



**Additional
Hospital Beds and
Renovations
at Bayhealth
Hospital, Kent
Campus**

Delaware Health
Resources Board

July 30, 2025



- Construct 6 additional floors on the existing 4-story Pavilion building to create:
 - Build-out two floors: 32-bed patient units (64 new patient rooms)
 - Four shell floors for future build-out
 - Transition existing semi-private rooms to all private rooms
 - Create area on landlocked campus for expansion in distant future
- Expand ICU by 6 beds
- Renovation of existing Emergency Department
 - Add 10 low acuity bays, expand Behavioral Health suite, and expand Waiting Room

- Construction of 2-story addition on top of the existing Emergency Department (“ED”)
 - Relocated and expanded Lab and Pharmacy Departments
- Expanded Kitchen and Cafeteria

- Provide additional patient beds to reduce backup in the ED
 - Improved quality of care
 - Decreased risk of infection
 - Improved patient satisfaction
- Improved patient flow and number of treatment bays in the ED
- Improved care spaces for Behavioral Health patients
- Expanded Pharmacy and Lab (Lab is currently in the oldest portion of the hospital)
- Expanded Kitchen and Cafeteria (no updates in 39 years)

Proposed Project

Phase 1

- Add 6 floors to Pavilion (64 private rooms fit-out)
- Expand existing ICU (6 private rooms)
- Renovate & add 2 floors over the ED
- Relocate and expand Lab
- Relocate and expand Pharmacy
- Relocate and expand Kitchen
- Expand Cafeteria

Phase 1b (future)

- Fit-out remaining 4 inpatient floors

Phase 2 (future)

- New Parking Garage
- New 12-room Surgical Suite
- New 5-room Interventional Suite
- Future Endoscopy Suite shell space
- New Diagnostic Platform
- New Sterile Processing

Future Bed Calculation – Phase 1

Bed Type/Unit Beds	Current Beds	Beds Proposed to Be Added	Beds Proposed to be Removed	Future Beds if COPR Approved
Med-Surg/IMC*	211	64 (private)	(10) (semi-private)	265
ICU	29	6	0	35
Peds	6	0	0	6
OB	20	0	0	20
Total	266	70	(10)	326

* Intermediate Care

Current View - Bayhealth Hospital, Kent Campus

Corner of State & South Streets



Rendering - Bayhealth Hospital, Kent Campus

Corner of State & South Streets



Current View - Bayhealth Hospital, Kent Campus

Corner of Governor's and South



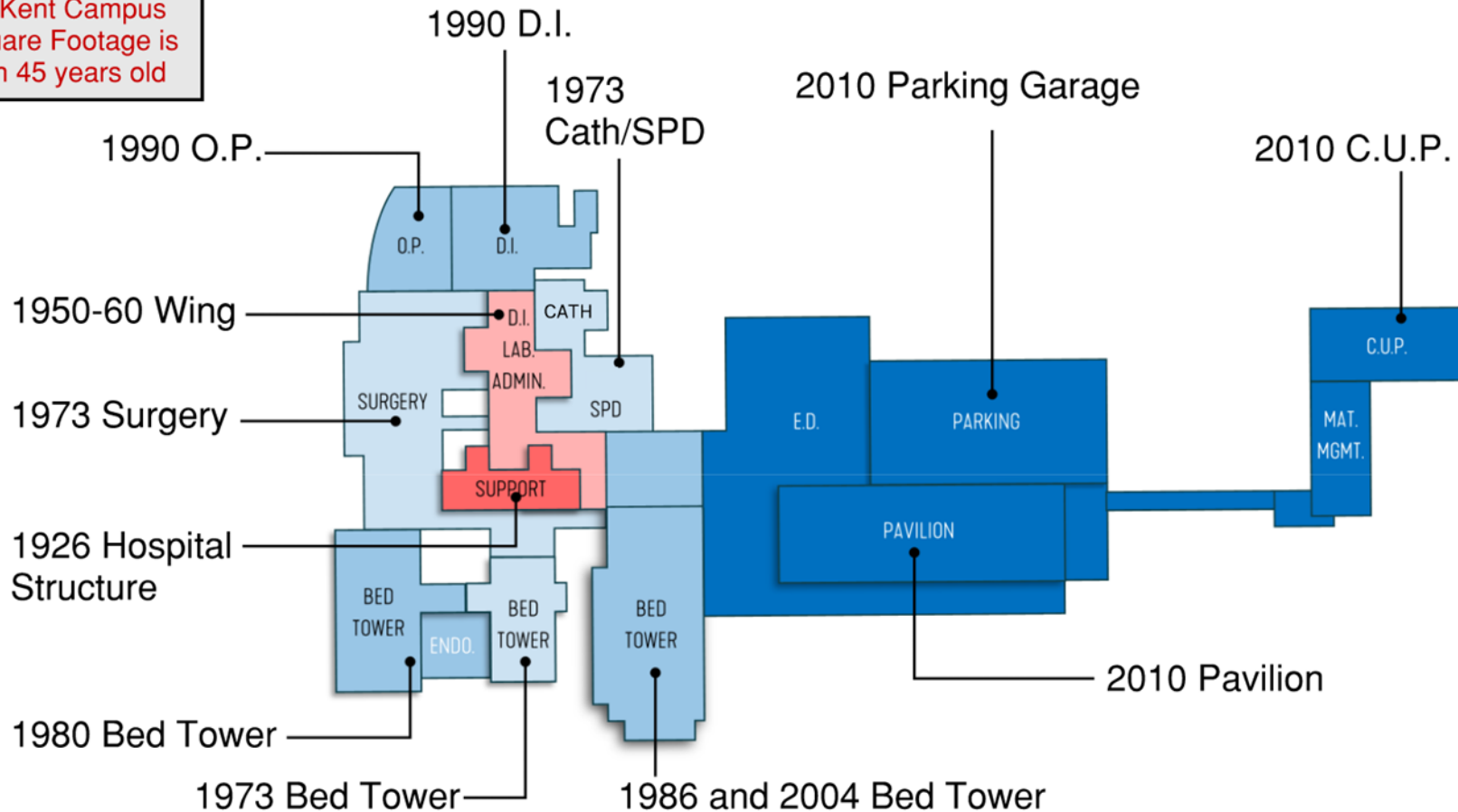
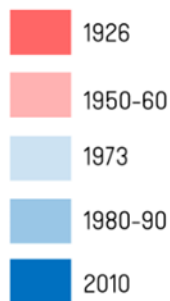
Rendering- Bayhealth Hospital, Kent Campus

Corner of Governor's and South



Bayhealth Hospital, Kent Campus Existing Buildings

50% of the Kent Campus Building Square Footage is greater than 45 years old



BHKC Expansion – Existing Beds

	Area	Beds	Area	Beds	Area	Beds	Area	Beds	Area	Beds
10										
9										
8										
7										
6					Post-Partum Peds	20 6				
5					L&D	0				
4					4A	28	Shell	0		
3	3 South	36	3 North	14	3A ICU	20 14	PCU	32		
					Neuro ICU	7				
2	2 East	15	2 North	16	2B	20	Medical Oncology	0		
	CVSICU	8			Dialysis/Wound Care	0				
1	Endo/PACU/ORs	0	Admin	0	1A COU	15	Radiation Oncology	0	ED	0
					Med Surg	15				
B		0		0	Kitchen Cafeteria	0	Pharmacy	0	GME/ED Admin	0
Floors	1980		1978		Klima/86		Pavilion		ED	
Beds	59		30		130		32		0	
266 Beds										
Existing Garage										

Bed Type	Beds	2032 Goal
ICU	29	40
Acute Private	102	274
Acute Semi	120	0
COU Semi	15	46
Total	266	360

Existing
Garage

BHKC Expansion – Full Build with Decant Scenario

	Area	Beds	Area	Beds	Area	Beds	Area	Beds	Area	Beds	Area	Beds
10							Med-Surg	32				
9							Med-Surg	32				
8							Med-Surg	32				
7							Med-Surg	32				
6					Post-Partum Peds	20 6	Med-Surg	32				
5					L&D	0	Med-Surg	32				
4					4A	28	ICU	32				
3	3 South	0	3 North	0	3rd Floor	28	Surgical Pre/Post	0	ICU	8	ORs/ Interventional	0
2	2 East	0	2 North	0	2B	20	Medical Oncology	0	Lab Pharmacy	0	SPD/Supply/ Shell	0
1	Shell	0			Dialysis/ Wound Care	0					ED Exp./ Diagnostic Imaging	0
	Endo/ Shell	0	Admin	0	1A COU	30	Radiation Oncology	0	ED	0		
B		0		0	Cafeteria	0	Kitchen	0	GME/ED Admin	0	Mech/ Shell	0
Floors	1980		1978		Klima/86		Pavilion		ED		Surgical Pavilion	
Beds	0		0		132		224		8		0	

364 Beds and 8 Vacant Headwalls

Bed Type	Beds	2032 Goal
ICU	40	40
Acute Private	274	274
Acute Semi	0	0
COU Semi	50	46
Total	364	360

- Added 6 bed floors to Pavilion
- Added 2 stories to ED
- Added Surgical Platform
- ICU moved to new build
- 3rd Floor 1986/Klima renovated
- 1980 and 1978 units vacated
- Bed Type and Totals change
- Observation “option” shown 2B/1A

New 500 Car Garage

The floor plan illustrates the layout of the ICU expansion project. It features three main color-coded sections:

- Existing Neuro ICU (Orange):** Located in the upper right portion of the plan, containing rooms such as the Neuro ICU, Neuro ICU Expansion, and various support rooms like the Nurse Station, Medic Room, and Equipment Room.
- Existing Med/Surg (Green):** A large central area that includes multiple patient rooms, a central nursing station, and various support spaces.
- ICU Expansion (Light Green):** A new addition located to the left and bottom of the existing Med/Surg area, featuring several new patient rooms and associated support spaces.

 The plan also shows a central corridor system connecting these areas, a large staircase in the lower center, and various utility and storage rooms throughout the facility.

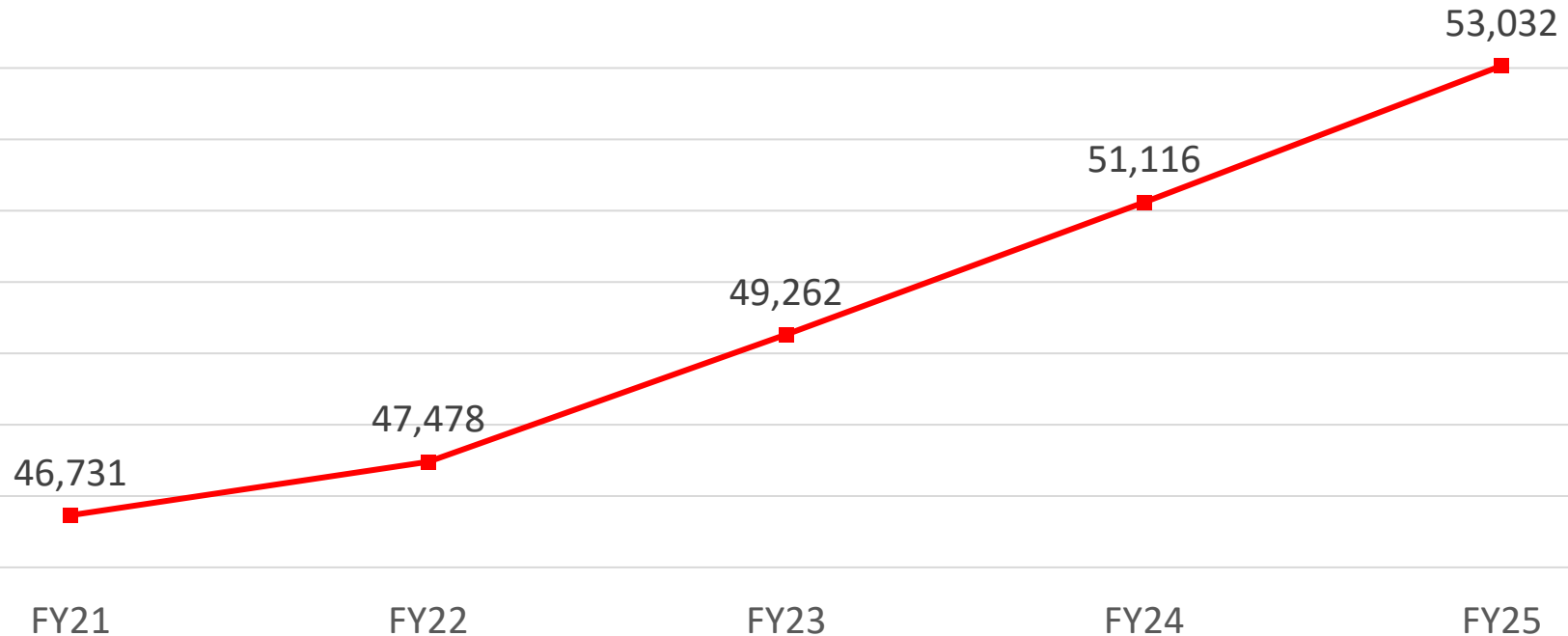
Bayhealth Hospital, Kent Campus ED Renovation



Statutory Criteria Review: SC 1

Relationship of the Proposed Project to the Health Resources Management Plan

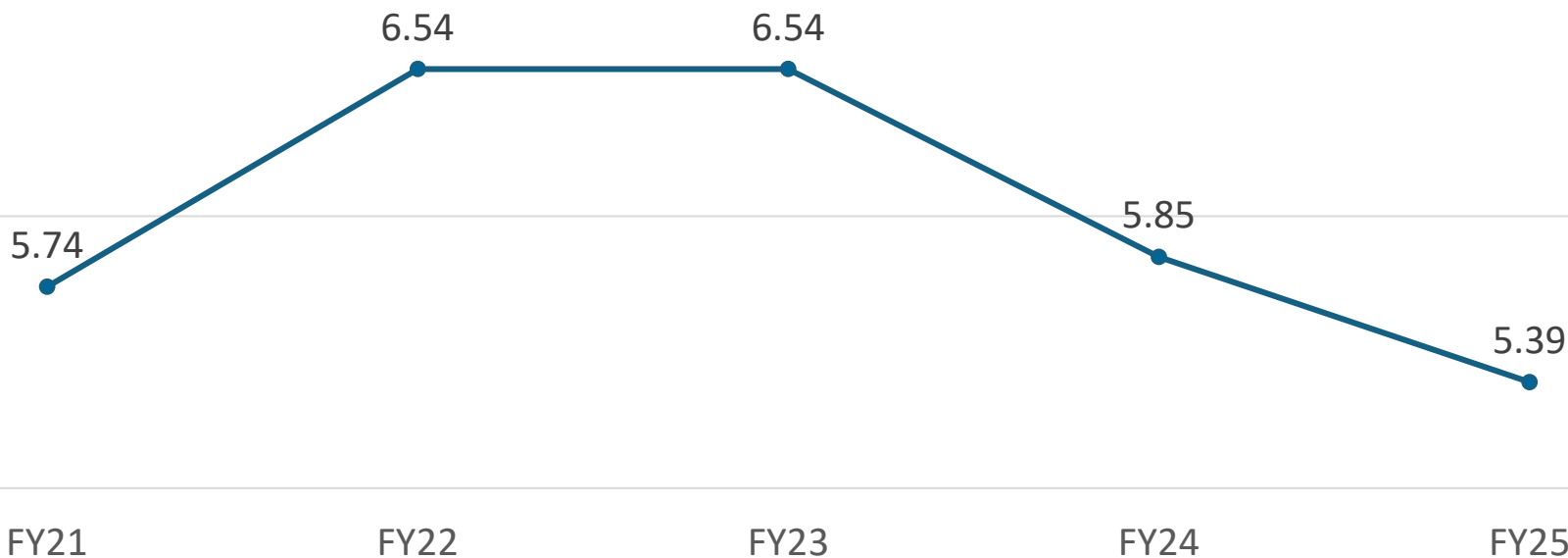
BHKC ED Visits



Statutory Criteria Review: SC 1

Relationship of the Proposed Project to the Health Resources Management Plan

BHKC Average Length of Stay



Statutory Criteria Review: SC 1

Relationship of the Proposed Project to the Health Resources Management Plan

- Improved access
 - Kent ED patients holding for inpatient bed: January – March 2025

Month	Average # of Holds	Day with Highest # of Holds	Day with Lowest # of Holds
January	17	38	3
February	26	39	13
March	20	31	12

Note: Patient hold counts taken at approximately 6 am each day

Statutory Criteria Review: SC 1

Relationship of the Proposed Project to the Health Resources Management Plan

- Improved access (continued)
 - Reduction in staff tending to ED patients
 - Managing inpatients
 - Patients in the waiting room waiting to access the ED
 - Project benefits:
 - More inpatient beds to get patients out of the ED
 - More ED bays to get patients through the ED

Statutory Criteria Review: SC 1

Relationship of the Proposed Project to the Health Resources Management Plan

- Improved quality of care
 - Patients have ready access to bed in the appropriate setting
 - More private rooms:
 - Lower risk of contracting disease
 - More privacy
 - Improved communication with clinicians
 - Improved patient satisfaction
- Cost of care impact
 - None: Prices and contracted rates will not change

Statutory Criteria Review: SC 1

Relationship of the Proposed Project to the Health Resources Management Plan

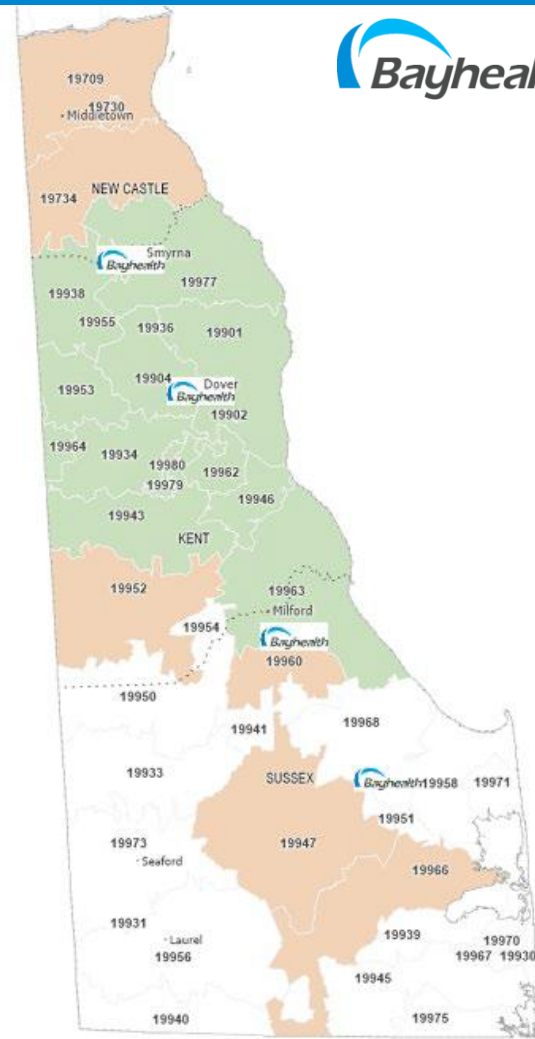
- Continuity of care / care coordination
 - Participation in Accountable Care Organization
 - Introducing chronic care managers in Bayhealth practices
 - Dedicated diabetes and congestive heart failure clinics
 - Epic Electronic Health Record
- Participation in DHIN
- Bayhealth provided over \$92 million in free care in FY 24

Statutory Criteria Review: SC 2

Need of the Population for the Proposed Project



Service Area Population				
	CY 2024	CY 2029	Population Inc./ (Dec.) 2024-2029	% Growth 2024-2029
Service Area Population: Total	346,642	369,966	23,324	6.7%
Service Area Population: 65+	69,468	81,705	12,237	17.6%
Source: Stratasan, ESRI Demographics, July 2024.				



Statutory Criteria Review: SC 2

Need of the Population for the Proposed Project

- Med/Surg Utilization

	FY 2021	FY 2022	FY 2023	FY 2024
Med/Surg Patient Days ¹	69,517	76,601	72,426	71,768
Med/Surg Occupancy Rate ¹	90.3%	99.2%	94.0%	93.2%
Current Med/Surg/IMC/PCU Beds	211	211	211	211
Med/Surg Bed Demand at Benchmark*	238	262	248	246
Med/Surg Bed Deficit	(27)	(51)	(37)	(35)
Source: Bayhealth Kent internal data. ¹ Patient days include observation days.				

*Benchmark Target: 80%

- ICU Utilization

	FY 2021	FY 2022	FY 2023	FY 2024
ICU Patient Days ¹	9,766	9,796	9,876	9,567
ICU Occupancy Rate ¹	92.3%	92.5%	93.3%	90.4%
Current ICU Beds	29	29	29	29
ICU Bed Demand @ Benchmark*	38	38	39	37
ICU Bed Deficit*	(9)	(9)	(10)	(8)
Source: Bayhealth Kent internal data. ¹ Patient days include observation days.				

*Benchmark Target: 70% Occupancy Rate

Statutory Criteria Review: SC 2

Need of the Population for the Proposed Project

- Projected bed need
 - Bayhealth consultants (Capital Healthcare Planning):
 - 94 additional beds by 2032
 - 11 ICU Beds
 - 83 Med/Surg
 - Health Resources Management Plan:
 - 92 additional beds by 2035
 - 11 ICU Beds
 - 81 Med/Surg

Statutory Criteria Review: SC 2

Need of the Population for the Proposed Project

- Other factors
 - Capacity to handle unforeseen surge in patients (i.e., COVID)
 - Private rooms to improve care quality and patient satisfaction
 - Ability to transfer rooms from legacy buildings to create space for future expansion, if needed.
 - Legacy buildings have aging infrastructure and cannot meet current building codes

Statutory Criteria Review: SC 3

Availability of Less Costly / More Effective Alternatives

- Option 1: Full replacement hospital at new site
 - Pros:
 - Addresses all concerns in one package
 - Cons:
 - Would take much longer to implement
 - Significantly more expensive than the proposed plan
 - No existing plan for a vacated hospital

Statutory Criteria Review: SC 3

Availability of Less Costly / More Effective Alternatives

- Option 2: Implement all phases of master plan at once
 - Pros:
 - Addresses all concerns in one package
 - Uses existing assets
 - Cons:
 - Significant increase in capital costs would create financial instability

Statutory Criteria Review: SC 3

Availability of Less Costly / More Effective Alternatives

- Option 3: Proposed approach
 - Pros
 - Addresses critical needs
 - Establishes the foundation for future phases
 - Preserves capital for any unplanned impacts
 - Cons
 - Longer timeframe to implement than the other two approaches

Statutory Criteria Review: SC 4

The Proposed Project Should Not Have an Adverse Impact on Other Health Care Providers

- The Project serves to better accommodate patients already being served by Bayhealth
- Bayhealth will continue to collaborate with other hospitals
- Patients will continue to be transferred to appropriate facilities for services unavailable at Bayhealth

Statutory Criteria Review: SC 5

Immediate and Long-Term Viability of Proposed Project

- Capital Costs: \$236 Million
- Debt was issued in 2021 when rates were significantly lower
- Bayhealth bonds are rated AA-
 - Strong financial position
- Project is financially feasible
- Bayhealth will continue efforts to retain and recruit staff to meet the growing patient demand

Statutory Criteria Review: SC 6

Effect of Project on Costs and Charges

- Bayhealth will not increase charges to offset construction costs or increased operating expenses
- Quality and efficiency should improve
 - Infections/complications and related costs should be reduced

Statutory Criteria Review: SC 7

Effect on Quality of Health Care

- Improved quality of care in ED:
 - Increased Med/Surg and ICU bed capacity will improve ED throughput and facilitate more efficient care delivery.
 - 10 additional “fast track” ED bays to help expedite low acuity patients.
 - The psych holding rooms will be transformed to be far more accommodating to patients.
 - The lab and pharmacy will be located one floor above the ED, minimizing logistical delays in getting test samples and providing drugs to patients.

Statutory Criteria Review: SC 7

Effect on Quality of Health Care

- Improved quality of care for ICU and Medical/Surgical patients:
 - Increased ICU and Med/Surg bed capacity will allow patients faster access to inpatient units
 - Patients will be cared for by inpatient staff with the skill set to manage inpatients

Statutory Criteria Review: SC 7

Effect on Quality of Health Care

- Improved quality of care for ICU and Medical/Surgical patients:
 - Patients will be treated faster, reducing the length of stay and improving the quality of care
 - All rooms will be private
 - Improved infection control
 - Improved patient satisfaction
 - Improved privacy
 - More room for staff to work
 - New modern air handling capabilities will assure that fresh air flows in while contaminated air flows to the outside.

Timeline

Milestone	Completion Date
ED Renovation	2026
ED Overbuild (Lab and Pharmacy)	2027
Main Entrance Renovation	2028
Kitchen / Cafeteria Expansion	2029
Pavillion Patient Tower (64 beds)	2029
ICU Expansion	2030

Thank You