



EUROPEAN CENTRE FOR HEALTH ASSETS AND ARCHITECTURE

ECHAA / European Observatory Capital Studies

The study why and who

Why

- Absence of contemporary **evidence based** analysis of capital strategy in Europe
- The impact of capital has been underestimated in its effect on healthcare development
- New technologies are changing the face of healthcare
- Significant new investment needed at a time of rapid and radical change in healthcare priorities and delivery models

Who

- European Centre for Health Assets and Architecture
- European Health Property network
- European Observatory on Health Systems and Policies

Investing in hospitals of the future

- **This study (2006-2009) is in two parts:**
 - a series of case studies from across Europe, illustrating core issues facing those investing in hospitals
 - a thematic analysis of key issues, which draws on the case studies and published literature

Case studies

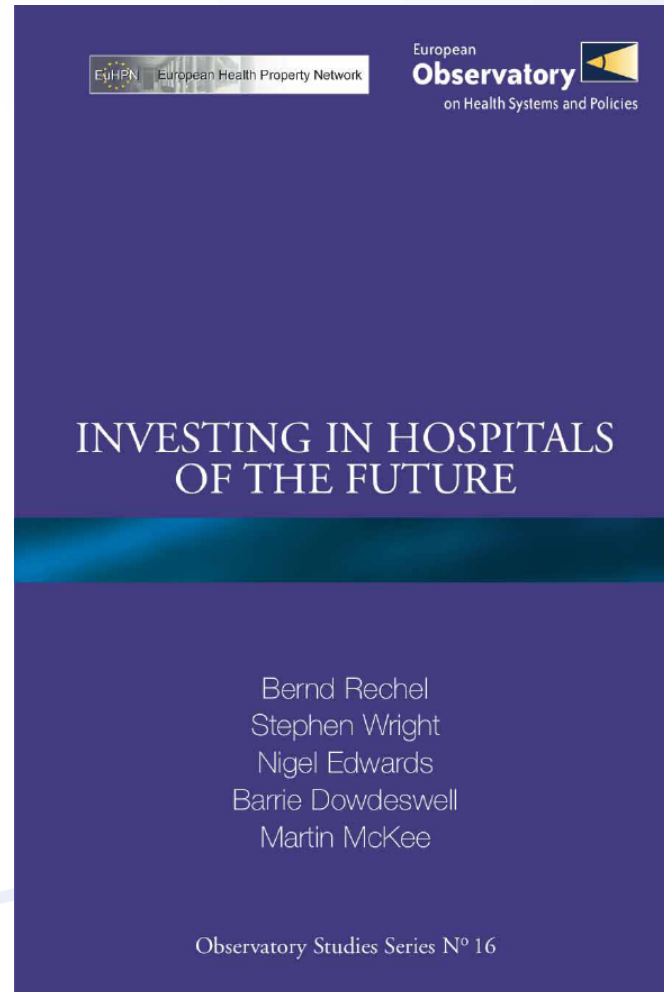
- **New hospital projects**
(Coxa, Karolinska, Trondheim, La Ribera, Groningen, Sittard, Rhön Klinikum, Krakow)
- **Regional structural planning**
(Tuscany, Northern Ireland)
- **Financing / PPP models**
(UK, Coxa, Rhön Klinikum)



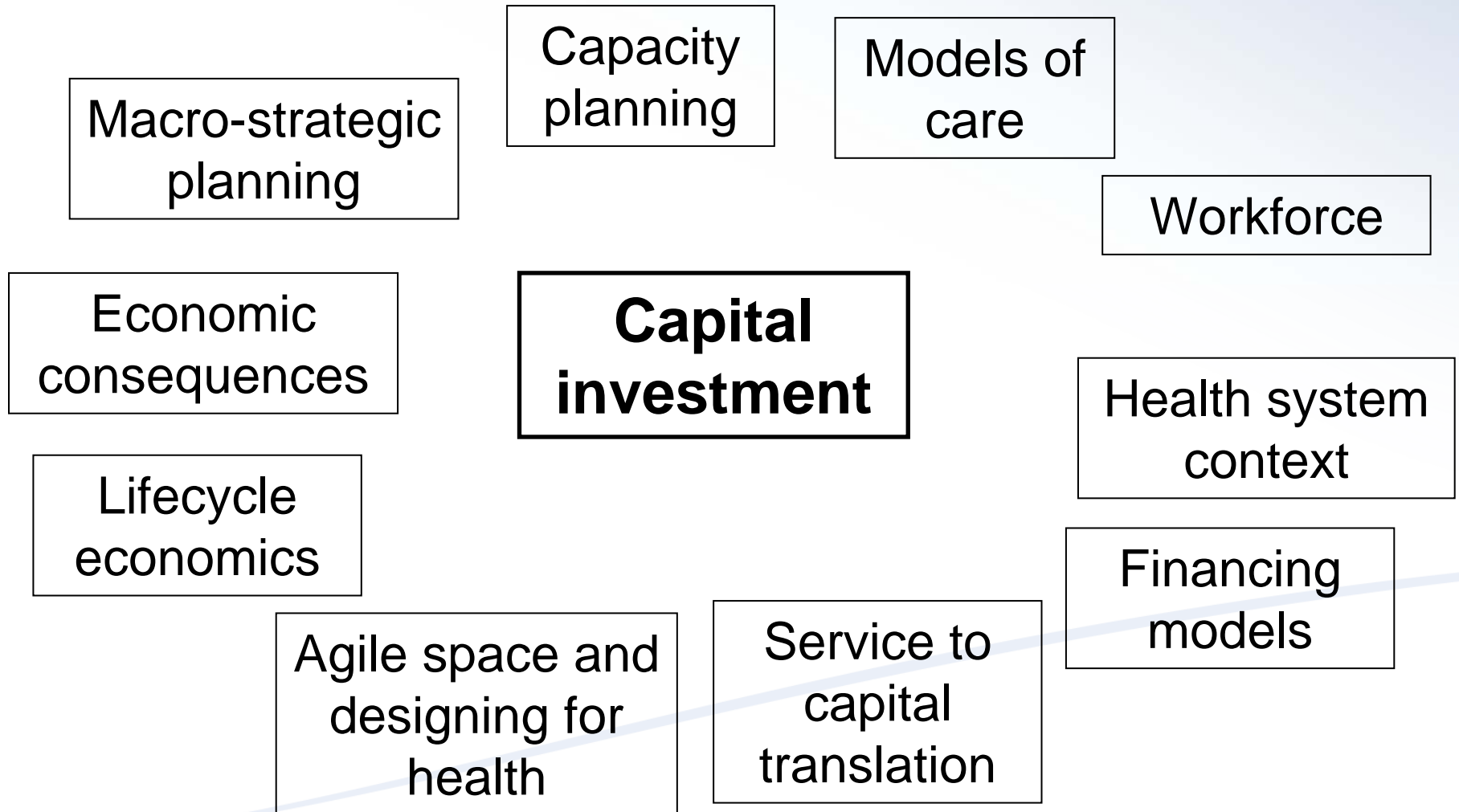
“Thematic” book

- Now available

http://www.euro.who.int/observatory/Publications/20090323_1



A high level of complexity



Structure

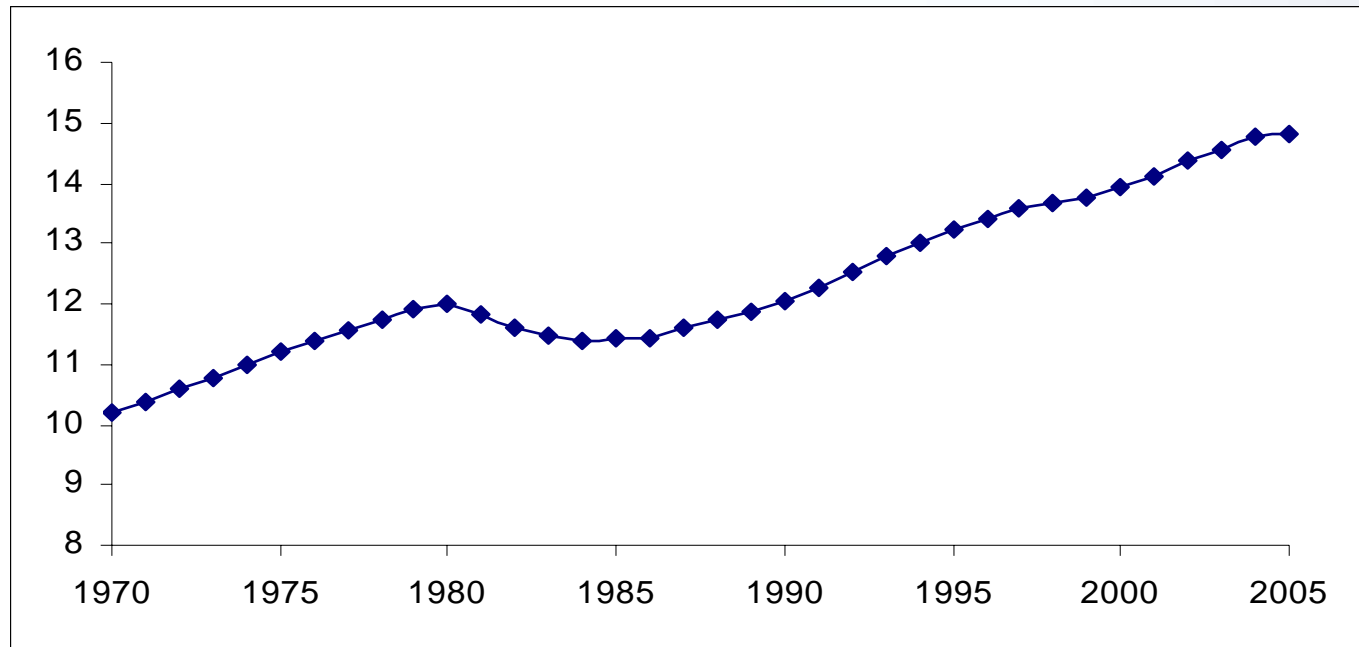
- Changing context
- Influencing capital investment
- Economic aspects
- Design issues

Changing context

- Many health systems in Europe are facing the same challenges
- Demographic and epidemiological transitions
- Technology diffusion
- Workforce mobility
- Uncertain economic outlook
- Public bewilderment / wants
- Political uncertainty / instability

Changing context

Ageing populations



% of population aged 65+ years in Europe

New
technologies



Changing context

- Health system changes:
 - Increasing importance of care integrated across all levels
 - Move from hospitals into community settings

Influencing investment

- **Capacity planning:**
 - reflects governance of health system
 - focus on hospitals
 - bed capacity the most common unit used of determining future capacity
 - Poor methodologies and metrics for change
 - Workforce resistance
 - Systemisation
 - Clinical governance

Influencing investment

- Getting the **concept** right:
 - Predominance of short-term tactical considerations
 - How to ensure long-term effectiveness?
 - Sustainability
 - Economic
 - Service effectiveness
 - Environmental

Influencing investment

- **The health care workforce:**
 - A crucial factor, but often neglected
 - How can design improve staff well-being and performance?

Economic aspects

- **Market competition**
 - Changing roles of state and market
 - Increased use of market-style incentives, sometimes with continued public ownership and management of health facilities

Economic aspects

- **Capital financing models**
 - public (including EU grants)
 - public-private partnerships
 - private

Economic aspects

- **Lifecycle economics**
 - initial investment and costs of the building over its life cycle
 - how do costs and life cycles of different parts of hospitals differ?
 - how can life cycle costing be applied in practice?

Economic aspects

- **Facility management**
 - Accounting for 20-30% of hospital expenditure
 - But how to take account of it during the design phase?

Economic aspects

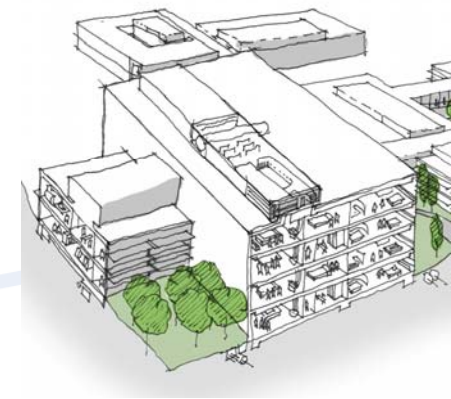
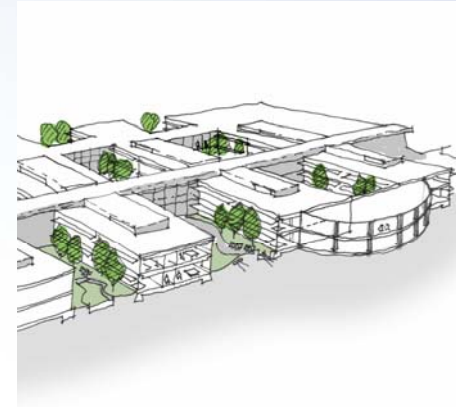
- **Community impact**

Targeted health sector investment

- contributes to economic regeneration;
- strengthens social cohesion;
- increases employment prospects where matched by inclusive employment policies.

Design issues

- Sustainable design
 - adaptable
 - economic
 - environmental
 - therapeutic environment



Narrow plan
or deep plan?

Design issues

- **How to translate services into capital assets?**
 - Should form follow function?
 - How to ensure a smooth flow of patients?
 - How to ensure that the patient experience determines design?

Key 'buzz' words

- Context - Health as investment
- Rapidity of change
- Unpredictability
- Flexibility
- Systemisation
- Workforce
- Sustainability
- Economics
- Politics



Thank you

http://www.euro.who.int/observatory/Publications/20090323_1