**Functional Evaluation & Capacity Assessments**

**Big Picture Thinking Down to the Smallest Details**
FTI delivers a depth of strategy and planning services from initial fact finding to implementation.

**Knowing Where You Stand**
- Asset Portfolio Evaluation
- Strategic Options Identification
- Market Assessment, including Population Health
- Comprehensive Due Diligence

**Building Organizational Strength**
- Business Plan Development
- Service Rationalization
- Hospital-Physician Alignment
- Ambulatory Transformation
- Affiliation/M&A Readiness
- Academic Medical Center Strategy, Operations and Funds Flow
- New Services Design/Execution
- Value-Based Payment Readiness

**Making it Happen**
- Enterprise-wide Strategic Plan Development
- Implementation Assistance
- Board Retreat Facilitation
- Governance Support
- Space Programming and Facility Transition Planning
- Transaction Integration Assistance

**FACILITIES: AN IMPORTANT COMPONENT OF OPERATIONS**
Space that is poorly suited for its intended purpose can contribute to inefficient processes and interactions, thus leading to higher costs and decreased physician, staff and customer satisfaction. FTI has combined two unique planning methodologies into a discreet service offering that identifies areas of opportunity for more efficient and effective use of physical resources – Functional Evaluation and Capacity Assessments.

**FUNCTIONAL EVALUATION: DOES SPACE ADEQUATELY SUPPORT THE FUNCTION?**
FTI has developed a proprietary Functional Evaluation tool that assesses the ability of facilities in their current state to support their intended functions. This functional evaluation contributes to decision-making in the areas of program planning, operations and facility/capital investment. The evaluation utilizes both objective and subjective criteria to evaluate spaces relative to the following, weighted parameters:

- **Functionality:** the degree to which the allocated space supports the effective and efficient performance of the department or service’s primary purposes
- **Access:** the degree to which customers and suppliers can access the department, as well as the ability of departmental staff to access other relevant key departments and services with which they routinely interact
- **Environment:** the degree to which the physical environment allows department staff and their patients, physicians and other customers to comfortably work and interact

The Functional process involves analyzing data regarding space allocations and participating in comprehensive facility tours in order to gain firsthand knowledge of the physical conditions. Every space is rated along each of the three parameters noted above, and departmental results are compiled. In addition, an overall functional evaluation summary scorecard is created.

**Sample Functional Evaluation Scorecard**

<table>
<thead>
<tr>
<th>Service Category</th>
<th>Un satisfactory (≤ 2.0)</th>
<th>Acceptable (2.0 – 2.9)</th>
<th>Good (3.0 – 3.9)</th>
<th>Very Good to Excellent (&gt; 4.0)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative</td>
<td>0</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>Diagnostic &amp; Treatment</td>
<td>1</td>
<td>6</td>
<td>6</td>
<td>4</td>
<td>17</td>
</tr>
<tr>
<td>Inpatient</td>
<td>0</td>
<td>3</td>
<td>3</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Support</td>
<td>1</td>
<td>7</td>
<td>9</td>
<td>0</td>
<td>17</td>
</tr>
<tr>
<td>Total</td>
<td>2</td>
<td>20</td>
<td>22</td>
<td>6</td>
<td>50</td>
</tr>
<tr>
<td>Percentage of Total</td>
<td>4%</td>
<td>40%</td>
<td>44%</td>
<td>12%</td>
<td>100%</td>
</tr>
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</table>
CAPACITY ASSESSMENTS: OVER-UTILIZED OR UNDER-UTILIZED?

Capacity Assessments are a quantitative measure of how well an organization is utilizing its physical assets and how much remaining capacity exists, based upon current volumes and operating characteristics. Capacity assessments are usually conducted on inpatient units, major procedural and diagnostic and treatment areas, as well as the Emergency Department, as these areas typically pose the greatest challenges for an organization and/or have the highest capital requirements when considering possible realignment, expansion, etc. At FTI, our philosophy and approach is to always look first for opportunities to create additional capacity through operational adjustments before considering the need for capital projects.

Inpatient Capacity Assessment

As experienced healthcare planners, we understand the nuances bed types, bed assignment and unit configuration play in inpatient operations. Disease category, care requirements, technology requirements, etc. all impact patient placement and bed utilization, as do semi-private rooms, where those still exist. Therefore, FTI’s inpatient bed capacity assessment is designed to measure utilization and bed capacity within the following categories:

- Medical/Surgical – adult
- Medical/Surgical – pediatric
- Intensive care – adult (by type, where specialty designations exist)
- Intensive care – pediatric
- Intensive care – neonatal
- Mother/Baby
- Normal newborn
- Behavioral Health
- Other organization-specific specialty designated units

Other Capacity Assessments (OR, ED, Diagnostic & Treatment)

Operating suites, Emergency Department treatment rooms/bays and services such as imaging, radiation oncology, cardiac diagnostics, etc. serve as significant components of the care delivery process and the utilization and capacity of these areas are important to operating efficiency as well as the patient experience.

Our capacity assessments are designed to answer questions such as:

- Given current volumes (utilization), at what level of productivity is the area or modality operating?
- Based upon best practice operating parameters, what should be the optimal capacity of the area or modality?
- What remaining capacity is available from existing physical resources under current and leading practice operating characteristics?

Sample Capacity Assessment Output

<table>
<thead>
<tr>
<th>Service</th>
<th>&lt;50</th>
<th>50-75</th>
<th>75-100</th>
<th>101-125</th>
<th>&gt;125</th>
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</thead>
<tbody>
<tr>
<td>Radiology</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Radiography</td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fluoroscopy</td>
<td></td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Procedures</td>
<td>✔</td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CT</td>
<td></td>
<td></td>
<td>✔</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>MRI</td>
<td></td>
<td></td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Nuclear Medicine</td>
<td></td>
<td></td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Ultrasound</td>
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<td>✔</td>
</tr>
<tr>
<td>Mammography</td>
<td></td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Vascular Ultrasound</td>
<td>✔</td>
<td></td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
</tbody>
</table>

RESULTS

The findings from our Functional Evaluation and Capacity Assessments form the basis for an integrated set of recommendations and next steps that we summarize in a final report.

About FTI Consulting

FTI Consulting, Inc. is an independent global business advisory firm dedicated to helping organizations manage change and mitigate risk. Financial, legal, operational, political & regulatory, reputational and transactional. FTI Consulting professionals, located in all major business centers throughout the world, work closely with clients to anticipate, illuminate and overcome complex business challenges and opportunities. Connect with us on Twitter (@FTIConsulting), Facebook and LinkedIn.

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