



## Replacement Hospital Viability Analysis

Many health care leaders are questioning whether or not to make a long term commitment to an existing facility or to plan for a replacement. Among the factors driving the decision are increased operating costs due to aging physical plants with inefficient mechanical systems, inappropriate functional relationships and minimal modernization potential. Also, the existing facility may not be located in an area that has increased market potential or ease of access to major freeways.

A replacement hospital could significantly improve operating costs for the next 40 to 50 years, but to determine the overall viability of such a project, a hospital's leadership should consider the following questions:

- How is the current service area changing, and where is the location of the future market?
- Can a new facility improve operating costs in the long run?
- Is a replacement facility economically feasible?
- What medical equipment could be relocated?
- Is a seamless transition from the current to the new facility possible?

The Health Care Services Team of Hosking Klute Healthcare helps hospitals and other health care organizations answer these and many related questions. Our team of experienced health care consultants has ushered numerous organizations through the process of analyzing the facility replacement option.

### Our Approach

Our *Replacement Hospital Viability Analysis* services provide an objective approach to evaluating the feasibility of facility replacement, one that balances facility needs with strategic, operational and financial objectives. Our approach assists hospitals from the initial feasibility modeling through occupancy of the new facility in an integrated manner.

We offer a range of services to support timely and informed decision-making throughout the planning, design and construction process. These services are segmented into three phases – Feasibility Modeling (idea formation), Performance Driven Programming (idea articulation) and Operations/Activation Planning (idea implementation) – that can be integrated or utilized individually to meet your organization's specific needs.

### Contact

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