Statement of Myles Lash, President
Washington Hospital Center
Before the Zoning Commission for the District of Columbia
Regarding
Zoning Application No. 02-43
MedStar Health Second Stage PUD Application
Public Hearing

January 9, 2003

Chairperson, Mitten, members of the Commission, I am Myles Lash. I joined MedStar and Washington Hospital Center last June as the interim president of Washington Hospital Center. In that role I have responsibility for managing the day-to-day operations of the hospital and for long-term strategic planning for the future of the Hospital Center. My prior experiences have included heading operations at the Ohio State University and the Medical College of Virginia Hospitals. I am founder and president of Provenance Health Partners, L.L.C., an independent health care consulting firm that provides strategic and business advisory services to hospitals and integrated delivery systems, managed care and other organizations. My perspective on this case is based on my six months at the Hospital Center and on my experiences working with hospitals around the country on strategic issues, many of those issues being facility development issues such as those being addressed in the zoning application you are reviewing tonight. My colleagues from MedStar and I are here this evening to explain our second stage Planned Unit Development (PUD) application and to request your approval of that application.

Background of the Case

The application before you is the result of a planning process that began in 1998, and culminated in a facility master plan and the submission of a zoning application for a map amendment in late1999. We presented our initial application at a public hearing on December 7, 2000. After a series of meetings with the Offices of Planning and Zoning, the Hospital modified its request from a map amendment to an application for a Planned Unit Development (PUD). It took additional time to develop the additional documents for the PUD application. On September 3, 2002, the Commission gave preliminary approval

ZONING COMMISSION
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of a 1st Stage PUD and approved the final order on the 1st Stage PUD on October 17, 2002. This approval became final on publication in the D.C. Register on October 25th.

We are now seeking 2nd Stage PUD approval for thirteen specific projects that we have identified as our top priorities for implementation. Details of those projects will be described in detailed by our architect, Jerry Oudens.

Before, we go to Jerry, I want to:

- Highlight why this rezoning is necessary;
- Why we seek as much flexibility in timing, location and design that is permitted in a 2nd stage PUD; and
- Why it's crucial that we expeditiously move forward with the master plan development?

Why This Rezoning is Necessary?

First, and foremost, the campus residential zoning does not allow for additional expansion of our facilities. We have exhausted the allowable FAR (Floor-to-Area Ratio) permitted in the R-5-A zone that we are in.

As I speak, the Hospital is confronted with several key capacity issues that we must address soon. For example, the closing of DC General and Columbia Hospital for Women and the uncertain viability of Greater Southeast Hospital have resulted in significant increases in our emergency room and trauma center. These services are operating well beyond their designed capacity. Patients are often backed-up in the hallways awaiting rooms.

Our critical care beds are operating at higher than desired capacity (85% –90%, leaving us with little surge capacity for emergencies and other unforeseen events such as an epidemic or a terrorist attack.

Several of our key clinical services such as our nationally recognized heart and cancer programs are in overcrowded facilities and are in need of expansion.

We are simply running out of space for clinical programs. We are cannibalizing administrative spaces and amenities such as a waiting rooms and lounges, etc., to house our clinical programs. We have moved some or our administrative and business office functions to Hyattsville to relieve our congestion problems. In September, we moved the administrative functions of our research institute to Hyattsville to provide them with additional space and to liberate space for clinical programs on the main campus.

The infrastructure of our fifty-year old facilities is in desperate need of upgrading to support the provision of modern day medicine. We have major electrical and HVAC capacity problems delaying installation of new equipment and, in some instances, we are just meeting minimum requirements for air exchanges in parts of the facility. These are priority needs that we will have to resolve soon.

And finally, internal pedestrian and external vehicular circulation improvements are needed to make it easier for our patients and visitors to get to, and move about the campus.

Why Flexibility in Timing, Location and Design is Necessary?

From the beginning, we have sought the maximum flexibility in timing, location and design of the facility because of the rapid changes in medical technology and the practice of medicine—changes which are difficult to predict in terms of the nature of the changes and the timing. But, we have to be responsive to the care needs of our patients and

acquire the equipment and facilities that our physicians need to diagnose and treat their patients. And we must be prepared to respond to the broader health system problems of the District dictated by forces we have little control over.

For example, I mentioned, earlier how the situation involving DC General, Greater Southeast Hospital and Columbia Hospital for Women has affected the Hospital Center. None of these situations were anticipated when this zoning process started and thus were not factored into the timing of our plans. But we are being asked to respond and respond we must. The Washington Hospital Center, being the largest hospital in the city and region, is often asked to shoulder a greater proportion of the care needs when other facilities do not have the capacity to serve.

As we, speak the community faces the looming threat of biological, chemical and possible nuclear terrorism, threats unheard of when we initiated this zoning application some thirty-six months ago. These new threats present new challenges to our facility's capacity and for its ability to protect our patients and employees from the harm these new threats pose.

As you may be aware, Washington Hospital Center played a major role in serving the victims of the Pentagon following the crash of the American Airline flight into the Pentagon. As the region's only comprehensive adult burn center, all of the severely burn victims were airlifted to our trauma center for treatment.

Given the Center's location, the Congress and the Administration recognizes that the Hospital Center would be called on to play a major role in caring for victims of terrorism-- god forbid it happens again. We have received grants from the HHS's Office of Emergency Preparedness and are developing plans to expand our emergency facilities including expanded decontamination facilities to handle mass causalities. Our grant from HHS anticipates this facility being ready by the end of 2003. We have identified and are seeking nearly $30 million in federal funding to develop the necessary surge capacity and infrastructure changes needed to respond to these new threats to the community.

These two situations are just two examples that illustrate our need for the flexibility that we have argued for throughout this case. Our ability to obtain the federal support we seek is in part dependent our ability to build and modify our facilities in a timely manner. Many of the design features for handling mass causalities are just being developed now. Washington Hospital Center has just completed the first phase of pioneering work on developing the design specifications for an all-risk ready emergency department of the future—part of our ER One project that was funded by Congress in 2000.

Why Master Plan Development is Crucial to Washington Hospital Center's Future?

The Washington Hospital Center has enjoyed a rich history and many successes in meeting the health care needs of District and Metropolitan area residents. It has been able to attract and retain top physicians and staff and developed many world-class programs. However, continuation of that success is only a function of the ability of the Hospital Center to meet the health care need of our citizens in the future --as the needs and medical practice change. The Master Plan 2000 adopted by the Board of Directors in 2001 is designed to address the future needs of the community as identified through a comprehensive planning process involving, physicians, employees and community residents who participated in the process.

The Master Plan Development, representing our best knowledge at the time, will allow us to achieve the goals that are important for the future including:

- Improving the aesthetic and healing environment for our patients, staff and visitors;
- Accommodating new medical technology;
- Consolidating and make ambulatory services more accessible
- Consolidating cardiac services;
- Improving traffic flow and parking convenience and availability;
- Responding to increase demand for services;

- Expanding teaching and research capacity that supports our patient care mission; and
- Expanding space for community health education, promotion and wellness programs

Washington Hospital Center is the Keystone of the District's Hospital System and a Major Economic Engine for the City.

While our Master Plan Development is important to the Hospital Center for achieving its institutional objectives, the benefits to the District of Columbia and it residents are equally importance from a community-wide perspective.

- As the largest hospital provider, the Hospital Center serves more District residents than any other facility—in fact one in five D.C residents receives hospital care at WHC;
- We have the busiest emergency and trauma center and the region's only adult burn center;
- We deliver more babies than any other facility and see more cancer and heart patients than any other hospital in the region;
- As a private non-profit hospital, we provided more un-sponsored care for those who were unable or did not pay for care-- $45 million in 2001, the highest of any other hospital in the District; and
- We employ over 5,500 persons and spend millions in the local economy for goods and services to support our patient care mission.

We appreciate the opportunity to present our application for the 2nd Stage PUD tonight and would urge your approval of that application as soon as possible. Our staff has worked with the Offices of Planning and Zoning and the Department of Transportation to ensure that our master plan development is in concert with the interests of the community and will minimize any adverse affects. We have agreed to fund and

implement several roadway improvements and transportation management improvements for our campus as well as reaffirm our commitment to increasing District resident employment and support of local business development.

Specific transportation management programs we have in place today include: a shuttle bus program that transport patients and visitors from the Brookland Metro Station-that system, shared with Children's Hospital and National Rehabilitation, is being expanded; we participate in the Metro Check program with incentives for commuters using Metro and the Marc trains; and we have implemented a number or variable and flex-time for employees, among others. We are committed to evaluating and implementing a wide-range of TMP programs as outlined in the Master Plan including van and car pooling, expanding our shuttle service connections and other scheduling options.

We look forward to working with you throughout the implementation of this plan to ensure that our mutual objectives are achieved.

Thank you for your attention, I would be glad to take your questions at this time.