

Mercy adds 20-story patient tower, will open early

\$400 million Mary Catherine Bunting Center is set to begin receiving patients Dec. 19

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Executives at Mercy Medical Center like to believe luck — or maybe even a higher being — was on their side when they decided to seek bond financing to help pay for a \$400 million expansion to replace its outdated facility.

The Roman Catholic hospital floated bonds three years ago to finance most of the cost of a new building during a period just before the market crashed because of the housing bust. Days later the price would have shot up by \$35 million and made the process of finding additional funding, such as donations and hospital profits, that much more difficult and time-consuming.

Instead, Mercy is opening its 20-story Mary Catherine Bunting Center seven months ahead of schedule on Dec. 19. The facility is a high-tech operation where patients will stay in private rooms and access medical information from flat-screen televisions near their beds. Nurses will communicate with patients through hand-held devices much like cell phones.

Hospital officials said the building's opening reaffirms Mercy's commitment to Baltimore, where it has remained since 1874, when six nuns turned an abandoned schoolhouse into a hospital. The primary building where most of the hospital's main functions are housed was erected in 1963.

Mercy has thrived in the shadows of larger, more internationally recognized facilities such as Johns Hopkins Medicine and the University of Maryland Medical System. To compete, especially as the city's population declined, Mercy has changed its business model over the years by adding more specialty programs. It also has taken on more patients paying with Medicare and Medicaid. Now nearly half of its patients are on the federally funded government medical programs.

The new building will help Mercy continue to compete for new patients and provide the space to add new programs as well, said Thomas R. Mullen, president and CEO of Mercy, who suggested to smiles at a briefing Thursday that the timing of bond financing may have come from a higher power. So-called shell space remains in the new building for future expansion.

"This is the footprint for the future of Mercy," Mullen said.

The expansion also will create 135 jobs for nurses, security personnel and others.

The facility is named for a former nun who in 2007 gave the largest philanthropic gift in Mercy's history, though the amount was not disclosed. Bunting is the granddaughter of Dr. George Avery Bunting, a pharmacist and the inventor of Noxzema skin cream who founded the consumer products company. The Bunting family also gave \$10 million for a Johns Hopkins facility, the Bunting Blaustein Cancer Research Building.

The new Mercy building comes as other area hospitals are expanding. Washington County Hospital in Hagerstown is relocating this weekend to a 267-room, \$294 million facility. It will transfer about 200 patients to

the new building by commercial ambulance. The hospital will operate as Meritus Medical Center once the move is completed.

Hospital projects are massive endeavors that don't happen often in a facility's history because of the cost, said Joshua Nemzoff, president of Nemzoff & Co., a New Hope, Pa.-based consulting firm. "Most hospitals simply can't afford to do it," he said.

And the debt load necessary to finance some projects can prove problematic. Nemzoff hasn't looked at Mercy financial statements, but he said the \$305 million in debt that Mercy is taking on for the project seemed high for the size of the facility. Nemzoff said well-run facilities can generate the profit to pay off debt, though "there is not a lot of margin for error."

Mercy will unveil the new building to the public on Saturday.

Hospital staff will begin wheeling about 100 patients into the new building through a bridge that connects it to the old facility on Dec. 19 — a process that will take about four hours. It's a Sunday, which is the slowest day for the hospital.

The first surgery will take place that Monday. Mullen said that moving the surgical facilities is the most complicated part of the move and that surgeries will be halted the week before to prepare.

The 686,000-square-foot building will have 259 private patient rooms, all with views of the downtown skyline. The single rooms give privacy and also cut down on the spread of infectious diseases, hospital officials said. There are sofa sleepers for patients' families to stay the night.

The facility also features gardens on floors 8, 9 and 10. Some studies have shown that exposing patients to nature can help in their recovery. Visitors can use the gardens to relax and decompress.

The Bunting building will initially house the main surgical operations and the intensive-care unit. Anything related to maternity, transitional care and detoxification will remain in the old building, which will be used primarily for ambulatory services in the future.

The second move-in phase is planned for the spring of 2012, when labor and delivery, the neonatal intensive-care unit and pediatrics will move into the new facility.

Jim Reiter, spokesman for the Maryland Hospital Association, said the new building demonstrates Mercy's commitment to its home base. He also said the updates reflect changes in health care technology, as do the "green" aspects of the project.

"That's better for the community and anyone who needs care," he said.

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