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## A biometric for a health care facility's health

**H**undreds of hospitals across the U.S. are facing myriad issues related to aging infrastructure and facility performance. As the delivery of modern health care continues to evolve, many health care system operators are finding significant benefit to investing in real estate and facility assessments. These assessments can help owners proactively identify the reasonably predictable risks and deficiencies they may be facing in the near term, typically the next one to five years. Health care providers may find this analysis to be particularly advantageous versus other types of campus or facility owners for a multitude of reasons, including the redundancy and backup required to maintain the critical needs of their patients 24/7; to allow for an apples-to-apples comparison of varying facility needs and existing conditions across a system, regardless of whether the facilities are operating in different locations or on the same campus; and the fact that aging infrastructure on one part of the campus could affect operations in other, newer parts of the campus.

A sophisticated assessment team also can provide data to assess and evaluate existing real estate assets often found on or in proximity to many health care campuses. Inclusion of these components, such as land or an underutilized facility, along with an understanding of the valuation of assets and market projections, provides a health care owner with a holistic frame of reference. The overall assessment can help guide decisions for both short- and longer-term solutions, and compare these costs and benefits of renovation against start-



**Brandon Bergholz**  
Construction executive and health care market sector leader, Mortenson, Denver

ing over with a major project or new build. This clarity of the performance and risk across all of their facilities, regardless of location or the way it is operated, helps eliminate surprises. Health care campuses typically are large energy consumers, and those costs make up a major portion of any provider's operational budgets. Designers, mechanical/electrical engineers and energy consultants typically are the first stop an owner may make when looking for energy assessment services and they provide valuable information regarding impacts of any proposed energy upgrades. But in recent years, many health care providers are finding it highly beneficial to include a builder with expertise in health care facility construction, one who can provide a gut check on constructability, along with accurate cost data reflecting current or future market conditions, based on historical data and escalation.

This ensures better decision-making for systems and equipment, in addition to best practices for phasing, minimizing impacts to the facility and bundling of construction into packages.

Having a health care facility construction specialist on board is important because it addresses the significant cost implications that can come from

needing to answer the question, "How will we get this done?" Perhaps the upgrades require a crane. Maybe you need to remove a section of the enclosure to remove a major piece of equipment. Having a clear lens on the entire picture allows for appropriate allocation of dollars across all the campuses based on need and failure risk.

On a recent assessment program for a major health care provider in the Denver region, Mortenson performed an analysis in tandem with a design team, resulting in a comprehensive report that clearly delineated high-priority recommendations for mitigating risks, along with outlined costs for each of the recommendations.

Before starting, the assessment team sat with the owner's facility management team to understand the nature and severity of any operational and equipment issues. By creating this list, the team was able to pay particular attention or provide additional investigation into higher priority items as warranted. It allowed the team to incorporate "must haves" into the plan and prioritize the mitigation of any risks of failure, such as those systems that have gone past their typical estimated life, or if there is a potential for a component to fail that would result in a major impact on the operation of the facility. By individually outlining and pricing each of these proposed solutions to the each of the items on the list, the team was able to quickly assemble items with common denominators and/or potential overlapping solutions, such as replacing pumps within a cooling tower all at once. The owner was able to prioritize based on return on investment and available budget, while also allow-

ing them to easily see where bundling improvements could provide better value, or save on schedule or general conditions.

Energy use and performance also is key to a successful assessment. Energy models can provide valuable predictive performance of any new proposed equipment or systems. Seemingly small design decisions often can profoundly affect energy utilization and construction costs. Beyond initial first cost and payback periods and performance efficiencies of the equipment, it is important to consider the availability of rebates from local utilities on equipment selection. These rebates can significantly impact the bottom line, particularly for a hospital that may be considering upgrading its central utility plant. As an example, a health care facility could receive a rebate of between 40 cents to 50 cents per square foot of building area if done correctly. Mortenson's in-house energy modeling services provided a cost- and schedule-based complement to the design team's data /evaluation. When all put together, the comprehensive report provides target dates for execution of the work, the initial cost of the improvement, along with expected savings for the life of the improvement.

Comprehensive assessments are the best way to benchmark assets and current conditions compared to the same baseline. This allows your organization to analyze and plan holistically across the system to ensure every dollar is having the largest impact on your operations and every facility is functioning at the highest level. It's about providing the most bang for the buck. ▲