



TRINITY MOVE TO 280 EXPECTED TO BRING MILLIONS TO BIRMINGHAM
Digital Hospital on U.S. 280 to become Reality

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By Jimmy DeButts

Trinity Medical Center's decision to buy and renovate the Digital Hospital on U.S. 280 – and not move to Irondale – will inject \$290 million in development investments and keep nearly 3,000 jobs in Birmingham.

Trinity's relocation change, first reported by the Birmingham Business Journal Monday, was officially announced on Tuesday.

Instead of building a new state-approved hospital in Irondale, the east Birmingham hospital plans to complete the 1 million-square-foot former HealthSouth Corp Digital Hospital, which was left unfinished after a multibillion-dollar accounting scandal.

The renovations are projected to result in \$200 million in hospital development and another \$90 million for medical office building space, the city said.

Birmingham officials estimate the city will receive \$65 million in tax revenue over the next 20 years because of the Digital Hospital project. Trinity will receive \$55 million in city tax abatement refunds over the next two decades.

Those incentives and the opportunity to save \$200 million in startup costs prompted Trinity to abandon its plans for a 424-bed hospital at the Interstate-459/Grants Mill Road exit in Irondale, Trinity CEO Bill Heburn said.

HealthSouth spent \$200 million constructing the Digital Hospital. It was left unfinished in the wake of HealthSouth's accounting fraud scandal in 2003. HealthSouth retained a 40 percent ownership share of the Digital Hospital after the campus sold to Daniel.

Heburn said constructing a hospital the caliber of the Digital Hospital even in its current state would likely cost \$400 million or more.

"It's a fabulously built facility," Heburn said. "You couldn't get close to building like this at that price today."

Trinity parent company Community Health Systems was engaged earlier this year by Daniel Corp. after the builder purchased the HealthSouth campus and Digital Hospital in Birmingham's



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city limits for \$43 million in January. Community Health CEO and Birmingham native Wayne Smith said finishing the Digital Hospital will shrink the timeline to opening a new hospital and save the Tennessee-based company money.

After fighting for state approval for its Irondale location for 30 months, Trinity will have to start the regulatory process all over. Heburn expects opposition to the proposed 280 location. Brookwood Medical Center, which has a hearing before the state on Thursday regarding its proposed hospital off U.S. 280 near Greystone, fought Trinity's Irondale relocation plans.

Trinity won state approval to build the hospital in Irondale in May. The \$316 million project site has already received more than \$2 million of sewer and utilities work. Irondale has committed another \$7 million for the project. Smith said Community Health will live up to all its financial obligations to Irondale.