

New hospital designed for modern needs

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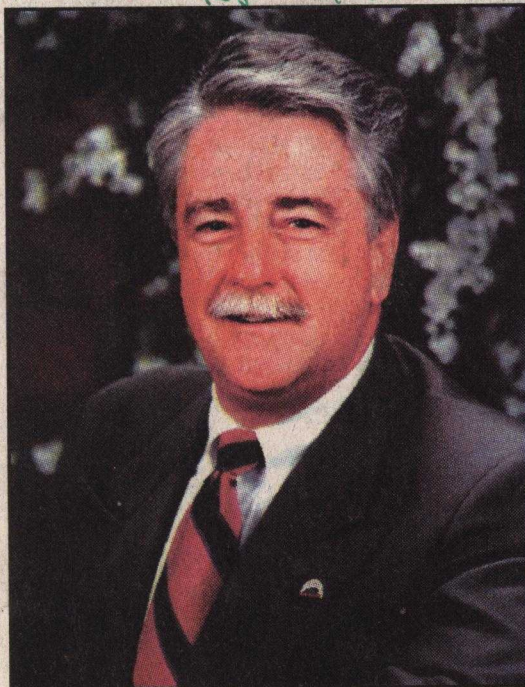
APOTOS — Thanks to the Loma Prieta earthquake, Watsonville will have a new hospital designed for changing needs, said John Friel, president and CEO of Watsonville Community Hospital, this morning at the Aptos Chamber of Commerce breakfast.

"I'm often asked, 'Why are you building a new hospital?' especially now, with all the problems hospitals are facing, Friel said. "We can't stay in the building that we're in."

After state and federal engineers assessed the damage from the 1989 earthquake, the need for a new hospital was apparent, he said. Repairs would have been "very, very costly" and would not have brought the building up to current standards.

Built to withstand a 7.0 earthquake, the hospital on Green Valley Road did survive the 1989 quake, but engineers could not assure the repaired building would survive as well in a future quake due to liquefaction factors on the site, Friel said. Building code laws had changed and hospitals must now be built to withstand an 8.0 quake.

With rising costs in health care, inpatient care has dropped dramati-



John Friel, CEO for Watsonville Community Hospital, spoke at the Aptos Chamber of Commerce monthly meeting this morning.

cally. At the time the old hospital was built, 5 to 6 percent of patients accounted for outpatient care, Friel said. Now that number is 60 percent.

"We will put a strong emphasis on outpatient care," he said.

Patient stays are also shorter with the result that fewer beds are needed. The current hospital has 130 beds; the new one will have 90 to 100, Friel said.

Sharing a room in the hospital is a thing of the past, Friel said. All

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rooms will be private.

"People demand privacy. We'll meet that need," he said.

The Seagate property on Airport Boulevard contained buildings, which are already being converted: one into outpatient services, another into a medical office building.

Physicians are expressing much interest in moving their offices into that building, Friel said.

A three-story core facility containing the emergency/surgery center — built to the latest earthquake standards — is 15 to 16 percent complete today, Friel said.

Total cost of the new facility is \$67 million. That cost includes the land purchase, and \$10 million in engineering and architectural costs and city and state fees, Friel said. The 27-acre Seagate property cost \$20 million; construction costs are scheduled for \$37 million.

The new hospital will be paid for via a federal grant of \$44 million plus a state grant of \$5 million and a loan of \$2.6 million from FEMA. These funds are assured, Friel said.

In addition to the grants and FEMA loan, the hospital took on a \$20 Cal-State guaranteed municipal tax exempt bond last April, Friel said.