

FOCUS ON DESIGN

2009 Trends Forecast

FacilityCare's annual trends forecast offers commentary on various issues healthcare facility managers can expect to face in the coming year. We asked three healthcare industry professionals to comment on the overall challenges ahead in 2009, what to expect for healthcare construction and which design trends will be shaping the future.

ODE KEIL



The Ode Keil
Consulting Group

The coming year for healthcare will be filled with changes. There will be a new president with a new plan for managing the availability and cost of healthcare. The push to provide coverage to the uninsured will be a key piece of any presidential agenda during 2009. In addition, the agenda to reduce the cost of prescription drugs will continue to be part of the discussion. A number of key patents on high-cost prescription drugs are set to expire during 2009, so there should be a scramble among generic makers to capture a portion of the market.

The current financial market upheaval will be felt for all of 2009 and perhaps longer. Hospital investment portfolios have been significantly devalued this fall, and recovery of the lost value will take significantly longer. Until the value of stock and other holdings is recovered and the cost of capital in the debt markets drops significantly, hospitals will likely shelve most major capital investment projects.

Hospitals that have recently completed large expansions that transitioned them to primarily

single-bed institutions will face severe operational financial pressures. As the effects of the financial upheaval hit the broader economy, more people are likely to delay elective treatment and to reduce the use of health services due to increased out-of-pocket expenses or loss of health insurance coverage. This will limit growth in service volumes. It is also likely to result in an increase in patients without any third-party-payer coverage.

Traditional hospitals are likely to face growing competition from retail merchant-based clinics such as those being trialed in some Wal-Mart stores. The low-cost services are likely to be attractive to individuals without health insurance or those with high deductibles.

As hospital revenues stagnate or shrink, facility managers are likely to be asked to deliver more with fewer resources. The focus is likely to be on energy conservation, extending the life of existing infrastructure, renovating existing space at low cost rather than building new, and maintaining compliance with accreditation standards and regulations. All of this will come with an eye to reducing the cost of support-service operations.

None of these activities is foreign to veteran facility managers. It is simply another year during which they will have to roll up their sleeves and get back to basics by cutting all fat from operations and by aggressively evaluating marketplace options for procuring energy

resources, physical plant operating supplies and other consumable supplies. A close watch on expenditures will be mandatory. Nonessential repairs will be delayed, and equipment nearing the end of useful life will be pushed for another year or two.

The real challenge is to not get caught in a situation where the plant is pushed a year too far and a catastrophic failure creates a huge need for capital that could cripple an organization.

Getting through such times requires more and more frequent measurement and communication with top-level leaders of the organization. Good financial management and productivity management tools and reporting will be essential for thriving during the likely down cycle that 2009 will represent.

TERRIE KURRASCH



Ratcliff

The cost of providing healthcare in the United States will remain exorbitant in the coming year. In California alone, salaries, wages, benefits and professional fees constitute more than 70 percent of a hospital's

direct expenses, while capital programs, facilities management and operations, and compliance with unfunded mandates drain the additional budget dollars. These multifaceted budget constraints will leave little room for a hospital executive to contemplate the continued escalating cost of construction for retrofits, additions or new facilities.

Architects and planners assist the healthcare industry in making the most of their investments in new facilities. Just a few of their vital services include:

Providing real value to the strategic planning process. Architects and planners have a “big picture” perspective and can help their healthcare clients envision facilities that will meet the current and future needs of their patient populations. This type of support can even extend to the arena of suggesting ways in which the medical needs of the patient population can be addressed without adding more general acute-care beds. With the increased availability of home-monitoring devices, patients can (and most likely should) be discharged to their home safely knowing that they are only a telephone call or computer link away from a professional who monitors their ongoing conditions and status. Devices now on market range from sophisticated (a wearable monitor for cardiopulmonary patients) to the more commonplace (a Holter monitor or glucose monitor). As more and more “wired” diagnostic devices become available, the need for inpatient beds may further decrease, and sub-acute beds, such as 23-hour beds, may become more useful and appropriate.

Designing less expensive, flexible facilities that will adapt to a healthcare organization's changing needs. For instance, the Healthcare Advisory Board proposes a “distributed hospital” concept for the future. This new facility type will encompass increased access points to care, more short-stay and specialty hospitals, freestanding EDs, greater use of telemedicine in patients' homes, and increased specialization around fewer key services.

Continuing to advocate for buildings with net-zero carbon footprints. Sustainable design offers a great ROI for any industry, especially healthcare. By documenting “first costs” and the amount of time to payback, green design investments, architects and planners can demonstrate that sustainable facilities are not necessarily cost prohibitive.

Using operational analysis to design facilities that make hospital stays healthier for patients and make healthcare delivery easier for caregivers. Healthcare organizations can improve their bottom lines by evaluating their operational processes and building streamlined

facilities. The results: improved staff and physician recruiting and retention, increased patient satisfaction, greater market share, and reduced medical errors and infection rates.

The healthcare industry will continue to be challenged to deliver lifesaving services in the midst of ever-changing regulatory mandates, aging and diverse patient demographics, and an uncertain American economy. Lean design approaches, such as those outlined above, are all cost-reduction strategies that are central to the future of hospital facility construction.



Enhancing patient experience and sustainability are the broad trends that continue to shape healthcare interior design. I recently presented at the Healthcare Facilities Symposium in Chicago, and aspects of the following important trends were evident in many of the presentations and in the products and booths on the exhibit floor.

Sustainability. Flooring, ceiling tiles, wall protection and paint that meet the criteria for green or sustainable materials are included in Francis Cauffman's finish palettes for every project. Materials such as rubber and linoleum not only meet the standards for green materials, but require no waxing or finish, contributing to the environment and saving maintenance costs. New materials are brought to market daily, including fabrics for upholstery and cubicle curtains with recycled content containing fibers such as hemp and bamboo are both renewable and appropriate for the healthcare setting.

Lighting. For years fluorescent lighting, both linear and compact fluorescent bulbs, has been the standard in healthcare design. Current design introduces LED (light-emitting diode) light sources, which use less energy and are longer lasting than fluorescent bulbs. LEDs also present exciting design opportunities: This small and flexible light source is perfect for coves, curved soffits, accent lighting, task lighting and recessed-down lights and can even introduce color to a lighting scheme.

Clean, contemporary design. Evidence-based design, Planetree design and patient-focus groups have shown that warm, inviting environments that follow a hospitality model

facilitate healing and enhance the patient experience. This feedback has inspired designers to develop warm color palettes and to create spaces with a transitional design feel, incorporating traditional details while maintaining a contemporary style. Current design philosophy has thus struck a new balance with spaces that retain a traditional warmth while being clean, contemporary, and at home in their 21st-century buildings. Rich materials and extensive use of wood balance clean lines and crisp details. The trend toward darker woods, as opposed to the maple and cherry that have long been prevalent, enhances the richness of modern design and provides high contrast with other colors and materials in the space, reinforcing the contemporary feel. There is less concern about hiding the technology. A high-tech/high-touch approach integrates the technology in the contemporary setting.

Branding. The cohesive selection and design of graphics, signage and artwork establishes a consistent message or “brand” throughout a facility. Digital technology is providing exciting new opportunities for large-scale graphics that promote clients' missions and values or recognize employees and donors, as well as artwork and murals that reinforce regional pride. As branded artwork and graphics are increasingly integral parts of design, their placement, lighting and detailing become crucial elements of their success.

Healing arts and community involvement. Studies have proved the importance of art in the healthcare environment as a vital part of the overall design. In recent projects, Francis Cauffman has worked closely with our healthcare clients and the community to establish a theme consistent with the hospital's branding and to solicit artwork from local artists.

Constructing mock-ups of patient rooms representing actual colors, finishes, artwork and furniture provides an excellent opportunity for staff and community involvement and feedback. Allowing these groups to tour mock-ups and provide comments via a questionnaire fosters positive relationships and ultimately helps to ensure a successful project. **FC**

Ode Keil is president of The Ode Keil Consulting Group, Kildeer, Ill., and FacilityCare's senior editor. Reach him at (847) 208-1173 or ecxprt@aol.com.

Terrie L. Kurrasch, FACHE, is a senior associate/strategist-planner at Ratcliff, Emeryville, Calif. Reach her at tkurrasch@ratcliffarch.com. For more information, go to ratcliffarch.com.

Suzanne A. O'Connell, NCIDQ, is a senior associate with Francis Cauffman Architects, Philadelphia. For more information, go to franciscauffman.com.