Prioritize energy efficiency and sustainability. Energy efficiency and sustainability are becoming increasingly important in healthcare construction, especially given the growing regulation around it. Implementing energy-efficient systems and using sustainable materials can reduce operational costs and environmental impact. There also are often financial incentives available for energy-efficient projects, which can help offset initial costs.



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