

Rethinking The Hospital

The Building, The Campus, The Brand and the Future

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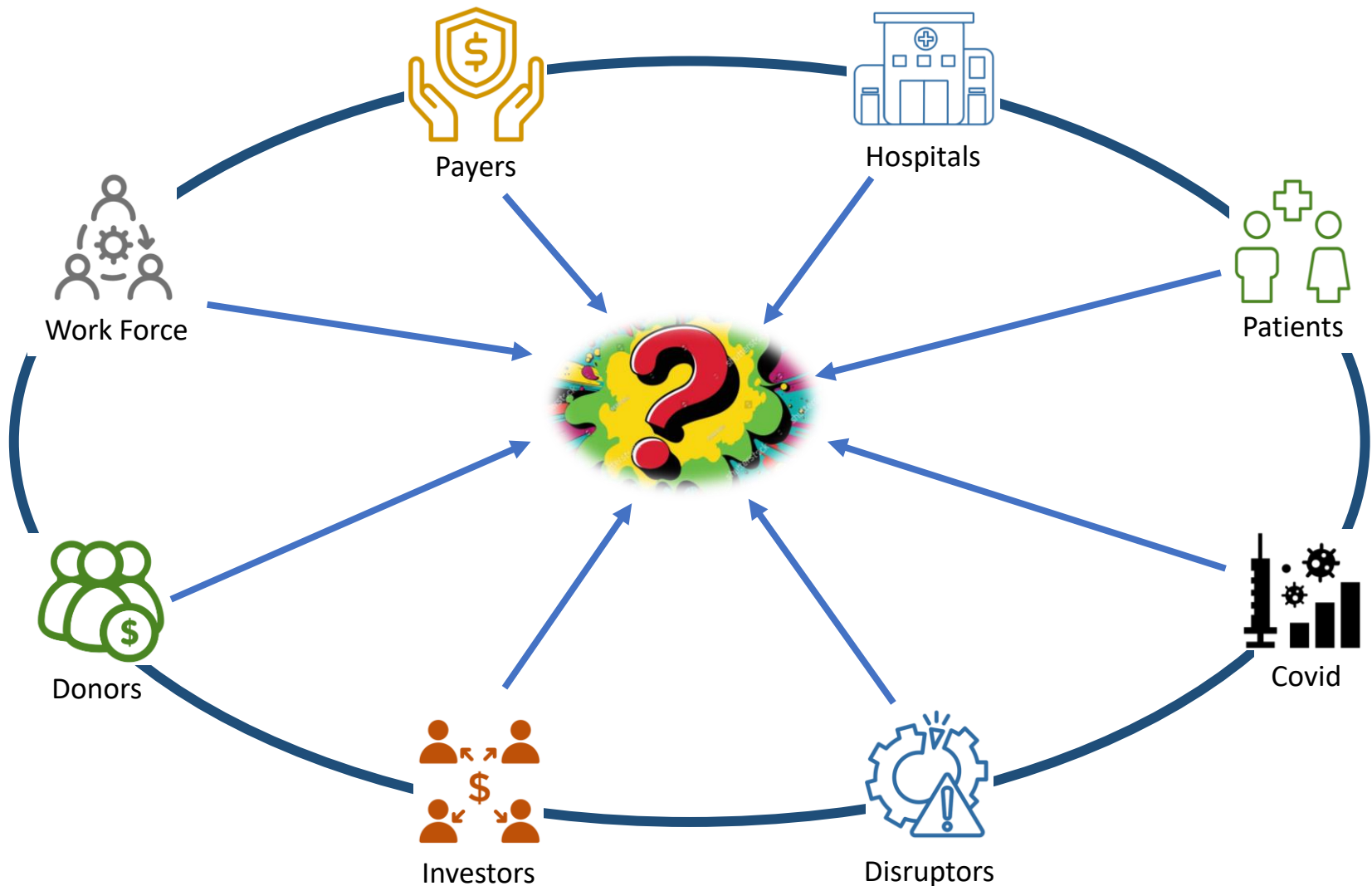
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The Leadership Institute

TWO MINUTE MARKET SNAPSHOT



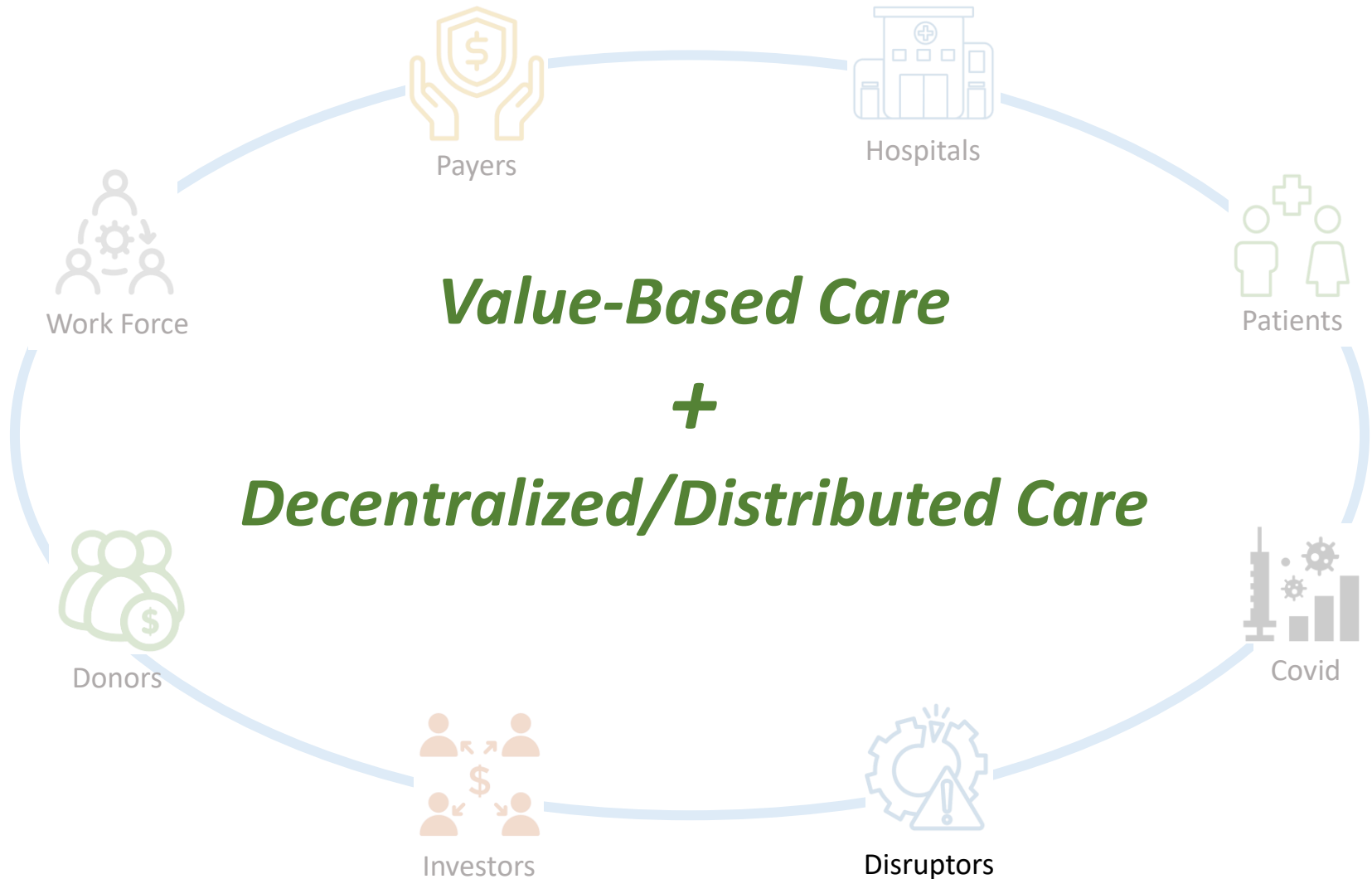
A Complex Healthcare Delivery Market Experiencing Unprecedented Forces For Change And Disruption



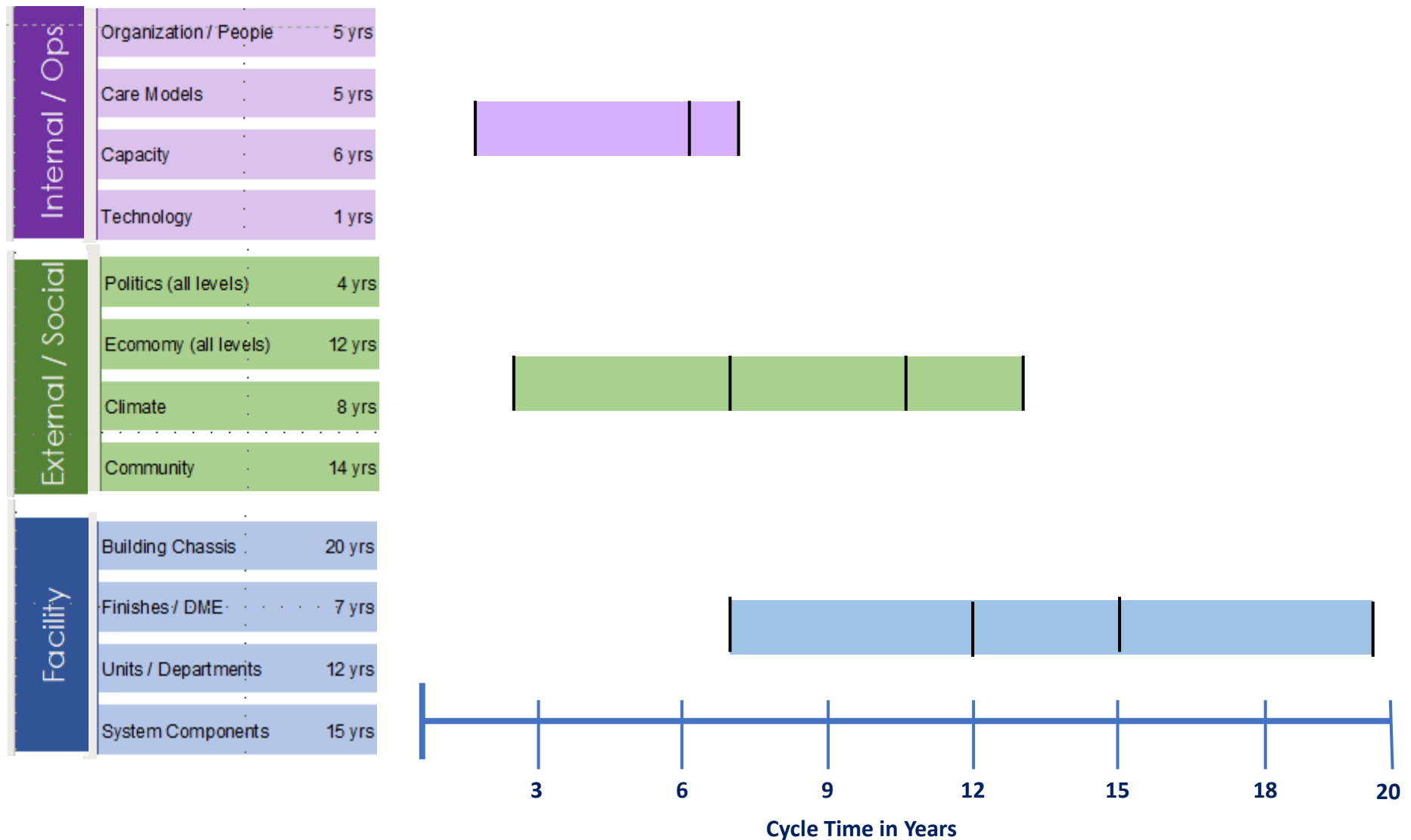
The Dominant Stakeholder Questions



Growing / Inevitable Tailwinds



Technology, The World and Changing Care Models are Morphing Faster than Facilities Were Designed to Keep Up



IMAGINE THIS





POST TORNADO - NO MORE BUILDINGS
JUST DOCTORS, NURSES, EQUIPMENT AND TECHNOLOGY REMAIN



OK – TIME TO PEEK INTO MY VERSION OF THE FUTURE

“The *Easy* Prediction”

The Inevitable Configuration of the Hospital of the Future

The Bricks and Mortar Focus and Core Competencies



**Hospital Footprint
30%-50% Smaller**

The *Not So Easy* Prediction

The Inevitable Configuration of the Hospital of the Future

The New Triage “Front Door” to Acute and Chronic Care
is Coming to a Neighborhood Near You



**Guiding (Value-Based) Care Sites
for Patients Needing Acute, Urgent and Primary Care**

The *Not So Easy* Prediction

The Inevitable Configuration of the Hospital of the Future

The Hospital's Command Center Will Oversee Hospital and ED in Home Care
Inside and Outside It's Current Footprint



**Generating Very Generous Margins on Hospital Level Care and
Value Based Admissions Reductions Savings**

This is the Inevitable Future



Trusted Brands Serving the Community, City,
State or Country



ICU



LEVEL ONE EMERGENCY
TRAUMA



COMPLEX/ADVANCED
SURGERIES

Hospital Footprint
30%-50% Smaller



MEDICAL COMMAND CENTER
Trusted Brands Serving the Community, City,
State or Country

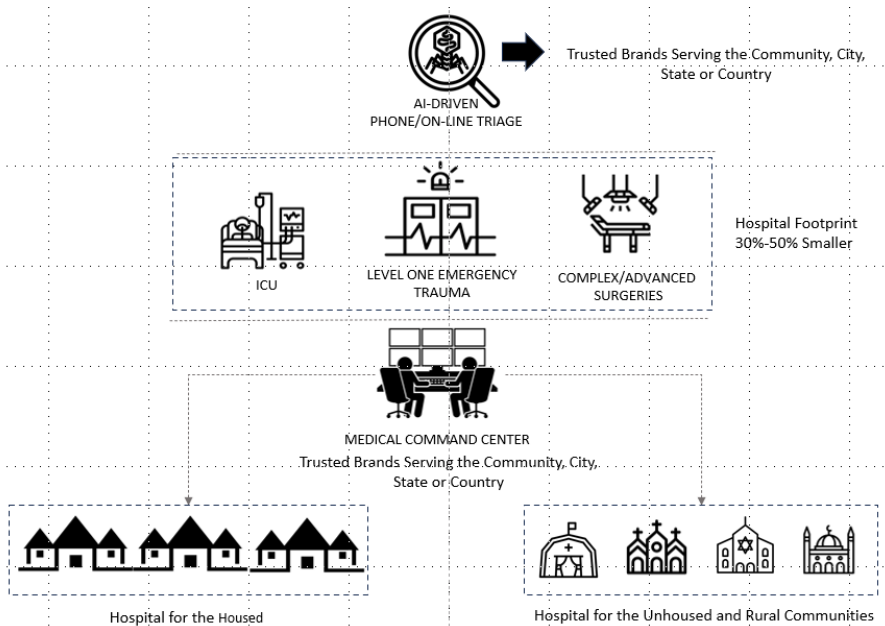


Hospital for the Housed



Hospital for the Unhoused and Rural Communities

The Implications Of the Hospital of the Future



- Brand – Reach- Market Share
 - H@H and ED in the immediate community
 - H@H and ED outside the community
- Economic model
 - Smaller on-Campus Revenue
 - New Off-Campus Hospital Revenue
 - Higher margin
 - Smaller footprint
 - Faster throughput

This is the Inevitable Future
[Easy to Predict But Difficult to Evolve Into]

The Conundrum for Shrinking Transforming a 3.5M Square Foot Hospital Campus



Bricks and Mortar Operations

- Hyper-sensitivity to fixed cost coverage with admissions
- Short term cash flow and debt service challenges
- How to decant operations that don't contribute to top and bottom line
- How to reconfigure operations to align with a distributed/value-based healthcare model for next 10-20 years
- How to build muscle and focus on what can not be decentralized over the next 10-20 years

The Mandate for Shrinking Transforming a 3.5M Square Foot Hospital Campus



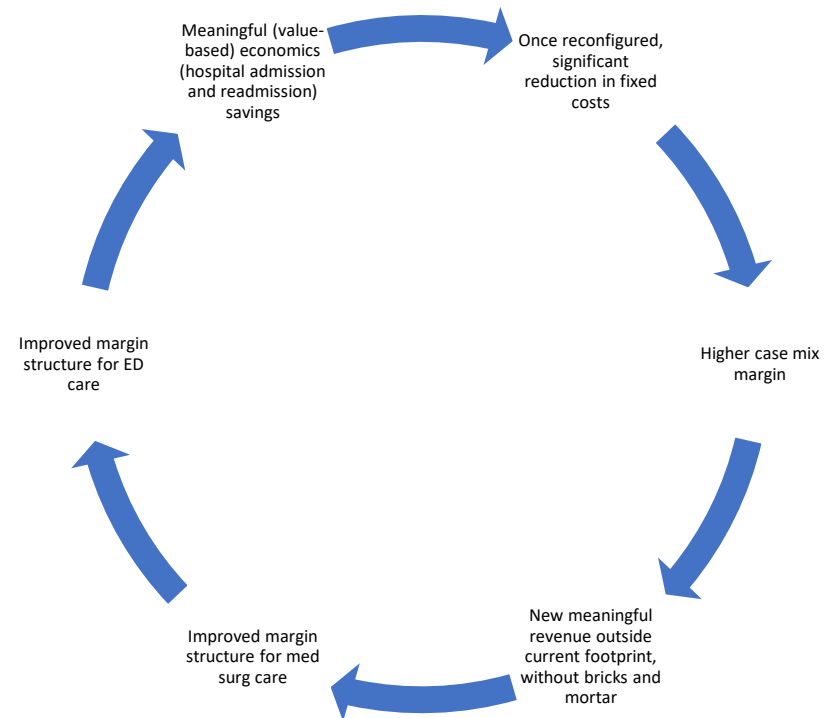
Decentralized Operations

- Brand, lead and dominate in 24/7 triage
- Brand, lead and dominate in 24/7 H@H and
ED in Home care
- Brand, lead and dominate newly configured
rural healthcare delivery assets

How Will We Pay for This Complex
Reconfiguration?

The Easy [Conceptual] Part

Tapping into the Six Sources of Meaningful Value

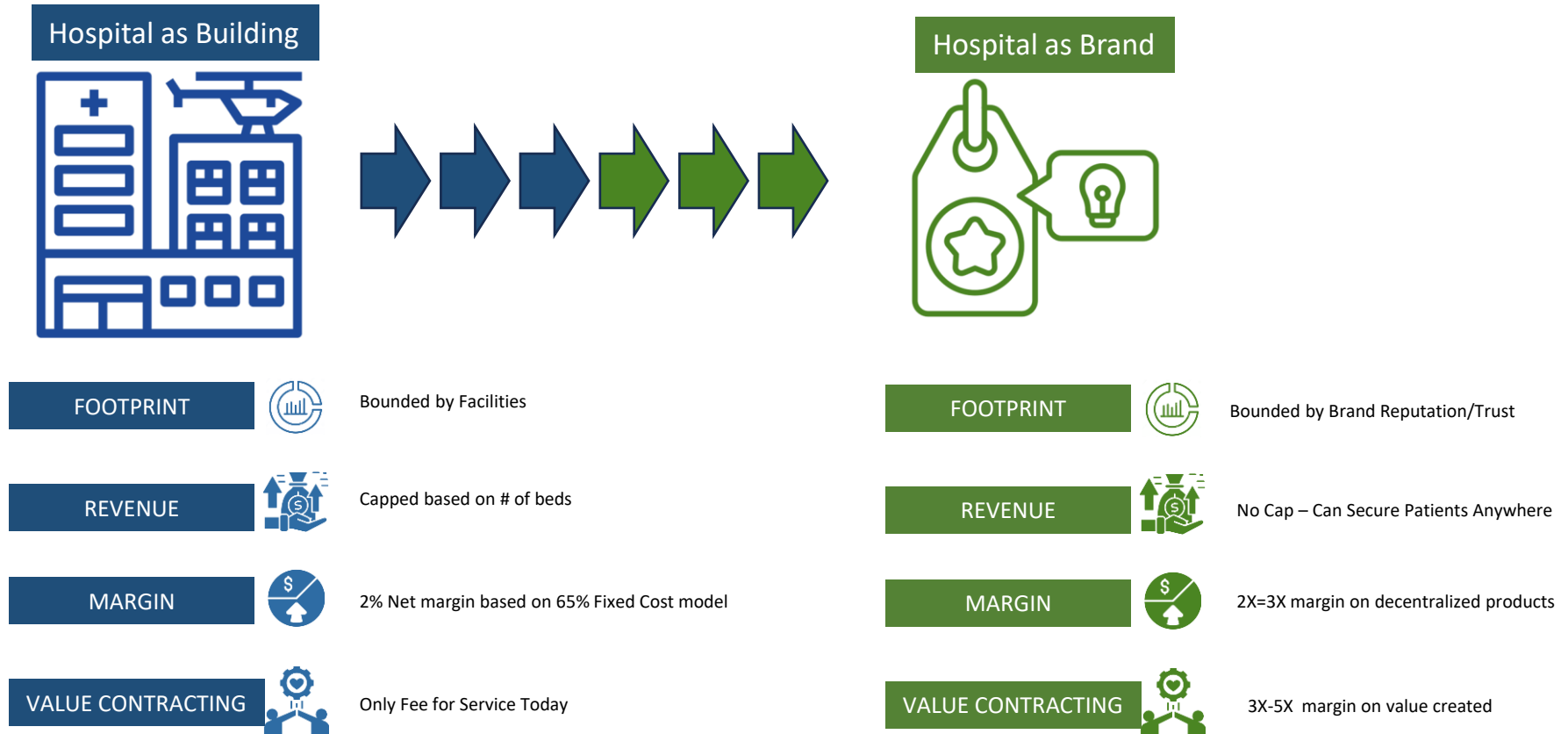


The Difficult Part - How To Transition Through Overhead Coverage, Write Downs and a Reconfigured P&L



The Core of Your Future as a Sustainable Enterprise

“From Buildings as Your Footprint and Economics” to “Brands as Your Footprint and Economics”



A Final Word about Leadership

