

A3 LOCAL

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Capital Health hopes new \$530M hospital attracts Bucks patients

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With its fieldstone waterfall, three rooftop gardens, day spa, five-story atrium, Italian limestone and hardwood floors and artwork and furniture designed by famous Princeton architect Michael Graves, it's hard to believe this building is a hospital, not a five-star hotel.

They are bold touches that match what some health care policy experts called a bold move on the part of Capital Health System at an uncertain time for the health care industry; particularly for nonprofit hospitals, which operate on notoriously thin margins.

On Sunday morning, Capital

Health Medical Center-Hopewell officially opened its 1 million-square-foot, \$530 million hospital complex in Mercer County, N.J., about a half-hour drive north of Lower Bucks County.

About 80 patients previously located at the health system's Trenton campus are being transferred to the new campus Sunday in 24 ambulances, said Jayne O'Connor, divisional director of marketing and public relations.

With the opening of Hopewell, the 116-year-old Mercer campus on Bellevue Avenue will cease operating as a com-

munity hospital. It will continue as a

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Did You Know?

New Jersey's hospitals have an operating margin of just 1.7 percent, ranking 43rd in the country in 2009, well behind the national average of 4.4 percent, according to the American Hospital Association.



MATT STANLEY / STAFF PHOTOGRAPHER

The view of the atrium at the main entrance to the new Capital Health Medical Center - Hopewell is shown. The facility is set to open Sunday.

Hospital

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satellite emergency department, though patients requiring hospitalization will be transferred to Hopewell and an outpatient rehab center.

Capital Health also has an outpatient center in Hamilton, N.J., and a third hospital, the Regional Medical Center in Trenton, which houses its recently relocated Regional Perinatal Center for high-risk deliveries and newborns.

The new 237-bed hospital (with space to expand to 500 beds) has been under construction for three years, capping a planning process that began in 2005. It will offer the latest in hospital design and technology, including CyberKnife radiosurgery and da Vinci robotic surgery. Among its 10 operating rooms, four are 1,000 square feet, bigger than most apartments.

It houses every medical service you'd expect to find in a hospital, as well as neurosciences, digestive health, and primary stroke centers and private medical offices.



MATT STANLEY / STAFF PHOTOGRAPHER

Capital Health Systems executive vice president and chief operating officer Larry DiSanto points out features near the outpatient entrance area of the new Capital Health Medical Center - Hopewell during a tour of the facility Thursday. It is set to open Sunday.

The amenities appear to have anticipated every convenience that patients and visitors could want: private patient rooms, cyber café, separate pediatric emergency department, separate inpatient and outpatient radiation departments, even separate private patient elevators and accesses designed to protect privacy.

The maternity unit has rooms with nearby private Jacuzzis and tinted, near floor-to-ceiling windows with sweeping views of the pastoral campus dotted with on-loan sculptures, gardens and water fountains.

By expanding outside the urban Trenton area into suburban central Jersey, Capital Health will attract a better payer mix of wealthier and insured patients. The hospital also hopes to attract patients from across the river in Bucks County.

The new campus is located roughly within 15 miles of Lower and Upper Makefield, New Hope and less than 10 miles from Yardley.

Last year, Bucks County residents accounted for 3 percent of emergency department patients and 7 percent of inpatient discharges at the Mercer campus, MacNeill said. Of its 726 doctors, 75 have Bucks County ties.

The hospital recently has started aligning itself with Bucks County hospitals; it has signed agreements with Lower Bucks Hospital in Bristol Township and Aria Health, which has a campus in Falls, to provide neurosurgical services, through its neurosciences network, which will be based in the Hopewell campus.

Langhorne resident Diane Dowler, who is 37 weeks pregnant with her third child, is scheduled to deliver at Capital Health Hopewell. Her choice is more driven by her obstetrician who is associated with the hospital, but she is excited nonetheless.

"Everyone keeps referring it as a five-star hotel," she said. "State-of-the-art and five-star hotel, those are the words I'm hearing."

She and her husband are

The resort-like design is no accident, said Larry DiSanto, Capital Health's executive vice president and chief operating officer.

"We've taken a holistic approach to health care here," he said. "It's not designed as a typical hospital."

Health care experts say that there is good evidence that patients do pay attention to hospital amenities such as furniture, Wi-Fi access and room size, and it influences their decisions.



MATT STANLEY / STAFF PHOTOGRAPHER

The new Capital Health Medical Center - Hopewell is set to open Sunday.

scheduled to take a tour of the hospital Tuesday.

"I don't consider it that far," added Dowler, who relocated to Bucks County from New Jersey two years ago.

But Tom Getzen, a professor of risk, insurance and health management at the Fox School of Business at Temple University, was skeptical.

Getzen doubts many Bucks County patients will cross the state line, especially if their insurance considers the hospital out-of-network, but it's likely the hospital will attract people in central New Jersey. Capital Health accepts most Pennsylvania health insurance, including Independence Blue Cross, Aetna, Cigna and Medicaid, spokesman Don MacNeill said.

In an environment where people with insurance increasingly are delaying elective procedures because of the economic uncertainty and higher out-of-pocket costs, opening a new hospital is a risk, said Mark Pauly, professor of health care management business at the Wharton School of Business at the University of Pennsylvania.

Pauly suspects the new hospital was a "spend-or-die" proposition for Capital Health.

"They are setting up shop where the paying customers are," he said. "For the locals, a nice new hospital close by is obviously a plus, as long as their insurance pays for it."

The hospital's Mercer County campus in Trenton handled about 60,000 patients between adult and pediatric cases a year, and the new campus is expected to see up to 75,000. But overall, inpatient volumes at Mercer dropped 30 percent since Capital Health bought it in a 1997 merger, something administrators attribute to Trenton's population declines.

But such big moves involve big risks, Pauly said.

Private insurers are moving more into PPO-type arrangements where they limit high-cost, high-tech and risky surgeries to a few hospitals that provide good value, and only partly cover care in other "good but not so cheap" hospitals, Pauly said.

"This has not hit our area much yet, but it seems inevitable that it will, and will combine with Medicare payment cuts to hospitals, already underway, and what we expect to be low payments from the federal exchanges," Pauly added.

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