

# **From Blueprints to Breaking Ground: Capital Planning for Health Center Growth**

## **Session 1: Goal Setting & Project Planning**

# Three-Part Webinar Series:

## From Blueprints to Breaking Ground: Capital Planning for Health Center Growth

1

Goal Setting  
& Project Planning

October 23rd  
12:30 PM EDT

2

Capital Sourcing

November 13<sup>th</sup>  
12:30 PM EST

3

Project  
Implementation &  
Lessons Learned

December 11th  
12:30 PM EST



# Health Equity is our Mission

## Transform.

We partner with health care providers to build capacity and improve services and outcomes.

## Invest.

We provide capital to integrate services, modernize facilities, or expand operations.

## Advocate.

We promote policies that advance health equity and bring resources and attention to primary care.

# Over 30 Years of Impact

*Since 1993, PCDC has supported primary care practices and providers in 40+ states, as well as D.C., Puerto Rico, and the US Virgin Islands.*



**\$1.7B**

Leveraged in low-income communities



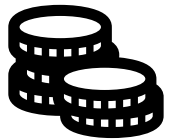
**1,300+**

Practices transformed into "Medical Homes"



**18,600+**

Health care workers trained



**\$264M**

New Markets Tax Credits invested



**21,800**

Jobs created or preserved



**2,988,357**

S/F of created or renovated clinical space



# Meet Our Presenters



Rachel House  
Senior Program Manger  
Consulting & Training



Maia Morse  
Director  
Consulting & Training



Nancy Lager  
Senior Director  
Capital  
Investment

# Learning Objectives

Learning objectives for today's session are:

1. Reinforce the connection between the capital project planning process and your organization's strategic plan
2. Build a framework to assess capital development needs and identify goals for capital planning projects
3. Introduce the key steps in capital project planning



# Agenda

## I. Goal Setting

- Strategic planning
- Pre-project analysis
  - External assessment
  - Internal assessment

## II. Capital Project Planning

- Workplan
- Project team
- Program and space plan
- Project budget



# Poll Question

How would you describe your current knowledge and experience with capital project planning?

- Limited
- Intermediate
- Advanced
- Expert





# Poll Question

Where is your organization in the capital project planning process?

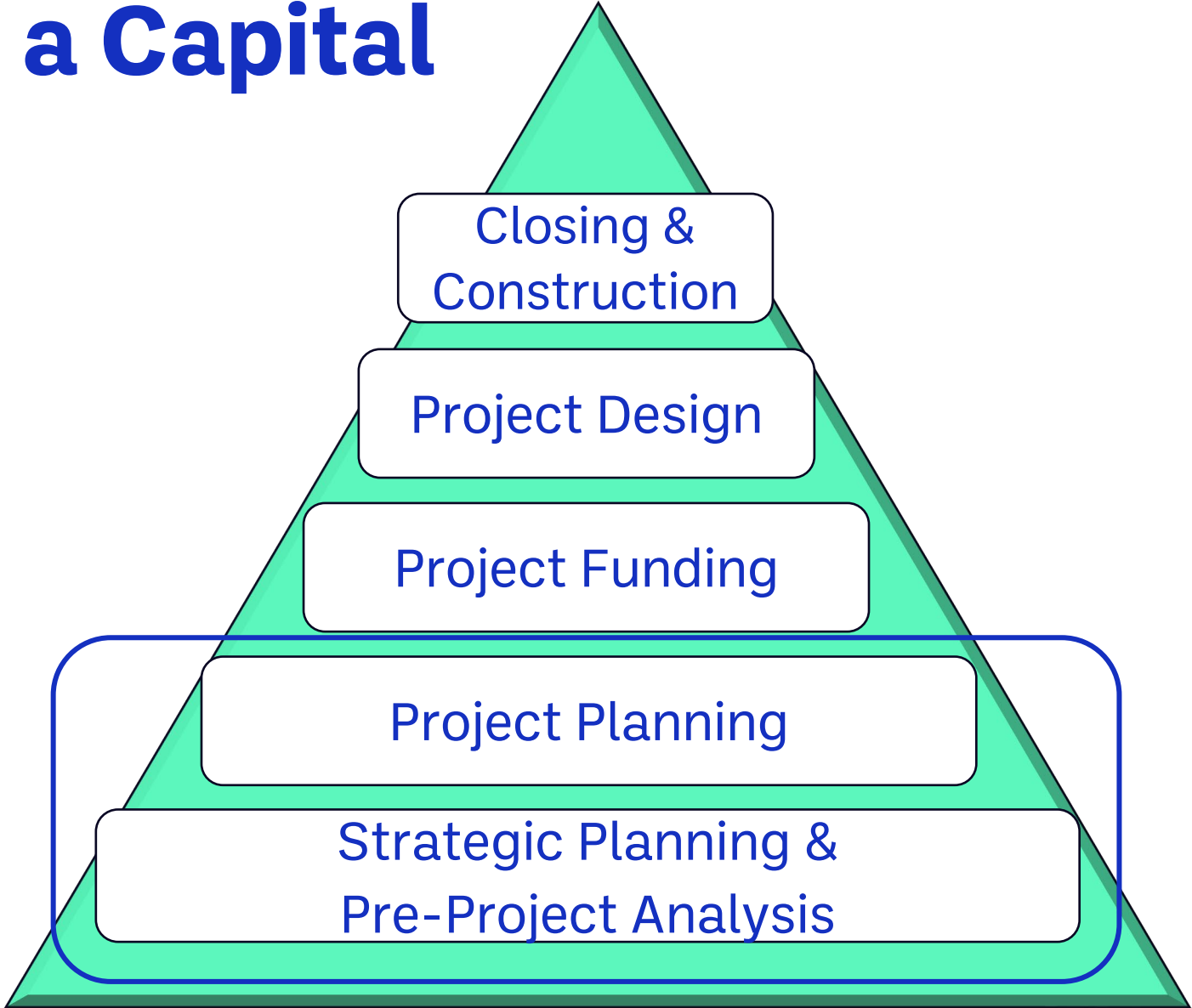
- Strategic planning (a project is 2-3 years out)
- Project planning (targeting construction in 6 – 18 months)
- Project is currently underway
- Recently completed a project
- Not currently planning

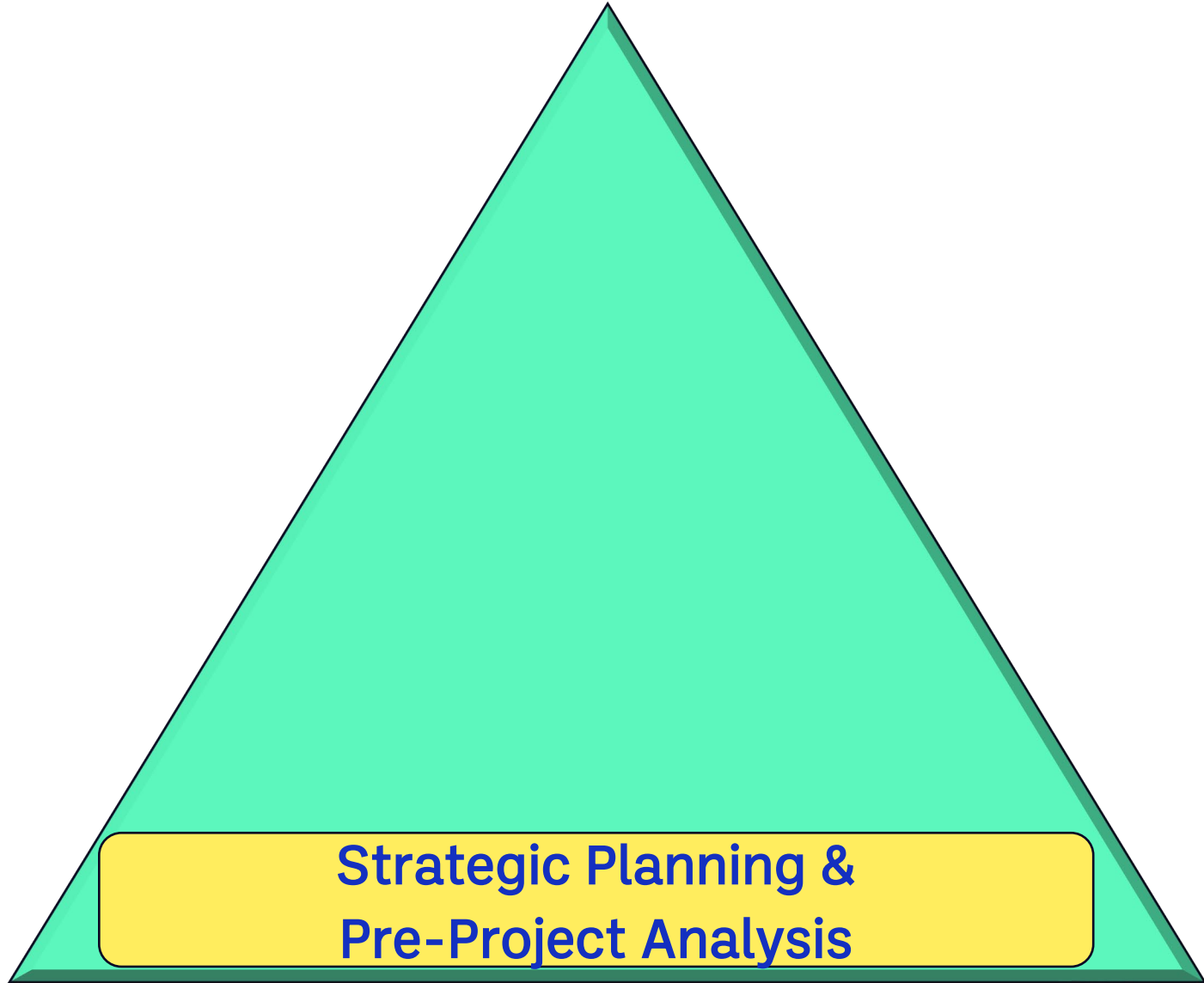
# What is Capital Planning?

- Capital = assets and investments used to sustain and expand services
- Capital planning involves evaluating funding needed for future organizational projects
  - Land or building acquisition
  - Practice acquisition
  - New construction
  - Expansion of services or renovation of existing site
  - Energy efficiency upgrades, information technology or related infrastructure



# Key Steps of Planning a Capital Project





# Strategic Planning

- Process of setting goals and objectives to inform decision making and long-term direction of the organization
- Create roadmap that sets clear direction and priorities
- Engage board, executive leadership, frontline staff, patients
- Assess current state using a SWOT analysis (Strengths, Weaknesses, Opportunities, Threats)
  - Review external and internal factors that will impact direction of the organization over the next 3-5 years



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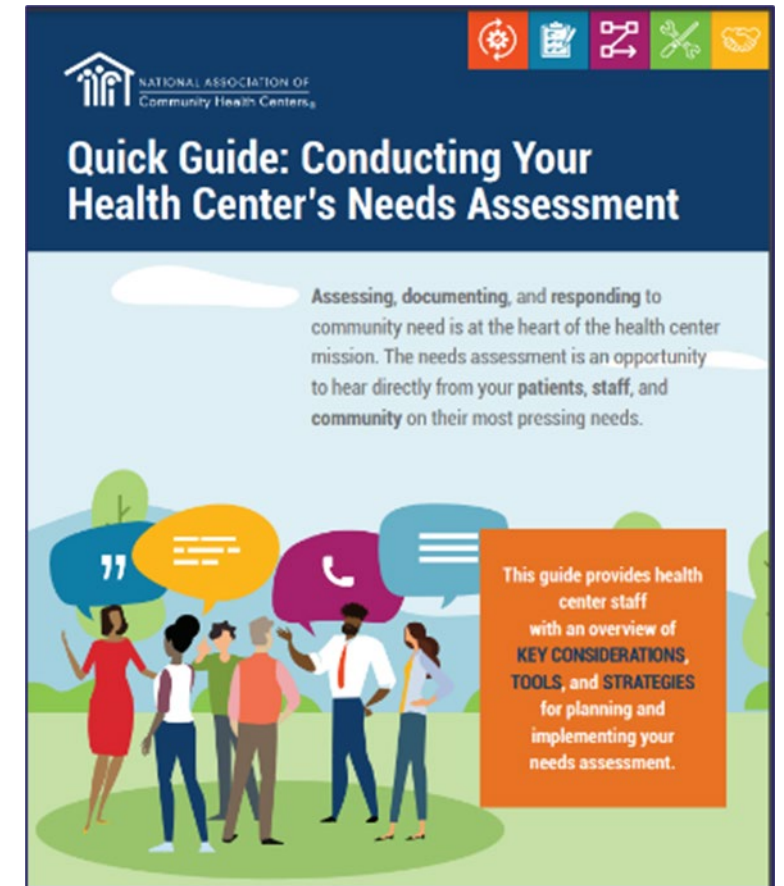
[NACHC Growth Resources](#)

[NACHC Strategy Resources](#)

# External Assessment – Needs Assessment

- Required by HRSA every three years
- Identify the needs of the health center’s patient population and community using available quantitative and qualitative data
- Use results to inform strategic plan and budget development
- Evaluate current service area
  - Review the UDS Mapper <https://support.udsmapper.org/hc/en-us>

[Quick Guide: Conducting Your Health Center's Needs Assessment](#)



# Internal Assessment – Operational Assessment



Productivity trends – Visits and patients



Staffing – Hiring and retention



Financial performance –  
Performance and liquidity

Billing and collections  
Days cash on hand, operating  
margin, debt to equity



Access metrics – Assess supply and demand side of  
access

# Internal Assessment - Demand

Reflects need for service by a panel of patients

- Clinical care, referrals, advice, and condition monitoring
- Behavioral health or non-medical needs
- Prescriptions, forms and results
- Self-management support, education

## Two Types of Demand



Patient generated:  
from patients directly, or  
referral sources on behalf of  
patients



Provider generated:  
by provider-directed return  
visits to the health center.



# Internal Assessment - Capacity

Reflects the ability to accommodate the demand for needed services for a panel of patients. Influenced by:

- Appropriately triaging and matching time slots to appointment types
- Distribution of work among the care team
- Knowledge and relationships with external partners
- Provision of care in alternative ways
- Adequate space and facilities for the demand of visits and service lines
- Provider productivity

# Review Access to Care Metrics

Metric	Definition	Goal
<b>Provider Capacity Used</b>	How many provider appointment slots result in completed visits with patients?	90% of provider capacity used
<b>Third Next Available Appt (TNAA)</b>	How long do your patients typically wait before receiving an appointment they requested?	Patients are seen within 3 weeks for routine care and within 24 hours for urgent care
<b>Cycle Time</b>	How much time does the patient spend in your office beginning from their initial arrival?	The complete visit is 45 minutes in length with no more than 30 minutes of idle time

# When Expansion is the Informed Decision

## Without a capital project

- Provider capacity
- Extend hours during evenings/weekends
- Use 'moonlight' provider
- Acquire an existing provider practice

## With a capital project

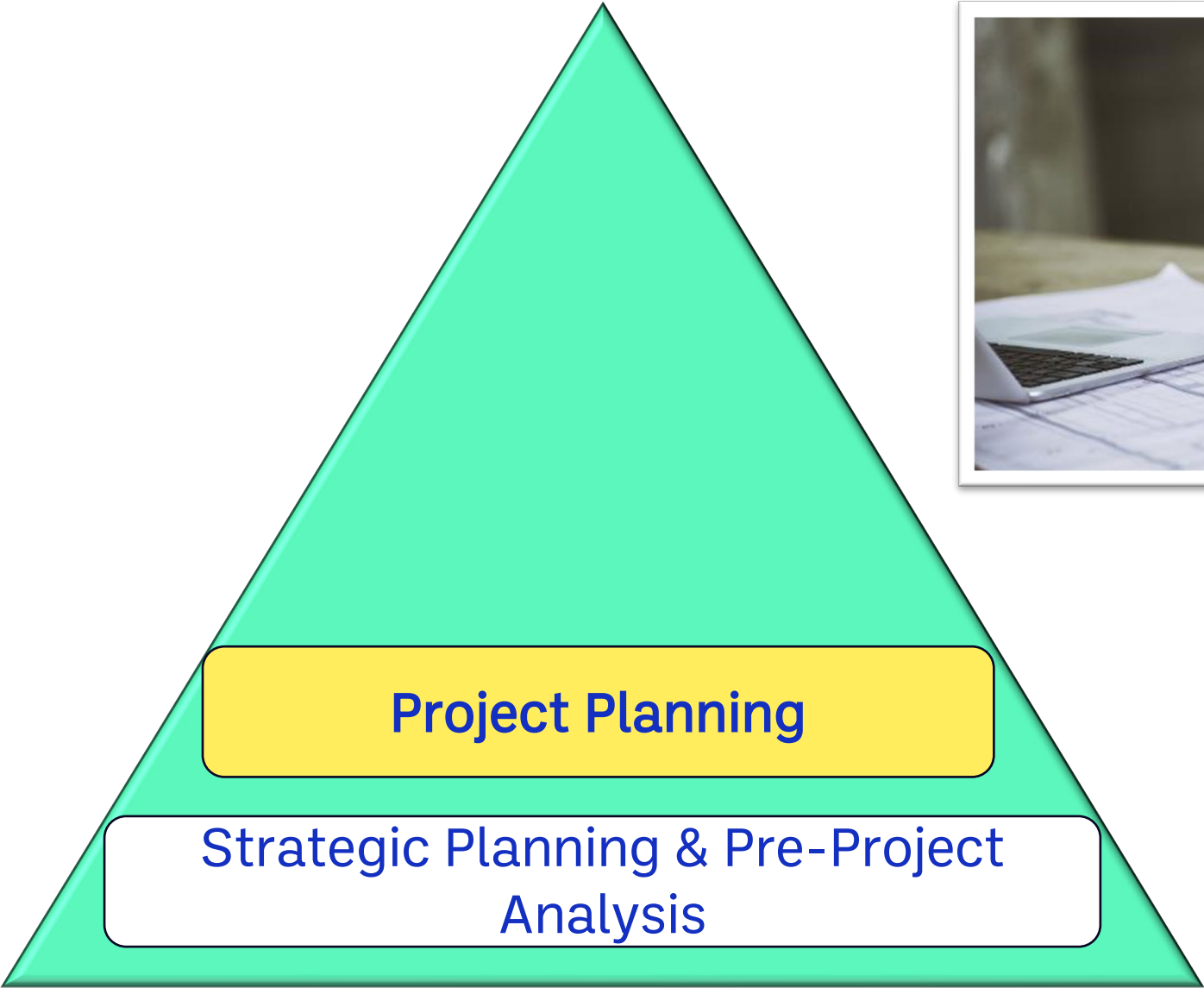
- Renovate existing facility
- Expand existing facility
- Develop a new site



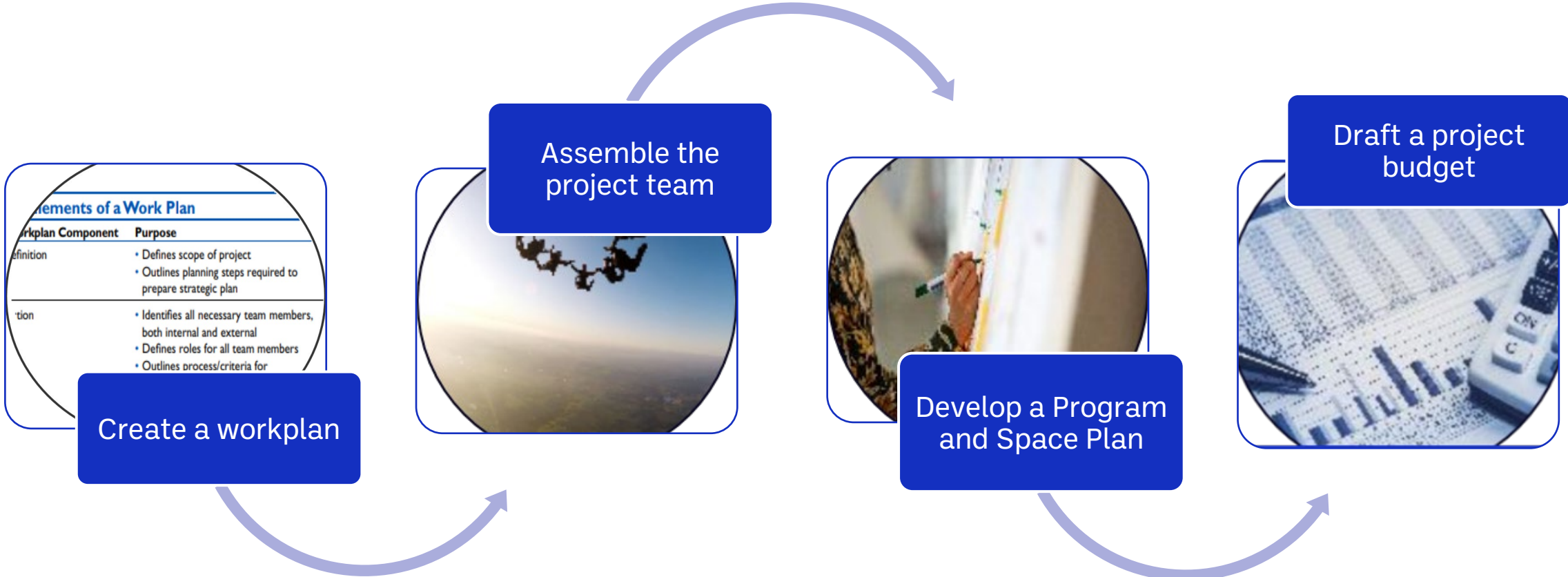
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[Developing a Health Center](#)



# Project Planning



# Create a Workplan

- Guides all activities and key decisions and relevant dates
- Includes project status summary and records when each milestone is reached



# Assemble the Project Team

- Identify internal staff and external consultants who will lead and/or participate in the project
- Primary Players
  - Owner – Executive leader, Board
  - Project manager
  - Space planner
  - Architect
  - Builder



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# Develop a Program and Space Plan

**Program Plan** – What services will you offer?

- Outlines precise goals for the project
- Provides description of planned services and model of care
- Provides demographic and patient volume
- Includes staffing plan

**Space Plan** – How much and what kinds of space will be required?

- Lists every room or space you will need
- Estimates square footage

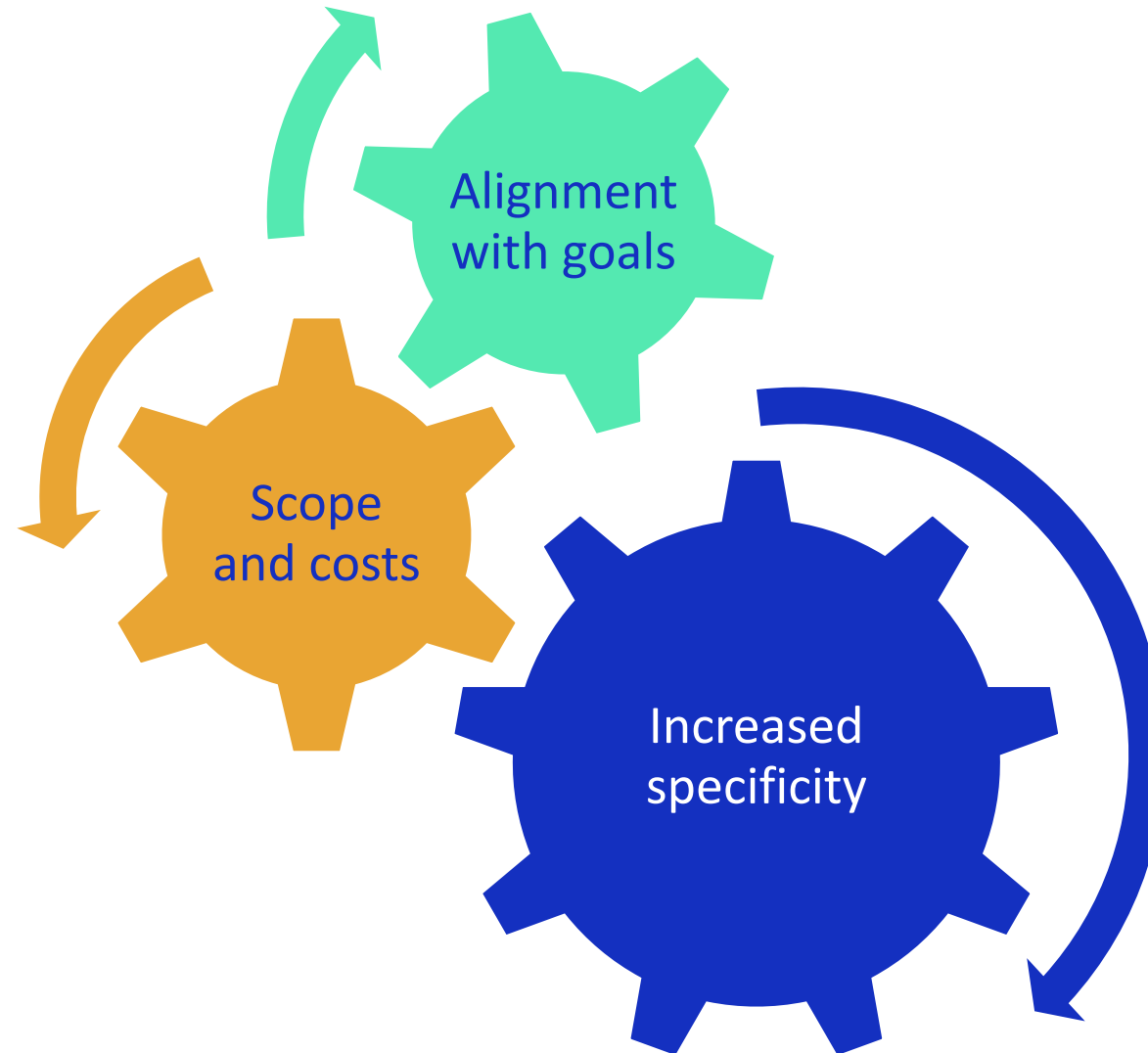


# Draft a Project Budget

- Sets the financial parameters of the project
- Helps track and control costs before and during construction
- Use informed estimates during the initial planning phase
  - Site acquisition, if applicable
  - Hard costs
  - Soft costs
  - Furniture, fixtures & equipment
  - Contingencies



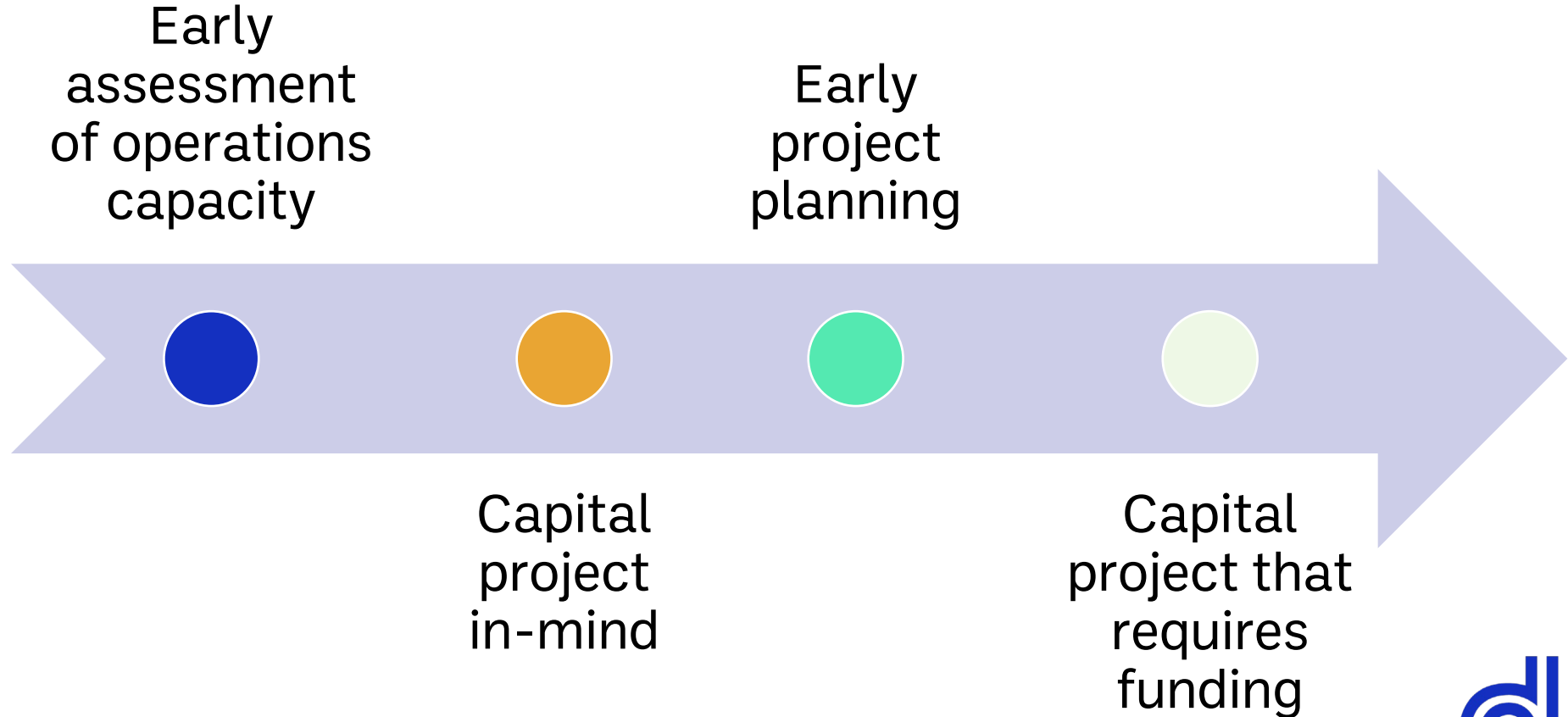
# Project Planning Is Iterative



# Key Takeaways

- Set clear goals and your "Why" for pursuing a capital project
- Ensure alignment with needs assessment and strategic planning process
- Before buying a property or seeking funding, set up a project team and create a preliminary workplan, space plan and budget
- Things will not go exactly as planned: build flexibility into the budget, timeline, and ramp-up

# How We Can Help



# Upcoming Sessions



- Session 3: Project Implementation and Lessons Learned  
December 11<sup>th</sup> 12:30 PM EST
  - Learn from real-life case studies and a lively panel discussion with Health Center leaders
  - Learn valuable lessons and how to steer clear of pitfalls

# Questions & Discussion



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# Thank you!