

MU Health Care
Fiscal Years 2024 – 2029 Capital Plan

MU Health Care: Fiscal Years 2024 – 2029 Capital Plan included in Finance Plan

	2024*	2025	2026	2027	2028	2029
	Current Year	Year 1	Year 2	Year 3	Year 4	Year 5
New Construction	\$0	\$50,000,000	\$0	\$0	\$0	\$0
Children’s Hospital Facility - Third Floor Surgery Fit-Out	\$0	\$50,000,000	\$0	\$0	\$0	\$0
Renovation/Infrastructure	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$50,000,000	\$0	\$0	\$0	\$0

*Projects listed under 2024 are projects anticipated to go to the board for approval during FY24.

MU Health Care: Fiscal Years 2024 – 2029 Capital Plan included in Finance Plan Funding

Projects					Funding Strategy					
#	Title	Type	Facility Needs	FCNI	Total Cost	Debt	Gifts	Internal	Federal	State
1	Children’s Hospital Facility - Third Floor Surgery Fit-Out	NC	N/A	N/A	\$50,000,000	\$0	\$0	\$50,000,000	\$0	\$0
Total					\$50,000,000	\$0	\$0	\$50,000,000	\$0	\$0

1. Children’s Hospital Facility - 3rd Floor Surgery Fit-Out, UMHC

The Children’s Hospital Facility (CHF) Third Floor Surgery Fit-Out project will construct seven (7) new operating rooms including an intraoperative MRI, seven (7) Post Anesthesia Care Unit (PACU) bays, fourteen (14) pre/recovery bays, and associated support space for the entire floor.

MU Health Care has recently completed planning for key service lines across the health system. These plans support significant growth in oncology, cardiovascular, neurosciences, women’s health, and pediatrics. Each of these service lines includes surgical care for patients that requires adequate operating room, preparation, and recovery space. In addition to general operating room space, there is a need for an intraoperative MRI to support the neurosciences program. In order to achieve the goals set out in these clinical service line plans, UH must increase capacity of surgical space.

The current surgery space and capacity located on the MUHC main campus (University Hospital and Missouri Orthopaedic Institute) encompasses thirty-six (36) operating rooms, seventy-four (74) prep/recovery and thirty-six (36) PACU rooms/bays. These spaces are inadequate to meet the current and future volume projections and have created a need for additional operating rooms, prep/recovery and PACU space.

The CHF Third Floor has been designated and shelled as a future surgery suite space. The connectivity is directly adjacent to the large Patient Care Tower surgery suite and serves as an operationally efficient expansion of that surgery core for MU Health Care at the University Hospital location.

American Hospital Association (AHA) Industry Standard is 800-1,000 cases per room (all facilities). Since MUHC is an academic, tertiary care center, the lower end (800 cases per room) is the recommended standard. The current thirty-six (36) ORs available at University Hospital (UH) and Missouri Orthopaedic Institute (MOI) includes specialty rooms such as cysto, hybrid, heart, and robotic rooms. Targeted utilization is 75%- 80% capacity to allow for access and flexibility for the unpredictable nature of emergent/urgent cases.

OR Volume Projections			
	FY25	FY28	FY31
Inpatient	9,208	9,760	9,865
Outpatient	18,953	20,012	21,039
TOTAL	28,161	29,772	30,904
OR Demand Based on AHA Industry Standard			
ORs Needed (Based on 80% Utilization)	44.00	46.52	47.02
ORs Available (36 ORs at UH and MOI + 7 New at CHF)	43.00	43.00	43.00

The project budget of \$50,000,000 will be funded from MU Health Care Reserves and be repaid through Operations.

MU Health Care
Strategic Projects Development Plan

FY 25 – MU Health Care: Strategic Projects Development Plan

Projects						Funding Strategy				
#	Title	Type	Facility Needs	FCNI	Total Cost	Debt	Gifts	Internal	Federal	State
1	MUHC Campus Consolidation & Inpatient Services Expansion	NC	N/A	N/A	\$93,000,000	\$93,000,000	\$0	\$0	\$0	\$0
Total					\$93,000,000	\$93,000,000	\$0	\$0	\$0	\$0

1. MUHC Campus Consolidation & Inpatient Services Expansion, UMHC

The MU Health Care Ambulatory Facility/Medical Office Building (MOB) project will construct a four-story clinic building with up to approximately 125,000 to 150,000 gross square feet to accommodate medicine and surgical specialty clinics and departments. The building will be constructed on University owned land.

University Hospital currently has a shortage of space needed for high revenue-generating, hospital-based services such as diagnostic cardiology, cardiac catheterization labs, interventional radiology labs, endoscopy labs, etc. This has a negative impact on access, and consequently, patient and referring physician satisfaction.

A new ambulatory building will allow for growth of medicine and surgical specialties; decant outpatient services to allow for more profitable, hospital-based services; meet ongoing payer and patient demands for more outpatient-based services, abate leases secured for short-term solutions; and create synergies and efficiencies by consolidating clinics, especially those that now have two locations due to capacity constraints.

A study conducted by Cannon Design indicates multiple specialty clinics are nearing or exceeding target utilization, creating significant limitations in terms of growth. Some of the specialty clinics are in prime, high-cost hospital space. A couple of clinics have had to split off into two locations, some of which have required adding leased space, to accommodate physician recruitment needed to meet growing demand.

The project budget of \$93,000,000 will be debt financed.