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**165 beds may shift to I-65 corridor**

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Owners of Physicians Medical Center Carraway want to build a 165-bed hospital with maternity services in northern Jefferson County along the growing Interstate 65 northern corridor.

The investors say the \$200 million project would be the second hospital for the group. They are committed to the 617-bed flagship hospital in northern Birmingham, but Physicians Carraway uses only a third of its bed license, said Bob Bernstein, the hospital's chief executive officer.

"We are fully committed to this location," said Bernstein. "We're not in any way decreasing services here."

Physicians Medical Center intends to apply for a Certificate of Need to transfer to the new hospital license 135 acute care beds and 30 psychiatric beds from Physicians Carraway, according to paperwork the group filed with the State Health Planning and Development Agency on Tuesday afternoon.

Hospital leaders say they hope to file for state approval by April, when they have selected a site.

Bernstein said the project would require 40 to 60 acres to accommodate the hospital and physicians' offices.

Hospital officials spoke with Gardendale and Fultondale leaders Tuesday afternoon about their plans and also with officials in Jefferson County and the city of Birmingham.

Physician investors have discussed such a project since before they bought Carraway Methodist Medical Center at a bankruptcy auction in November, said Dr. Charles Dasher, chairman of the investors' board. The 52 physician investors gave final approval to the plan Monday night.

"The reaction has been overwhelmingly positive and supportive," Dasher said.

Hospital officials waited until Physicians Carraway's financial position stabilized before launching the expansion plan. Bernstein said potential lenders are enthusiastic about the project.

Carraway had a partnership with Fultondale about eight years ago to build some type of health care facility there, but the hospital backed out as its financial condition worsened. The idea of Carraway expanding into the northern part of the county goes back decades, Bernstein said.

Dr. Allen Yeilding, a Physicians Carraway investor, said many of the doctors practicing in the Gardendale and Fultondale areas are on staff at the hospital or trained at Carraway.

"It's just a natural," he said of the plan.

Northern Jefferson County and northern Alabama have been good markets for Carraway, traditionally, and hospital leaders believe they can capture even more patients if they locate a hospital closer to them. They say a successful hospital in northern Jefferson County would help the overall bottom line, which would help Physicians Carraway, too.

Physicians Carraway currently uses about 200 beds in its license, so transferring 165 beds to another hospital would still give the flagship plenty of room to grow, Bernstein said.

#### **Meeting community needs:**

With a growing and younger demographic in northern Jefferson County, the new hospital would want to deliver babies, a service that Carraway ended in 2000. The hospital would be a general, acute care facility. Other services it would promote depend on further research.

"We want to learn what the community wants," Bernstein said.

He said Birmingham is about 10 to 20 years behind the trend of hospitals growing outside the urban core and toward the greater metropolitan area's spread.

The Birmingham-area hospital market is highly competitive, and Physicians Carraway may well face opposition to its project from other hospitals.

Physicians Carraway is the closest hospital to people in Gardendale and Fultondale.

"That end of the county has been crying out for a hospital," said Colin Luke, Physicians Medical Center's attorney. "This is responding to the community need."

Others, also, have taken note of the potential in northern Jefferson County. Gardendale Medical Clinic opened in 2005 and an outpatient surgery center is planned next door. Brookwood Medical Center opened an urgent care clinic in Gardendale recently.

Greg Morris, Fultondale City Council member, said Fultondale is negotiating for a 91-acre site that it would like to offer Physicians Carraway. The site is on the north side of Walker Chapel Road, off I-65, and would be only a mile from a planned exit off Corridor X.

"We want them," Morris said of the hospital. "We're determined to make this work." News staff writer Wayne Martin contributed to this story. [avelasco@bhamnews.com](mailto:avelasco@bhamnews.com)