A NEW HOSPITAL
AT ST. ELIZABETHS EAST

Operated by GW Hospital
Part of a fully integrated health system
Serving Wards 7 and 8 - and all Washingtonians

#HealthyDC
newhospital.dc.gov
The Need for a New Hospital at St Elizabeths East
An Anchor for a Fully Integrated System of Care

**Responding to Health Access and Equity Needs**

- Significant health disparities in Wards 7 and 8.
- Lack of access to specialty and urgent care.
- Little connectivity to comprehensive, integrated systems of care.

**Responding to Critical Realities of Current Health Care Marketplace**

- Hospitals are reducing scale of inpatient services, favoring more ambulatory care and clinical integration strategies.
- Government-run, stand-alone hospitals are a losing proposition.
- Hospital operators must be financially strong to thrive in a competitive market.
- Tightening federal health care reimbursements and a growing shift to value-based payment models create challenges.
We Established Clear Guidelines for a Partnership

*GW Hospital Meets or Exceeds all Criteria*

- Reputation for high quality care
- Financial strength and stability
- Ability to offer a continuum of care throughout the District
- Strong brand and favorable reputation
- Modern IT platform
- Experience operating community or safety-net hospitals
- Established physician network
- Experience developing ambulatory programs
- Strong management team
Letter of Intent Sets Framework for New Hospital: Comprehensive Partnership Agreement to be Finalized this Winter

- The District and GW will establish a new, state-of-the-art community hospital as part of an comprehensive health system.
- The new hospital will be operated, managed, and maintained by GW Hospital.
- The hospital will include approximately 125 – 150 beds.
- The hospital will provide non-high risk obstetric services.
- The new GW hospital will be governed by a board, with at least 20% District representation.
- The goal is to open the new hospital in 2023 or sooner if possible.
GW Hospital Will Make Significant Investments: 
Financial, Health Care, and Operational Resources

- Operating costs for new Hospital and other health care infrastructure investments in Wards 7 and 8.
- Other investments at least valued at $75 million over 10 years, including:
  - Start-up working capital and routine capital expenditures at the new hospital.
  - A comprehensive urgent care strategy that includes urgent care facility(ies).
  - Inclusion of the new hospital in GW’s group purchasing organization.
  - Full integration with GW Hospital, GW School of Medicine and Health Sciences and MFA.
  - Corporate support, expertise, and resources in hospital design, construction, management, operations, and oversight.
  - A prioritization of investments in Wards 7 and 8 so that those investments are made before, or at the same time as, investments in other District wards.
The District is Making Significant Investments: $326 Million is Budgeted for Hospital Construction

- Additional investments for infrastructure and a replacement for 801 East Shelter.
- Enhanced inpatient and outpatient reimbursement rates for the new hospital that pay the maximum allowable cost under Medicaid regulations.
- The costs of ending operations and financial liabilities at UMC will be the responsibility of the District.
- Both parties will be responsible for identifying how UMC’s skilled nursing facility continues to operate or is appropriately transferred to a new facility.
- UMC will continue full operation until New Hospital is fully operational.

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<th>Overall Project Budget</th>
<th>FY19</th>
<th>FY20</th>
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<th>FY22</th>
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Timeline for Next Steps

August 2018
Sign LOI

2018-2019
Infrastruc-
ture
Installation

Summer 2020
Open
New
Parking
Structure

Fall 2020
Break
Ground
on
Hospital

Fall 2018
Further Engage
Community and
Healthcare
Stakeholders
Enter and
complete
exclusive
negotiations
with GW

Jan 2019
Submit GW
Partnership
Agreement
to Council

Oct 2020
Open
New
801
East
Shelter

2023
New
Hospital is
open and
operational