Baylor Hospital: Internal Organ Failure

HERE’S A CONSTRUCTION-camera view from this morning showing progress on Baylor College of Medicine’s fancy new Clinic and Hospital on Old Spanish Trail, a stretch south of the main Medical Center campus — and, apparently, too big of a stretch for the financially strained institution. The Chronicle is reporting that BCM has decided to finish building the hospital exterior, but that it’s not gonna build out the building’s inners at all. For a while. Until it gets the money.

Or something changes. The medical school decided to build its own facility after breaking off an association with Methodist Hospital in 2004. A later bad hook-up, with St. Luke’s, ended in 2007. When BCM began serious conversations with Rice University about a merger last year, the new hospital was considered a major obstacle to a deal: Rice didn’t want it. If BCM becomes a part of Rice (which at this point appears quite likely), the hospital will have to be jettisoned somehow.

In an e-mail to faculty, [Baylor interim president William T.] Butler said the temporary suspension buys time to acquire additional capital through philanthropy, federal funds and other sources, gives the markets a chance to settle and provides an opportunity to consider project partners.

Sources said that by not building out the interior, it’s also possible the hospital shell would be more attractive to a buyer wanting to tailor the facility to its own desired specifications.

But in his e-mail to faculty, Butler dismissed such speculation: “Taking this pause will allow us to ultimately fulfill the plan to build the hospital,” he wrote. “The board has made it clear it is committed to this project.”

* * *
The 11-story hospital building is going up on a 35-acre site just west of the VA Hospital, at the intersection of OST and Cambridge. Baylor expects the exterior will be complete in about a year.

Butler said the suspension of construction likely will last at least several months. He also said if the economic situation improves, the college can reverse the decision and continue with the project as scheduled.

A new Baylor 6-story medical building, shown at the top of this site plan just north of the hospital, opened recently:
Baylor decides to put hospital construction on hold

[Houston Chronicle]

[BCM]

Images: Baylor College of Medicine

10:07 am | 9 Comments | ShareThis

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Brad,
The link below is to a TMC document (PDF) of the economic impact of the TMC.
http://tinyurl.com/clsjkza
Check page 2, second column, first full paragraph for the sentence below.
“The center finances its activities primarily through gifts, grants and campus parking fees.”
With 42k parking spaces and they charge $16 for a day (and make more on spaces with turnover from partial day charges), the parking easily will beat the amount raised in gifts and grants.
March 26, 2009 at 11:20 am

From Jeromy Murphy:
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http://www.texmedctr.tmc.edu/r...rives.htm
March 26, 2009 at 12:37 pm

From JPSivco:
WOW!! this is huge news. this is a full stop on a $500
Neighbors of mine that are research scientists in the medical center say that the sources of grant funding that they have traditionally relied on are drying up. They are moving to another country. They told me several months ago, that we would start seeing ‘see-through’ buildings in TMC as while the funding to build the shell buildings was still there, the funding to fill the buildings was not. This will send a chill through A&E firms like WHR, FKP, Perkins & Will, Wylie, CHP etc.

Sad news, but all of these hospitals in the TMC run on minimal funds to keep operations going. It’s not like they build reserves. Expansions are performed through donations and financing based on the ability to maintain the donation cash flow.

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Yea. Right. Whatever. MD Anderson made something like a $300 million profit last year alone. Not bad for a “non-profit”.

Not sure what sort of research your friends are doing, but the stimulus package and recent budget including large influxes of cash into the NIH’s budget... so NIH funded researchers are working like mad to grab up the new grant money...

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