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# SAINT THOMAS' BIG BET ISN'T IN NASHVILLE

Ascension Saint Thomas has been a catalyst for Rutherford County's growth. Now it's using the county as a template for its own expansion.

By <u>Nikki Ross</u> – Reporter, Nashville Business Journal May 23, 2024

When you get off Interstate 24 in Murfreesboro and merge onto Medical Center Parkway, all you see in either direction are modern buildings housing retail shops and restaurants.

As you wind around the first bend of the plant-lined street, more development projects are in the works.

Fourteen years ago, the road was barren. The only thing there was Ascension Saint Thomas Rutherford's new hospital, which became the foundation for growth in this corner of Rutherford County.

"When we moved here, Medical Center Parkway was not there. It was part of our negotiations with the city of Murfreesboro that there would be a substantial road leading to the hospital from I-24," said Gordon Ferguson, CEO of Ascension Saint Thomas Rutherford. "Once it was announced the hospital was coming here, there was a lot of interest in what would be around us."

Ascension Saint Thomas has been a catalyst for growth in Rutherford County, and its continued investment on the outskirts of Nashville has become a blueprint the hospital system wants replicate throughout Middle Tennessee.

Over the past several years, Saint Thomas has fed over half a billion dollars into beefing up its services in the county, according to Fahad Tahir, CEO of the faith-based hospital system.

"We have a 96-year relationship with Rutherford as a community, and this has been the foundational hospital for this community for all of those generations," Tahir said. "We've been happy with the investments we've made in Rutherford County, and we're committed to continuing to make them."

Ascension Saint Thomas is one of Nashville's largest employers, with 8,900 employees locally in 2023, according to Business Journal research. The hospital system operates three of Nashville's largest hospitals — West, Midtown and Rutherford.

Last year, the hospital system wrapped up a \$300 million expansion and upgrade to Ascension Saint Thomas Midtown. Now, it is focusing its efforts on Rutherford.



The front entrance of Ascension Saint Thomas Rutherford in Murfreesboro.

# Saint Thomas' investment in Rutherford County

Ascension Saint Thomas Rutherford is not done growing.

In fact, it's currently in the middle of a \$110 million project, which includes an expansion of the hospital's emergency room and loading dock, neonatal intensive care unit, pre- and post-surgery support, critical care and obstetrics. Most of the expansion is expected to be completed in about a year. The hospital system has also started building out the top floor of Tennessee Orthopaedic Alliance's building on the other side of town, which will take a year and a half to complete.

"We've been in a state of construction almost constantly for at least the last seven years I'd say," Ferguson said. "With our 418 beds, we're hoping that will accommodate our current population and our growth."

Over the last couple of decades, Tahir said they've made some major decisions to further the commitment to the county, including the replacement facility. The original hospital used to sit on the land next to Middle Tennessee State University. But there was no more room to expand, so it moved to Medical Center Parkway.

"That community has a world class, state-of-the-art hospital. But it's not just about the building," Tahir said. "It's also about the clinical programs and the talent."

Some of the upgrades include adding imaging technology, adding physicians with subspecialty expertise along with adding nursing and care teams with subspecialty expertise.

As a further commitment to the community, the system developed the first neighborhood hospital in the state, Ascension Saint Thomas Rutherford Westlawn, for \$23.5 million, according to Tahir. The neighborhood hospital includes an emergency department, inpatient services, lab and imaging services.

"The same ER doctors that we have in our main Rutherford campus are in this hospital, too," Tahir said. "It's the same caliber doctors, same level of care, but in the smaller facility and then with some nuanced and creative clinical programs."



Fahad Tahir, CEO of Ascension Saint Thomas, stands in his West Nashville office.

# Saint Thomas' Rutherford County blueprint

Ascension, Saint Thomas' parent company, looks to the Nashville hospital system as a leader when it comes to providing a wide range of care. And Saint Thomas is looking to what it's done in Rutherford County as the framework for its growth in the region.

The hospital, and its surrounding points of care, provide specialized services for anyone living in Bedford, Coffee, Cannon and Warren counties.

"Part of our mission is to serve the community broadly, and so while we provide great clinical programs and great facilities that patients choose from all over, we also want to serve the rural communities who often don't have folks seeking to care for them," Tahir said. "Part of our mission is to seek to care for those folks as well."

While Warren and Cannon counties have a community or rural hospital, the Rutherford hospital provides tertiary services such as heart surgery and comprehensive strokecare.

"As a hospital, we see ourselves as providing the comprehensive needs of that community and building a system of care," Tahir said. "It's important because those communities also need cost-effective, accessible imaging services, surgery center services, clinics, urgent care."

Looking at the big picture, Tahir said he wants to duplicate this framework across Middle Tennessee. The philosophy behind it, according to the hospital exec, is to evaluate community needs by analyzing what they hear from physicians and community members, with the goal of expanding or building those services. "A perfect microcosm of that is the work we've done in Rutherford, identifying community needs, and then building that system of care specifically in that community," Tahir said. "I think the examples of stroke care, cancer care and cardiac care are kind of tangible examples of how that journey has happened and unfolded for us."

Eduardo Conrado, president of Ascension and Tahir's boss, said the Nashville market is the most mature when it comes to at-home care and providing a wide range of services.

"Nashville has the best end-to-end portfolio of [sites] of care, from clinics that are sitting at the retail side to our urgent care centers to the hospital setup that we have on the services lines but then also at home capabilities," Conrado said. "Nashville is one of our most important markets."



Ascension Saint Thomas Rutherford is seen under construction in April as part of its \$110 million expansion.

#### Saint Thomas bolsters Rutherford County's growth

Rutherford County's population has shot up over the past decade, meaning the need for health care services, jobs and housing is also climbing.

In the past nine years, Rutherford County's population has grown by 35%, or nearly 94,000 people, according to data provided by the Rutherford County Chamber. That's an annual growth rate of 3.4%, compared to 2.56% for the United States and 0.95% for Tennessee overall during the same time period.

Paul Latture, Rutherford County Chamber of Commerce president, attributes much of Rutherford County's growth to the health care system.

That and education, he said, are the two main factors people and businesses look for when deciding on a new location or home.

"As our health care footprint continues to expand ... you can get services here in Rutherford County where we used to have to drive into Nashville," Latture said. "That's becoming more and more evident of our growth."

Latture said that about 28 people, or 10 households, move to Rutherford County per day.

"The Nashville region is so popular, so hot, so to speak, I think we are a beneficiary of that," Latture said. "We border Davidson County, but I think we're far enough away to have our own identity as well."

For students, a big draw for the county is Middle Tennessee State University. But now the job market's growth is helping those students stay after graduation.

Over the last several years, Latture said, Rutherford County has added a total of 2,500 to 3,000 new jobs.

"We're trying to recruit jobs that are going to pay 150% above the county average wage, and so we're trying to establish more of those types of opportunities," Latture said.

As the population grows, the Rutherford hospital has been expanding its services, according to Ferguson.

"We're seeing patients come in from our regional hospitals. We're seeing them migrate to Rutherford as opposed to needing to drive out to Nashville," Ferguson said.

Ascension Saint Thomas isn't the only one eyeing Rutherford. Vanderbilt University Medical Center has been granted a certificate of need for Vanderbilt Rutherford Hospital, a 42-bed acute care facility.

It's been a years long fight for the Vanderbilt hospital, which was initially denied in 2023. Now, Ascension Saint Thomas is asking the Tennessee Health Facilities Commission to reverse the decision and deny the certificate of need, according to Davidson County Chancery Court documents.



Ascension Saint Thomas's Westlawn neighborhood hospital.

## Plan for the future: Keep growing

Every couple of years, Ascension Saint Thomas conducts a community impact report which helps determine what is needed in a community.

How Ascension Saint Thomas decides where to grow is determined mainly by two things: changing demographics and feedback from physicians, health insurance payer partners and community employers.

Growth must be methodical. With the cost of construction and medical equipment at an all-time high, there's no room for error. That, coupled with making sure the hospital can staff the services they provide, are two key points the hospital looks at when expanding.

"That's one of our biggest challenges post-Covid; we've read and seen a lot of professional staff that after Covid decided to retire or do something differently," Ferguson said. "Anytime we bring on a new service, we've got to be very careful that it's reasonable to think that we can be in a position to staff those programs. We want to be good stewards of our resources."

The main roadblock to expanding in Rutherford County is infrastructure.

"We can't build roads fast enough," Latture said. "Keeping up with the demand of utilities in particular, we have parts of the county that aren't served with sewer yet. Those are expensive, big-ticket items that you've got to do."

Future growth will be dictated by where sewer is added first, according to Latture. But there's also the desire to maintain the county's farms and food processing sectors.

"I think you'll see a whole different look [in Rutherford County] in the next five to 10 years," Latture said.

Ascension Saint Thomas Rutherford has 80 acres at its hospital site, so there's still room to grow, according to Ferguson. But in the immediate future, he said to expect more expansions like the New Salem Clinic.

"I'm humbled to have had the opportunity to have been part of this journey," Ferguson said. "But I also know that you can't just rest on your laurels, that there's work still to be done."

In terms of where Ascension Saint Thomas is going to focus its efforts next, a target has already been identified: Sumner County.

"Our goal is to take that great community hospital and add clinical programs and services similar to what you saw us develop over the last decade in Rutherford," Tahir said. "I think you can anticipate a very systematic and proactive approach to growing services in Gallatin to support Sumner Regional Medical Center."

## **Decades of expansion**

Saint Thomas has been pouring into Rutherford County. Here's a breakdown of its latest investments.

October 2010: Opens new hospital on Medical Center Parkway

December 2011: Builds the Seton Medical Office building

March 2017:Opens Interventional Radiology Suite

July 2017: Adds labor and delivery rooms in first expansion of the hospital's third floor

June 2018: Opens a clinical decision unit with 25 beds

June 2020: Adds three floors to the hospital's west wing

Late 2020: Opens upper hospital floors and expands ER to 70 treatment spaces

November 2022: Builds out eighth floor to bring total hospital beds to 394

Early 2023: Opens Ascension Saint Thomas Rutherford Westlawn

# Services by the numbers

Saint Thomas offers services with its partners in the five-county area surrounding Rutherford, most of which are in that county.

- 4: Acute-care facilities
- 5: Ambulatory surgery centers with United Surgical Partners International

- 3: Outpatient imaging centers with Premier Radiology
- 4: Retail clinics with Kroger Health
- 5: Urgent care sites with Urgent Team
- 19: Outpatient rehab clinics with Upstream and Results PT