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Optimism grows at MTMC

Various changes, new facility shows hospital's commitment

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— John Callow, 278-5151

Although he has officially been the top executive at Middle Tennessee Medical Center since March, Gordon Ferguson took another important step in his leadership role Thursday.

During a ceremony at First Methodist Church, he was commissioned as the hospital's president and chief executive officer

"This is part of our faith-based mission as a Catholic healthcare ministry," Ferguson said. "I will be asked to take certain vows in terms of my commitment to both St. Thomas Health Services and MTMC. It really is a chance for our community to come together as we start a new chapter of Middle Tennessee Medical Center.

"This hospital has gone through significant changes in the last four years. When you think of where we were, jointly owned by St. Thomas and Baptist, then they come together as a part of Ascension Health. We really are doing things to operate more as a system. That's been a change at all levels.

"We've changed some of our policies to be consistent with being part of a Catholic healthcare organization. We're part of an integrated healthcare system, not just at the Nashville level with St. Thomas Health Services, but at the national level with Ascension Health. We are able to tap into a lot of initiatives there where you have people focused on transforming care at the bedside, looking at patient safety initiatives. We are a part of those. Some we are piloting for the system; others we're just benefiting from the information. It's very different from pre-2002.

"We are sensing a degree of optimism here, not just focused around the new facility, but other changes coming around, as well," Ferguson said. "Just this week we brought on line a new patient tracking system. Each patient will have a tag — some of our major movable equipment will also be tagged — so we can see almost in real time where they are in the hospital. We're doing things that are needed and we've seen significant increases in our customer satisfaction scores over the last six to eight months."

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Middle Tennessee Medical Center filed the certificate of need application on July 14. What did you ask for?

In the certificate of need application we asked for permission to move forward with a replacement facility for Middle Tennessee Medical Center. We are estimating a 600,000-sq.ft. facility with 286 beds. That is our existing licensed capacity. Our project cost is \$278 million, plus another \$5 million we paid when we purchased the property several years ago. The Christy-Houston Foundation did help with that purchase. The state requires you to include in your application all the costs associated with the project. The application had some information on diagnostic equipment we will either replace or upgrade existing equipment.

It's important to point out we're not asking for any additional beds; we are asking to go up to our licensed capacity

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Everything we discuss which relates to the new hospital is predicated on a successful ruling from the Health Services and Development Agency. That said, what happens next?

We believe we've made a very good argument for the need for this project and we're very impressed and appreciative of the number of people who have written letters of support. This application is somewhat unique in the number of letters which accompany it.

After we get approval for the certificate of need, which we believe without being too presumptuous will happen, our next step is to continue on with the planning process. Our application has rough drawings of what we believe the hospital will look like and where it would sit on the property. We now need to go back and complete those planning efforts to a more detailed level. We'll be sitting down with our architects, doctors and staff to do that.

We have Jennifer Garland on staff now as our full-time project manager focusing on this. She's our liaison with the architects, with the company that's doing our preconstruction estimates and working with our staffs at St. Thomas and Ascension Health to make sure things are moving along according to plan.

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It's been **4-1/2** years since the hospital announced its interest and 3-112 years since you closed the purchase of the land on Medical Center Parkway. Why has it taken so long to get from then to now?

There are several factors which have influenced our timeline. The property was purchased just after the acquisition of Baptist Hospital by St. Thomas. Ascension Health, our corporate owners, made a significant capital investment for that acquisition. It took some time to put together our strategic plan so whatever we're attempting to do in Murfreesboro fits with the overall system. Also there have been some leadership changes we've gone through, both here and in Nashville, that impacted the project.

The scrutiny being placed on this project by Ascension Health warrants a very diligent effort to make sure we're doing the right thing, that we've sized this facility appropriately, not just for the immediate future, but for well into the future.

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For the longest time, nothing was happening on your part of Medical Center Parkway. Did you ever have doubts the project would happen?

There were times when obviously we wished things were moving faster than they have. One of the issues was we needed to look at all options. We thoroughly looked at the possibility of expanding on the current campus. We looked at going to the new site in one step. And we looked at different ways to make the transition.

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Weren't space limitations at the current facility a big reason for pursuing a new campus?

Yes. We looked at the costs associated with building on this site, but more importantly, we felt after making additional investment here, we still were not in the right location to serve the population as it continues to grow in different directions. Accessibility is a key component of our success. It can sometimes be very difficult to navigate to where we're located today, especially compared to where we will be on Medical Center Parkway.

Another thing affecting the timeline were some of the contingencies in the contract we had with the city. Those included the new interstate interchange being built and the infrastructure being in place. We're very appreciative to both the city and the state for their efforts to fulfill those commitments. They've done their part and we're in the process of doing our part.

How far along is the design work?

We have completed some degree of programming. We've made some assumptions on what our future volumes will look like. Where we are now is getting to a more refined level. We're looking at adjacencies in terms of departments within the hospital. For example, we're looking at where the emergency department should be relative to the critical care units. We're working very hard to get adequate input from our staff and medical staff to make sure what we're planning is consistent with what they need to come in and perform their various responsibilities.

One of the things we'll be doing is building a full-scale mockup of a patient room. Through technology, you can do some "virtual" design work. But we can also set up what we believe the new hospital patient room should look like. Part of that is to make sure our staff will know what their new surroundings will look like. It's one thing to look at drawings on paper, but once you get into a space and walk around, it takes on entirely different dimensions. On a project this size, it's very much worth the effort to go the full length. That's an important part of the process so we'll know when we're ready to move into this new facility, we'll have a layout everyone feels is optimal.

How does that translate into bricks and mortar?

It will be 18 to 24 months before we'll be ready to begin construction.

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Given the growth of the community and demand for services, is there a way to expedite the time frame for planning and construction?

This really gets into how we would phase the project on the new site. One of the things we've already started is looking at the demand and feasibility for medical office space on the campus. We're already working with a developer who's been meeting with our physicians to gauge the interest in being on our campus. When we filed our application July 14, we also filed an application to relocate the ambulatory surgery center, one of our joint ventures, to the new site. Ambulatory care is a significant component that would be located in this new medical office building. The physicians office space and the ambulatory surgery center are things we would envision being on the site in advance of the new hospital opening. That's something we'd like to see construction start on next year.

Again, we have to make sure we have the demand to move forward with that, but from some of the discussions we've had so far, I think physicians would like to see their practices located out close to where the new hospital is planned.

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Someone driving along Medical Center Parkway can see the fill dirt you've been adding to the property since last fall. How long will it take to have the site ready for construction?

To answer that question, we have to look at what needs to be done to the site. The site sits low. As you mention, we've already done some site work. How quickly we can move fill material to the site will dictate when we can actually start construction. We have funds allocated in our capital budget to continue

bringing fill material on site, just as we are doing as we speak, and take advantage of fill material as it becomes available.

In terms of our construction schedule on the actual hospital facility, when you're building a facility of this magnitude, there are a lot of assumptions that need to be met, but roughly you're talking a 30 to 35 month true construction period.

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With **18 to 24** months for planning and 30 to **35** months for construction, that sounds like at least four years and as many as five before you take your first patient.

We are thinking that's a realistic timeline. If it can be done sooner than that, we'll certainly strive for that.

Given that we have that time span, we are currently investing just over \$1 million on bringing some additional in-patient beds online here. If you walk into our lobby, you'll see some renovation work taking place there. We're moving our same-day surgery unit adjacent to the lobby and using the space on the third floor of the B building to bring online an additional 18 beds. That work is under way and our intent is to get those beds online in conjunction with our peak season at the end of this year. We feel that will give us a buffer on bed availability while we are planning and constructing the proposed new hospital.

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You're already licensed for **286** beds but you **only** staff **200** — with **18** more coming by the end of the year. Is that a reflection of demand or space available — or something entirely different?

It really is a reflection of the space available here. Other hospitals are going through the same thing as we've seen a transition from in-patient to out-patient care. Over the years, we've needed to devote more and more of our space to out-patient care and services. That's part of the reason there's a difference between what we currently staff and our licensed capacity.

You've said you intend to open the new hospital fully staffed. What does that mean in terms of additional personnel?

There are two components. One is our medical staff. We've got a well-thought-through development plan for what we need in terms of new physicians for this community based on the population and the utilization of healthcare by this population. Currently, we've got resources allocated and devoted to bringing on new physicians, some of whom we have brought on this summer, and we'll bring on more each of the next few years.

There is also the hospital employee component. That includes nursing issues and ancillary services like radiology and lab. We'll have another plan there to look at what we need in terms of additional human resources and what plans we'll put in place to attract and retain staff members. It needs to be a well-thought-out plan. We've got a very good relationship with the MTSU School of Nursing. We want to continue discussions and be creative in what we can do to support the school and attracting students from there. We will continue our efforts to be a clinical site for those nurses, to get them familiar with MTMC and let them see the different programs and services we have available and, quite frankly, to attract them to come work for us when they complete their training.

Is the prospect of the new hospital part of the recruiting program for these new doctors?

Most definitely. One of the things physicians see when they walk through this facility is we've got a well-maintained hospital, but when you look at our patient

rooms, they're not really what you would like to see in terms of a room being used in 2006. As a matter of fact, we still provide patient care in some of the rooms from the original 1930 building. Obviously it's been renovated, but it's still in use.

When physicians come in, we're able to tell them what our facility plans are and it's something that excites them when they see the growth in the community, the need and the fact the hospital is developing its plan for up to date facilities.

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Your notification of intent to apply for a certificate of need states the outpatient cancer center will remain on Bell Street. What else stays?

One of the CT scanners we have today. Our intent would be to move that scanner into the cancer center. The technology has changed so that piece of equipment is very helpful in planning the treatment for radiation therapy. We've got space that was included in the original plan of our cancer center for a CT scanner. There's also the potential for some outpatient programs or physician offices. We fully expect to keep the Bell Street building online, but our desire is to move what you typically consider to be MTMC over to the new campus.

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The \$64 million question is what happens to the old hospital. How often are you getting that question?

That is the most frequently asked question right behind, "When is the new hospital going to open?" And it's a good question. We've got a significant investment here. Granted, there are buildings which have some infrastructure issues. While we have maintained our facilities well, there are parts of this building that are old. Fortunately there are some services we think are needed in this area that are not currently provided. For example, all of the in-patient psychiatric care that is required for this population now has to go to Nashville. We have had some preliminary discussions with several organizations that specialize in that type of care about how this hospital could be reconfigured to meet those needs.

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Would that require a new certificate of need?

Yes. Our intent would be to partner with somebody to do that. Our main focus is acute care and there is a different set of skills and experience that would be required to be successful in providing in-patient psychiatric care. There are other levels of service — rehabilitation or long-term acute care, for example — that could lend themselves to being in this facility. Our goal all along has been to not totally abandon this site, but to have some level of service continue to be operated here.

But not necessarily by MTMC?

Correct.

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How soon do you expect a definitive answer?

What I've given you is the best answer today. There may be better answers once we clear the hurdle with the certificate of need. We can talk all day long, but until we get that approval, everything is speculative. When we get that, then we can have a different level of discussions with the groups that have

approached us and we can really think through what it will take to offer those services. It's exciting when you think about what we would be able to do that we're not able to provide this population today. There is certainly an expectation by consumers that healthcare is a local service that people should have readily accessible.

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I've been covering the hospital story for about 15 years now. One of the first stories I did was when you added the new building on Highland Avenue. One of the consistent parts of the story has been adding new specialties. Your application says you're not adding new services. Does that mean you have all the specialties you want now?

That's something we'll continue to evaluate. We'll continue to look at what is needed by this community. I think we've done a very good job of keeping up with technology and bringing in new specialists. Indeed, technology is changing year to year, so what you need today may be very different and provided in a different way five years from now. That's where we have to be very careful as we do our planning, that we just don't make the same assumptions that things will be as they are today. We're really looking at where technology is leading us.

What's the most important trend in healthcare?

Locally, it's keeping up with the growth in this community, making sure we have the programs and services available the residents are in need of. There are other issues we're dealing with in terms of the changes to TennCare and our ability to make sure we can take care of those patients who are in need of healthcare and cannot afford it. We have an obligation as a faith-based hospital to take care of our patients, regardless of their ability to pay. We've got to make sure we have programs and mechanisms in place so that no one falls through the cracks. Our Dispensary of Hope is a great example. We get donations of samples from physicians' offices to provide medications for those who might otherwise go without.
