



HOTEL  
DEVELOPMENT  
PARTNERS

## REINVENTING MEDICAL HOSPITALITY

BETTER CARE;  
GREATER VALUE





Historically medical focused hospitality has been limited to the few guest rooms offered through the efforts of charitable organizations. The hospitality industry has taken few steps to modify their formulaic approach to servicing the needs of guests who are undergoing ambulatory care or transitioning from hospital to home. The emergence of capital-intensive technology and therapies has created regional, national and even global medical destinations, increasing medical related travel. When combined with the desire of hospitals, insurance companies and patients to shorten hospital stays, a transitional gap has emerged between the time a patient leaves the hospital and is comfortable going home. In many cases the prescribed outpatient therapy last months at a time, requiring close proximity to the hospital. The following discusses how the highly efficient Marriott extended stay model has been enhanced to include services and amenities that provide patients and their families an option to better manage the challenges of medical treatment and recovery.

Concentrations of destination medical services are emerging across the US, with over \$21B of new facilities developed since 2017, according to the construction research firm BuildCentral. A larger number of patients is required to support the capital investment needed to offer new technologies. This is occurring largely at the expense of community hospitals, increasing the need for medical related travel. The medical destination trend, increasing ambulatory care, shorter hospital stays, and an aging population are all contributing to the changing needs of medical related hotel guests that are not being addressed by traditional hotel brands. Medical related demand typically sees less fluctuation within the days of the week, or months of the year and is far less impacted by economic and pandemic disruptions.

On May 21, 2021 Hotel Development Partners (HDP) opened the Residence Inn Jacksonville-Mayo Clinic Area hotel. This 155-room all-suite hotel has been designed to accommodate guest demand created by the Mayo Clinic, as well as leisure and corporate guests. Mayo Clinic treats over one million patients annually from over 140 countries. The Mayo Clinic in Jacksonville is

quickly becoming the largest of the three Mayo Clinics following a \$465M expansion over the past five years on its 400 acre campus. More than twice this amount will be invested in the next five years. This will include Proton Therapy and Carbon-Ion cancer treatment beginning in 2024. The Carbon-Ion therapy will be the latest and most effective form of particle beam cancer treatment. The facility under development at Mayo Jacksonville will be the next generation of Carbon-Ion and the only one of its kind in the world. The Residence Inn Jacksonville-Mayo Clinic Area is the first of its kind, providing a more complete approach to fulfilling the growing demand of a world class medical destination.

The Residence Inn Jacksonville-Mayo Clinic Area hotel offers a spacious and clean environment for ambulatory and post treatment recovery. Because the hotel is the finest extended stay hotel in North Florida, with a strategic location, traditional corporate and leisure demand is also being served. The relative predictability of medical demand supports opportunistic revenue management throughout the remaining market segments.

American In-Home Care, [www.americaninhomecare.com/](http://www.americaninhomecare.com/) a third-party in-home nursing registry is the Nursing Services Provider (NSP) for Residence Inn Jacksonville. American In-Home Care offers guests a menu of services suitable for the hotel environment. This includes monitoring vital signs, medication management and prescribed exercises. Companion services, such as grooming, bathing, cooking, or assistance with medical appointments are also available. The staffed nurse's station, located on the second level of the hotel, allows quick and efficient guest care, with nurses able to care for multiple guests. This staffing approach will also allow guest monitoring and emergency response, while the NSP flexes on-site staff based on demand.



The objective of the medical-focused select service hotel concept is to deliver enhanced services and amenities with the efficiency made possible by a 155-suite extended stay hotel. With an industry leading profit margin and guest satisfaction rating, Residence Inn by Marriott was the logical choice to initiate this concept. The full-service bar, evening food options, physical therapy and nursing service options have been programed with a focus on maintaining the profit proposition of the Residence Inn brand.

## **Wellness by Design**

The room configuration and mix at this unique Residence Inn includes 69 double queen bedrooms and 49 connecting rooms. This allows family members or caregivers to create space that best suits their needs, including adjacent 24/7 nursing care. Each room on the second floor has been designed to potentially accommodate a hospital bed, which can ease the transition between hospital and home.

The HVAC system includes roof top equipment that superheats the air to dehumidify, then chills the air before being individually directed to each guest suite. This significantly reduces shared air. The materials used in guest rooms were carefully selected to reduce dust and allow for quick and effective deep cleaning. Every room on the second floor of the hotel has an emergency electrical outlet which is connected directly to the emergency generator. In the event of loss of power, guests will be able to operate lifesaving medical devices. The fitness room is twice the brand standard size, with equipment that was recommended by Mayo Clinic to facilitate patient recovery. This includes a stretching table where personalized physical therapy is available through local third-party services.

The market and the lobby bar provide a variety of food and beverage options, including healthy juices and shakes to nourish the body. There are freshly made smoothies and espresso available for purchase in the morning, in addition to the complimentary Residence Inn breakfast. On the second floor, the Gerhold Gallery is a lounge designed with patient guests in mind. With plenty of space for wheelchairs, local art, 24–7 snack and coffee service, the lounge offers a comfortable, quiet space to relax in addition to the hotel lobby. The Gallery will also host patient guest social hours.

## **Nursing Services Provider (NSP)**

American In-Home Care was selected to be the NSP for Residence Inn Jacksonville because of their sterling reputation, recommendation from Mayo Clinic and significant North Florida market share. Other locations would involve a similarly qualified NSP within a specific market. Qualified national and local home nursing companies within proximity of emerging or established medical destinations have been identified. Relationships with the hospitals that create hotel demand will be instrumental in identifying the right NSP and creating the most effective menu of guest services.

Hotel ownership has entered into a service agreement with American In-Home Care to provide nursing services within the hotel. This agreement has established the services to be offered, staffing qualifications, hours of operation and revenue sharing. The agreement requires the NSP to be licensed in addition to AIHC, qualified NSPs currently being considered for future development opportunities include Synergy Home Care [www.synergyhomecare.com](http://www.synergyhomecare.com). While there



is a revenue sharing component to the AIHC service agreement, the most significant economic impact to the hotel is the room rate elasticity created by the availability of nursing care.

## Hotel Management

Concord Hospitality is the manager of the Residence Inn Jacksonville | Mayo Clinic Area and also HDP's Residence Inn Miami Beach / Surfside hotel. Concord has helped to develop an operating forecast, which includes the cost of a medical services concierge to work with guest and the NSP. <https://www.concordhotels.com/>

## Economic Forecast



The Residence Inn Jacksonville, Mayo Clinic Area is a proxy for the broader “Wellness Through Hospitality” opportunity. The unique design, spacious guest suites and central location has helped the hotel to attract corporate, leisure, as well as medical guests.

As the medical services industry adapts to new technology, an aging population and a post pandemic reality, the need for a fresh approach to medical hospitality is evident. Over 20% of the US population will be 65 or older by 2030. What is less clear is the right combination of design, amenities and services to meet the needs of the medical-related guest. HDP is in a unique position to use its brand knowledge, franchise relationships and development experience to create hotels to meet the emerging medical demand, while maintaining the margins associated with a premium select service hotel. HDP has developed over \$200M of hotel projects and 1,600 guest rooms since 2013.



