Trading **Spaces**

Remodeling an existing structure for a medical practice can have both significant advantages and challenges. Choose the right experts and plan carefully, however, and you can have a unique, charming, and accessible facility.

BY MARILYN HADDRILL

When Joseph Mele III, MD, learned that the building where he leased space was about to be demolished to accommodate a nearby hospital expansion, he needed to find another location for his Walnut Creek, California, medical practice.

"In this town, there are no empty lots," Mele says. "You either buy something, tear it down, and start over. Or, you remodel."

Because he had a few years' notice, Mele was able to scout potential new locations. But it actually took him that long to find a suitable place. In December 2006, he relocated his practice to what had been a neurologist's office about a block away.

Mele bought into a partnership entitling him to shares in the property, which gave him ownership status that helps protect him from any future uncertainties inherent in leasing. However, it's not the same business arrangement as a "condo" style purchase, where you outright own the specific area you occupy.

"If you buy into a partnership, you can sell your shares. But it's not as liquid as a condo," Mele says.

Even though the new site had been occupied by another medical practice, Mele needed to remodel the structure because his specialty of cosmetic surgery required more space. "My advice would be to start making plans sooner rather than later if you do have plans to move," Mele says. "Finding the right place takes a lot more time than you would ever think. Even if you aren't planning on moving,

"My advice would be to start making plans sooner rather than later if you do have plans to move," says Joseph Mele, III, MD of Walnut Creek, California. "Finding the right place takes a lot more time than you would ever think. Even if you aren't planning on moving, maybe you should get out every now and then and take a look around anyway."

In 2006, Mele relocated his cosmetic surgery practice to a space formerly occupied by a neurologist that included access to a common garden area, below right.

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Bring in the experts

Once it's time to relocate or set up a new practice, Mele says, physicians should resist any do-it-yourself urges when it comes to remodeling. Instead, seek out appropriate specialists. Mele used a real estate broker to help him find the new site, and he met with a color consultant to assist with interior design.

Although he did use specialists, Mele himself was no stranger to what was needed for a remodeling project. His father was a contractor. And Mele's own contractor for the remodeling project was his brother-in-law. "It's very important to have good communication with whoever is doing the remodel," Mele says. "It was mostly a matter of making sure that I had enough space for what I wanted to do, while at the same time complying with all the regulations. Phone systems are always a pain, and that was probably the biggest problem with the entire move."

Transitioning from the previous location to the new address was particularly problematic for Mele. As a surgeon, he must be available at all hours for calls from patients who might be undergoing a complication. It was essential for phone lines to be operational, even during the weekend, for emergencies. Unexpected delays and glitches with setting up the new phone system occurred, so Mele ultimately gave out his personal cell phone number to make sure patients had uninterrupted access to medical care.

Because it's imperative that medical practices operate continuously, some experts suggest starting a remodeling

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Accessibility for Patients With Disabilities

Joan Stein said it was an eye-opening experience when, beginning in 2001, the state of Pennsylvania hired her and her business partner, Carol Cocuzzi, to evaluate 2,700 medical and dental practices personally for compliance with the Americans with Disabilities Act (ADA).

Stein and Cocuzzi, who operate Accessibility Development Associates Inc. in Pittsburgh, found every imaginable violation. Ponderous doors could not be pulled open. Doors purportedly providing access were found in back, scary alleyways. In one case, a buzzer needed to attract someone's attention in the office could not be reached from the wheelchair occupied by Cocuzzi.

After several years of evaluations that ended in 2004, the two building and design accessibility experts found that a shocking 98 percent of all practices had failed to comply with all the federal provisions requiring access for people with disabilities.

Stein and Cocuzzi were hired after the state launched a mandatory managed-care program in southeastern Pennsylvania counties. For people with disabilities to gain access to the required primary care providers, structures had to be accessible. Many of them weren't, and a lawsuit soon followed.

"Where we found the most difficulty was in exam rooms," Stein says. "There was a lack of space and a lack of access to the exam table. Physicians should consider what they would need to do if they themselves had a serious illness or injury. Would they want to continue to practice medicine? And could they in their current environment?"

Stein offers recommendations that might assist physicians interested in remodeling a structure to make sure it is ADA-compliant:

✔ Make sure strict compliance with ADA provisions is included in any agreement with a contractor or similar professional.

✔ Remember that carrying wheelchairs up a stairway (not such an uncommon practice, as it turns out) is strictly prohibited, and also places employees at risk of injury.

✔ If you have two small restrooms in your exam room area, remember that you can convert one for access for those with disabilities and leave the other for general use by both men and women.

✔ Strive for well-spaced furnishings and interior arrangements that allow patients in wheelchairs to conduct business easily and at eye level.

✔ Consider that thick carpeting can be very difficult to maneuver, both for wheelchairs and people who depend on canes or walkers.

✔ Avoid flooring that requires waxing, which creates a slippery surface. (Some experts advise using flooring options such as textured clay tiles or special coatings to increase traction.)

project during an "off time" for construction, such as winter months when contractors and subcontractors are more likely to be available. That way, delays from scheduling conflicts are less likely to occur.

Project timelines vary, often depending on how well thought-out plans are in advance. Architects and business partners Lane Allen and Eric Pepa, based in Batavia and Elgin, Illinois, near Chicago, specialize in new construction and remodeling for medical practices. Allen and Pepa say typical timelines can range from conservative to streamlined, depending on how organized and motivated a customer might be.

Time schedules for a typical interior remodel might be:

✳ APPROXIMATELY ONE MONTH to select an architect.

✳ SIX WEEKS TO THREE MONTHS to prepare bid and permit documents.

✳ THREE WEEKS TO SEVERAL MONTHS for the actual bidding and permit process.

✳ TWO TO FOUR MONTHS for renovation (barring unforeseen circumstances).

The cost of a project is a big factor in how long it will take, and this can be determined only after a detailed plan is drawn up, including exactly what you want to accomplish and the type of materials you want used. Even then, the unexpected can occur during a remodel and drive up costs. While cost estimates per square foot are common for new construction, coming up with a similar pricing scheme for a remodel is virtually impossible. Contractors like to use the analogy of attempting to price a car by how much it weighs. A new luxury car might weigh the same as a rusted out junker, but there's all the difference in the world in the value of each vehicle.

If you plan a major project, it's always best to trust the experts both to avoid unexpected—and expensive—problems, and to make sure you're dealing with someone who can effectively anticipate, estimate, and manage costs once you have a well thought-out plan. Architects Allen and Pepa suggest using these types of experts for

major remodeling projects:

✔ Under direction of an architect, you may need engineers specializing in structural, mechanical, electrical, plumbing, and permitting and bidding aspects of the project.

✔ The design and building contractor generally handles landscaping, but you may want to use a landscaping architect if local government approvals are required.

✔ The architect in a major project usually oversees interior design, including furniture, carpeting, and other floor finishings.

✔ Depending on specific needs of the medical practice, you may (for example) need an expert in x-ray rooms and required government approvals for how this type of room should be structured for containment of radioactive particles. (Allen and Pepa, along with the contractor, use subcontractors for this aspect of projects.)

First Things First

What to consider before starting a remodeling project

Specific remodeling needs can vary widely, often depending on the physician's specialty, but experts recommend thinking about these points when you evaluate a property:

✔ Is the structure old enough to require an evaluation for presence of potentially hazardous materials such as lead paint or asbestos that could be disturbed and dangerously scattered during a remodel?

✔ Could you receive a substantial tax break by renovating a structure considered historic?

✔ On the other hand, will you be subject to restrictions that may be unacceptable or expensive if you do choose to buy a structure within a historic district?

✔ If you own the property, will it grow in value? Is it the type of property that can be easily resold to recoup your investment?

✔ Is the property large enough to accommodate growth?

✔ Does the new location have proper access to a hospital or other medical facilities important to your medical practice?

✔ Can your patients easily access your property, and is there enough parking available for the number of people you expect to serve daily?

✔ Is the site in a suitable and convenient location for the type of patients you will be serving?

Special considerations

"One trend we've noticed in recent years is a transition from facilities being leased to being purchased by doctors," Allen says. "That changes how they build out their space and how they think about it. The property becomes part of their capital investment as opposed to just an expense."

Because ownership represents far more of a financial commitment than leasing, Pepa says infrastructure requirements for medical practices should be carefully considered in advance of purchase:

✔ Will you require a free-standing building, or will your practice fit nicely into general office space?

✔ Will you own the entire building, or only a portion of the building?

✔ Would your interests best be served by moving into a one-story strip center with a common parking lot shared with other businesses?

"One of the problems with a medical facility is that it typically requires more parking density than other types of uses," Pepa says. "Whereas a typical office space will require parking for four cars per 1,000 square feet, a medical practice typically will require five or even six parking spots for the same space. In older downtowns, you're not going to find an excess of parking. That's not to say relocating to an older downtown area shouldn't be done, but parking is something that should be taken into consideration."

Pepa says downtown districts with older buildings also can cause patient accessibility issues in terms of need for appropriate wheelchair ramps, door width, restroom space, grab bars, and similar considerations. Such difficulties can be addressed, however, with the proper planning.

"The operative word is accessibility," Allen says. "Accessibility doesn't mean being able to get a wheelchair from here to there. There's a fluidity of movement needed from one place to another."

Allen and Pepa say medical practices also have advantages over other types of businesses in that their location does not necessarily have to "catch the eye" of the patient driving by or be in a high traffic or high profile area. That's because the doctor-patient relationship usually is established in other ways, such as from a phone call or word-of-mouth from other patients.

"People don't go to a physician on an impulse," Pepa says. "So a doctor's office doesn't have to be on a primary thoroughfare, because traffic can be a real issue. After the first visit, people know where their doctor is, and they'll find the doctor when they need to."

The key to starting and completing a successful remodeling project, Allen

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says, is information, information, information. He says architects, in particular, like to collect every detail possible before they start to plan. In the world of remodeling and construction, no one likes surprises—particularly after the project has begun. Frequent changes also can drive up costs.

"Architects like a lot of information up front," Allen says. "And NONE later."

Allen hastens to add, however, that flexibility can be built into any plan, and customers can ask for alternate plans for scenarios such as tight funding. Certain aspects of work can be earmarked for postponement until a later date, if necessary.

"But I would recommend as few alternates as possible, especially since the architect will need to be specially compensated for each one that will need to be designed and engineered as separate pieces," he says.

Older is sometimes better

Depending on the type of planned construction and the basic soundness of the structure, physicians need not shy away from older buildings.

Farmington, New Mexico, contractor Lonny Rutherford, who also is the vice chairman of the Remodelers Council of the National Association of Home Builders, undertook the remodeling and expansion of a 900-square foot adobe house, originally built in the early 1900s, for family practitioner Margaret Cassidy, MD.

The project was completed several years ago through Rutherford's business, Legacy Construction, Inc. The end result was so stunning that the remodeled doctor's office created from a nearly century-old home was featured on the cover of a commercial construction magazine.

When the project first started, workers discovered that the charming adobe hacienda had its own 12-by-8 foot round cistern—a relic of its earlier years. While certain elements of the original house were preserved, Rutherford says other portions of the house were too damaged to retain.

"It still has some of its old hardwood floors, but we had to tear out some of the others because they were damaged," Rutherford says. "But we did keep a lot of the quaintness with some of the wooden floors. When we tore off some of the old lean-to porches, that's when we discovered the cistern. The lobby, waiting room, and offices are mainly in that existing structure. All of the exam rooms and break area are part of a new structure."

The location was ideally suited for a medical practice, because it fit in with a small commercial community (including a dermatologist's office up the street) that had been established within an old residential area. Yet, the office is quietly tucked two blocks off the main street and within 10 minutes' drive of a hospital.

The structure needed to accommodate about 10 staff members, as well as meet codes for accessibility that include a wheelchair ramp with railings. While the house is historic, it is not officially in a historic district—so there were no tax breaks. But being inside a historic district can include restrictions, such as special permits requiring you to conform to certain standards during a remodel to maintain a neighborhood's appearance.

One historic touch in the former adobe home can be seen out front, where a WPA emblem is stamped in colored concrete on the sidewalk. WPA stands for Work Projects Administration, a federal program created in 1935 as part of President Franklin Roosevelt's "New Deal" program, aimed, in part, at relieving unemployment.

Rutherford says there are ways to add crucial modern touches to an old structure, even one made of adobe, through techniques such as running wiring along exterior walls by chiseling in grooves and then patching. "We upgraded everything with new (electrical) panels because of the need for computers, data systems, and phone systems," he says. "But we tried to retain some of the historical aspects of the house."

Breaking sterile technique

In modern structures, once-sterile medical office interiors are being replaced with warmer colors and intimate surroundings, some of which match trends toward "boutique" or "concierge" medical practices designed to offer more personal services for fewer patients.

In early 2007, Garrison Bliss, MD, and his partners in Seattle Medical Associates were preparing to embark on a remodeling project that involved establishing a 6,000-square foot clinic in an old downtown medical building. His practice is part of a growing number of medical offices that now charge a type of "retainer" fee for a select number of patients willing to pay extra in exchange for less waiting and more time spent on their medical care. So the new Seattle facility will have a much smaller waiting room than might be usual in a clinic, and more exam rooms so patients get in and out quickly.

"I would say that in any building project, physicians should think harder not about what they want but about what patients want," Bliss says.

In addition to what patients want, physicians also need to consider work flow needs of staff as they go about their daily routines, says Leslie Cooper,

RN. Cooper drew on previous experience working for public schools on designs and renovations of health office facilities to create an article on the topic for *The Journal of School Nursing* (June 2005). Cooper now directs the family nurse practitioner program at the University of Cincinnati College of Nursing.

"Talk to the medical assistants who are doing the urinalysis," she says. "Talk to the nurse who does the initial assessment of the patient. Find out if it is really going to be more efficient if the equipment you need is mounted on the wall in each room, or if it would be more cost effective and more convenient to have a couple of sets of equipment on a rolling stand."

Medical practices, in particular, are vulnerable to unexpected problems when it comes to making sure a structure conforms to mandated standards aimed at protecting a patient's privacy. Guidelines accompanying the Health Insurance Portability and Accountability Act (HIPAA), enacted in 1996, state that structural changes do not need to include soundproofing in walls, private rooms for conversations, or encryption for communications through telephone or other means.

Privacy safeguards are needed, but can be accomplished in reasonable ways through methods such as "use of cubicles, dividers, shields, curtains, or similar barriers." But even when it seems privacy safeguards are met, there can be unexpected setbacks. Cooper recounts one incident where a school health office was structured with low dividing "half" walls separating cots, with enough spacing to make sure school privacy standards, similar to HIPAA, were met.

But there was one problem.

This school was for the hearing impaired, and sign language used to communicate with patients could be seen and "heard" by anyone in the room. So old-fashioned curtains had to be installed for patient privacy after all.

In a few instances involving several expensive "do-overs," Cooper says designers and contractors just couldn't quite manage to merge the special needs of tiny elementary school-sized patients with those of the adult nurses. Miniature toilets and sinks for the children required back-breaking postures for the nurses each time they washed their hands.

"Change orders are expensive," Cooper says. "The whole point is that, the more time you put into planning, the better your product eventually will be." ■

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