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MaineGeneral files state application for new inpatient regional hospital in Augusta

MaineGeneral Medical Center today filed a Certificate of Need application with the state of Maine, seeking approval to build a new regional inpatient hospital adjacent to the Harold Alfond Center for Cancer Care in north Augusta and update the Thayer Campus in Waterville.



The application will trigger a review of MaineGeneral's \$322 million project by the Maine Department of Health and Human Services, which could lead to state approval in June 2010. If that occurs, construction would begin in the fall of 2011 and the new hospital would open in 2015.

In filing the application, MaineGeneral officials stressed the need for a new, consolidated inpatient facility, saying that model is far more efficient than its current two-campus, inpatient structure, with the Thayer Campus in Waterville and the aging Augusta Campus.

The project includes \$10 million in renovations to Waterville's Thayer Campus, which will remain a fully occupied outpatient hospital with a 24-hour, seven-day emergency department. Since 2002, MaineGeneral has invested \$24 million into the Thayer Campus.

A national physician shortage, from primary-care doctors to specialists, is one of the driving factors behind the project.

"With two campuses, MaineGeneral physicians can be on call twice as often as their colleagues in other parts of the country," said Scott Bullock, MaineGeneral Health president and chief executive officer. "That puts MaineGeneral at a competitive disadvantage in recruiting and retaining top professionals.

"A new, consolidated regional hospital will greatly improve our ability to attract top doctors," he added. "We know this from our experience at the Harold Alfond Center for Cancer Care."

Before 2007, MaineGeneral cancer patients were treated in two cramped facilities in Waterville and Augusta. Since opening the Harold Alfond Center for Cancer Care, MaineGeneral has seen patient volumes rise by 20 percent and the health-care provider has recruited three oncologists and a top thoracic surgeon to the Kennebec Valley.

Here are some other highlights of the MaineGeneral project and CON application:

- The project carries capital costs of \$322 million. It would be financed through: an equity down payment from MaineGeneral; capital fund-raising; and hospital bonds and borrowing to be paid back over 30 years.
- The total number of inpatient beds would decrease from the current 287 at both MaineGeneral campuses to 226 beds, another sign that MaineGeneral takes health-care efficiency seriously.

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- The new hospital would include all private rooms to enhance patient safety, by helping to minimize infections, and to make inpatient stays more pleasant for patients and their families.
- The CON application includes investments in preventive care, which would help local residents lead healthier, more productive lives. That, in turn, would reduce emergency department visits and inpatient stays.
- The current Augusta Campus and Seton Campus in Waterville would close in order to create more efficiency. MaineGeneral is talking to officials in Waterville and Augusta about future uses for those sites, uses that could positively affect property-tax rolls.
- The new hospital would be designed with wellness, healing and prevention in mind. With natural lighting, walking trails and other features, it would extend the "healing inspired by nature" philosophy that is in place at the Harold Alfond Center for Cancer Care.
- It also would incorporate environmentally friendly, "green" design. One example: Improved efficiency will save 12 million gallons of water per year, compared to what is used now at the medical center.

Another general attribute to the project is its economic impact, both for MaineGeneral workers and for the Kennebec Valley region. Currently, MaineGeneral employs more than 3,500 workers in Waterville, Augusta and many other local communities. Those employees spend \$91 million directly each year in the local economy. Their spending generates \$138 million more, which supports 1,346 additional jobs in the region.

A July 2009 study by the Maine Development Foundation (MDF) found that MaineGeneral gradually is losing market share to places like Portland, Bangor and Boston because of its aging facilities. When health-care services leave the region, health-care jobs follow.

"A modern medical center is key to maintaining the critical mass of patients and doctors necessary for MaineGeneral to remain a viable, vibrant health-care provider in the Kennebec Valley," the MDF report concluded.

"This project is really a win-win scenario for the Kennebec Valley," concluded Chuck Hays, president and chief executive officer of MaineGeneral Medical Center. "It assures that we will have high-quality health care in our region for generations to come. And, the project would have a major economic impact at a time when the local economy could use a boost."