

## WEEKLY HEALTH CARE REAL ESTATE BRIEFING: MENTAL HEALTH AWARENESS MONTH | UK HEALTH ANNOUNCES \$2.4B EXPANSION | RISANT HEALTH ANNOUNCES GROWTH STRATEGY

1. May is Mental Health Awareness Month. The Kaiser Family Foundation **recently surveyed** Americans on the state of their mental health. 90% of adults believe we are facing a mental health crisis. 80% of adults believe the cost of mental health care is a “big problem” for Americans. 51% of adults have a family member that has experienced a severe mental health crisis. 47% of parents say the pandemic had a negative impact on their child’s mental health.
2. **According to a Modern Healthcare survey**, health care providers were bullish on new building projects in 2022. Providers started planning and designing 878 hospital projects, 51 rehab hospitals, 146 psyc hospitals, 31 free-standing emergency departments, 177 long-term care facilities and 37 urgent care clinics. In 2023, a number of these projects were placed on hold due to rising interest rates and financial challenges impacting providers.
3. Revista **published** new medical office building (MOB) cap rata data. MOB cap rates have risen 20 to 40 bps during the Q1 of 2023.
4. The repeal of Florida’s Certificate of Need (CON) law in 2019 resulted in 65 new hospitals being announced in Orlando, Tampa and South Florida between 2020 and 2022 **according to a new article**. Florida has about 320 hospitals throughout the state.
5. UK Health (KY) **announced** a \$2.4B expansion plan that includes a new hospital tower with 300 beds and four new outpatient facilities near Lexington, Kentucky.
6. Risant Health, the new nonprofit health care entity created by Kaiser Foundation Hospitals, **announced plans** to acquire 5 or 6 hospital systems over the next 5 years with the goal of becoming a \$30B organization. Risant will be headquartered in Washington, D.C. and its first acquisition will be Geisinger Health.
7. **Intermountain** and **OhioHealth** both announced strategic partnerships with Surgery Partners to expand their ambulatory surgery center (ASC) networks.
8. Northwestern University’s medical group **has acquired** a former hotel property in Naples, Florida that it plans to redevelop into an outpatient medical facility.
9. University of Vermont Health Network **opened its first apartment building** for employees in South Burlington. The project has 61 units and is designed to help recruit and retain health care workers. A second project with 120 units is being planned for 2024.
10. UI Health Care (IA) **has issued a request for qualifications** for a new inpatient tower project on its Iowa City campus that is expected to cost \$621M.

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