Building the New Parkland

HFMA
May 11, 2012
John F Dragovits, Executive Vice President and CFO

Since 1894, Parkland has been Dedicated to the health and well-being of individuals and communities entrusted to our care
Parkland Hospital Mission Statement

By our actions, we will define the standards of excellence for public academic health systems
Parkland Hospital Vision Statement

What is Parkland?
Dallas County Hospital District – d/b/a Parkland Health & Hospital System:

• “Safety net” provider.
• Primary teaching hospital for UT Southwestern Medical School.
• Major regional resource in the event of a disaster.
• Level III neonatal intensive care beds.
• A Level I trauma service.
• A regional burn unit.
• A network of community-oriented primary care clinics.
• Operates the Dallas County Jail health system.
Mandate, Mission, Vision

**State Mandate**
Under Texas Statute (Health & Safety Code 281.002) the hospital district provides for the establishment of a hospital or hospital system to furnish medical aid and hospital care to the indigent and needy persons residing in the hospital district.

**Mission and Vision**
- **Mission:** Dedicated to the health and well being of individuals and communities entrusted to our care.
- **Vision:** By our actions, we will define the standards of excellence for public academic health systems.

Adopted – Board of Managers 10/24/06

---

Governance and Organization

**Dallas County Hospital District**

- **Board of Managers**
- **Dallas County Commissioner's Court**
  - One County Judge and Four Commissioners
  - Seven members; one appointment by each commissioner and two at-large appointees

**Governs**
- Parkland Memorial Hospital (1894)
- Parkland Foundation (1985)
- Community-Oriented Primary Care (1987)
- Parkland Community Health Plan (1999)

---

One Day
The Process

- The District, with new Board and executive management, reinstated the planning process.
- Petitioned the County to form a “Blue Ribbon Committee” of community leaders to evaluate project options.
- With the assistance of a third party consulting firm, the Committee recommended a replacement hospital plan with estimated price tag of $1.6B resulting in a need for $.05-.06/$100 tax increase for construction, and potentially $.01-.02/$100 for future operating expenses.
- A number of Parkland Board members felt a $.02-.03/$100 tax increase was the maximum amount the voters would support.
- 3P (UK style) was pitched as a solution; financial analysis showed a lifetime additional cost of 3X project costs.
- Increasing polarization was occurring between groups that wanted to complete the entire project and those that wanted to be fiscally prudent.
- Management came forward with an independent analysis and proposal:
  - Reduced plan cost estimates to $1.27B by reducing structured parking; additional of clinic and office buildings to provide most cost appropriate cost venues; and build single hospital vs a separate med/surg and women’s hospital.
  - Developed a finance plan that made use of current cash, philanthropy and future cash in order to keep tax increase to $.025/$100 for construction and $.01/$100 for future operations.

Management’s recommendation was approved by the Board of Managers, Blue Ribbon Committee and the County Commissioners.

Bond referendum was called for November 2008.
- Voters approved $705 million of General Obligation Bonds and $47 million revenue bonds.
- Project $0.025 tax rate support for the bonds.
- Project $0.01 additional tax support for increases in operations upon occupancy.

Project Scope and Costs

<table>
<thead>
<tr>
<th>Project Component</th>
<th>Sq.Ft. (1000’s)</th>
<th>Completion Target</th>
<th>Cost (Millions)</th>
<th>Percent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital – 862 beds**</td>
<td>1,680</td>
<td>Apr 2014</td>
<td>1,053</td>
<td>83%</td>
</tr>
<tr>
<td>Clinic Buildings</td>
<td>387</td>
<td>Apr 2014</td>
<td>105</td>
<td>8%</td>
</tr>
<tr>
<td>Office Buildings</td>
<td>269</td>
<td>Jan 2011</td>
<td>50</td>
<td>4%</td>
</tr>
<tr>
<td>Parking – 4,800 spaces</td>
<td></td>
<td></td>
<td>42</td>
<td>3%</td>
</tr>
<tr>
<td>Net Land Purchases</td>
<td></td>
<td></td>
<td>21</td>
<td>2%</td>
</tr>
<tr>
<td>**</td>
<td></td>
<td></td>
<td>1,271</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Base complement to replace and “right-size” existing services; institutional plan contemplates development of a project to include an additional 106 beds to establish a rehabilitation hospital service (60 beds) and enhanced inpatient services (46 beds) to provide a long term total bed complement of 968 beds.

Public-Private Partnership

<table>
<thead>
<tr>
<th>Financing Plan (in millions)</th>
<th>The Facility Renewal Plan Includes the following components:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parking Structure Bond Proceeds</td>
<td>- Up to $747 million of combination tax and revenue bonds to be issued as:</td>
</tr>
<tr>
<td>Series 2009 Bond Proceeds $705</td>
<td>- $705 million of Series 2009 bonds</td>
</tr>
<tr>
<td></td>
<td>- $42 parking structure bonds, as required</td>
</tr>
<tr>
<td></td>
<td>- Community support consisting of charitable gifts of $150 million</td>
</tr>
<tr>
<td></td>
<td>- A total of $655 million in cash reserves — $250 million pledged from current reserves and $405 million of future cash</td>
</tr>
</tbody>
</table>
By an overwhelming majority, the citizens of Dallas County voted for the construction of a new Parkland Hospital.

**HOSPITAL**
- 1.9 million sq. ft.
- 865 private adult beds (775 built + 90 shelled)
- 96 NICU beds
- 961 Total Facility Licensed Beds
- 1,107 Licensed and Unlicensed Beds
- 108 Emergency rooms
- 27 Operating Rooms (24 built+3 shelled)

**CLINICS**
- 387,000 sq. ft.

**ADMINISTRATION**
- 269,000 sq. ft.

**PARKING**
- 1,800 New staff
- 2,000 patient/visitor

**CENTRAL UTILITY PLANT**
- 387,000 sq. ft.

New Parkland Hospital
- 64 Acre Campus
- 17 Stories High
- Total Area = 2.7M Square Feet
- Cost = $1.271B

Cowboys Stadium
- 70 Acre Site
- 802 Feet High
- Total Area = 3.0M Square Feet
- Cost = $1.3B
- ($45M for the Big TV)
The New Parkland Hospital Campus will be a safe, welcoming, patient-centered, healing environment that serves as a sustainable resource for Dallas County. It will promote excellence in clinical care, teaching and research in a technologically advanced, easily accessible environment.
Put the “Park” back in Parkland
…from the wooded park land it sat on

Integrated Design

Legacy (history and into the future)
Connection (to the communities it serves – internal and external)
Community (Parkland is a part of local, regional, state, national, international)

Patient-Centered Design
Ease of use. Ease of wayfinding

One Community
One Commitment

Ease of use. Ease of wayfinding

One Community
One Commitment

Ease of use. Ease of wayfinding

One Community
One Commitment
Ease of use. Ease of wayfinding

Form follows function. Patient-Centered.
Use of solid, durable, permanent materials

Provide and environment to ensure patients’ and visitors’ dignity, privacy and confidentiality. Use “on-stage/off-stage” concepts

The site and building layouts are informed by the connections between spaces, departments and to other institutions.
Ease of use. Ease of wayfinding
Form follows function, Patient-Centered.
Use of solid, durable, permanent materials
Provide and environment to ensure patients’ and visitors’ dignity, privacy and confidentiality. Use “on-stage/off-stage” concepts
The site and building layouts are informed by the connections between spaces, departments and to other institutions
The New Parkland will set the new standard for 21st century hospital design

“Best in class” design on a global stage
Sustainable practices to reduce operating expenses and carbon footprint

The site and building layouts are informed by the connections between spaces, departments and to other institutions
The New Parkland will set the new standard for 21st century hospital design

The site and building layouts are informed by the connections between spaces, departments and to other institutions
The New Parkland will set the new standard for 21st century hospital design
Design Principles

Connectivity
Flexibility
Standardization
Dedication (on stage/off stage)
Sustainability

“On Track” to achieve LEED Silver for the Hospital.

Stretch goal of LEED Gold rating

- Implement a campus recycling program
- Reduce water use in the building 20%+
- Reduce potable water use in energy efficiency based on ASHRAE 62.1 2007 baseline
- Will comply with the Dallas Green Building Ordinance
- Divert 75% construction waste from landfills
- Use materials that contain a recycled content of 20%
- Use at least 20% of the materials that are obtained within the region
- Reduce potable water use for irrigation 50%

Evidence Based Design
Creating the Healing Environment

An estimated 1200 studies have linked the physical environment to patient and staff outcomes in four categories:

- Patient safety
- Patient & family stress and healing
- Improved overall healthcare quality
- Staff stress and effectiveness

Patient-Centered Design

Common Principles of Patient-Centered:

**Care**
- Promote Respect
- Privacy
- Confidentiality
- Build trust
- Facilitate communication
- Empower patients
- Collaboration and trust
- Encourage patient & family participation
- Create a comfortable environment
- Provide access
- Facilitate healing

**Design**
- Promote Respect
- Private rooms
- Family space
- Promote safety and security
- Facilitate communication
- Bedside technology
- Family in the room
- No waiting
- Create a comfortable environment
- Ease of wayfinding
- Areas of respite
- Positive distractions
Current Patient Room

- 140 sq. ft (13 sqm) average
- 70% semi-private rooms
- 75% without private showers

New Hospital Patient Room

- 260 sq. ft (24.1 sqm) nominal
- All private rooms
- Able to serve as any type of patient room
  - Medical/surgical
  - Obstetric
  - Ante-postpartum

Patient Room Zones

- Cafeteria/Bar
- Raiser Zone
- Family Room
- Emergency Room
The new Parkland Hospital will be a Pebble Project.

The Pebble Project is a joint research effort between The Center for Health Design and selected healthcare providers. The purpose of the work is to create a ripple effect in the healthcare community by providing connection and described examples of facilities whose design has made a difference in the quality of care and financial performance of the institution.

The greatest benefit Pebble Project partners receive is access to information and expertise. Meetings with other partners, The Center’s board of research consultants, and other industry experts offer sharing and learning opportunities. High-level consulting and technical assistance to facilitate the research effort is also provided as well as a proprietary research design methodology template.

City of the Future
Frank R. Paul, 1942

Hospital Design
Planning for the Future

Tech challenges:
- Sufficient for IT connection density
  - Antenna distribution
  - Mobility
- Integrated systems and devices
  - Include robust rough-in space for future tech
  - Conduit
  - Server/data room/track expansion
• More video/telepresence
• 3D imaging
• Smart surfaces
• Mobility/convergence

Hospital Design
Planning for the Future

• More video/telepresence
• 3D imaging
• Smart surfaces
• Mobility/convergence

Hospital Design
Planning for the Future

• More video/telepresence
• 3D imaging
• Smart surfaces
• Mobility/convergence
November 2010

PROJECT STATUS

BUDGET
All projects under construction are tracking under budget.

SCHEDULE
All projects are on or ahead of schedule.

SAFETY
Below OSHA National Average incident rates for recordable and lost time cases.

EMPLOYMENT
Of the more than 2000 jobs that have been created on site, not including consultants and staff, more than 60% come from Dallas zip codes that are below the average median income.

MWBE
Overall total commitments to date meet or exceed Parkland's goals for MWBE participation.
A Hospital for the Future of Dallas County

Questions and Additional Information

About Parkland Hospital:
http://www.parklandhospital.com/

About the New Hospital Project:
http://newhospital.parklandhospital.com/

About Supporting Parkland Hospital:
http://www.istandforparkland.org/
A Hospital for the Future of Dallas County