

Date:

23 August 2002

Subject

Green light for NIB Private Hospital expansion

Work on the \$35million expansion of NIB Private Hospital at New Lambton Heights will start next month.

The announcement from NIB Health Funds Limited follows a decision by the company's Board to fully finance the project, which will provide a 158-bed private hospital complex within the John Hunter Hospital campus.

The new hospital will be a three-storey building, incorporating 120 beds, four operating theatres, an intensive care unit, specialist consulting rooms and two levels of basement parking for 135 vehicles.

The existing 38-bed private hospital will continue to provide specialty services, in particular day surgery and women's health.

In total, the new facility will provide more than 150 permanent and part-time health care and administrative positions.

NIB's Chairman, Mr Keith Lynch, said the company had deferred discussions with a number of potential private investors to bring the facility on-line as soon as possible.

"We have had considerable interest from the private sector and will continue to explore options to take on equity partners," Mr Lynch said.

"However, it is important that these discussions do not impede the development. We have reached a point at the existing facility where we are unable to accommodate all requests from patients and doctors, so the drivers are firmly in place to start construction on the new hospital."

Mr Lynch said the project would provide an excellent return on investment for NIB.

"This project is an outstanding opportunity to invest some of our accumulated reserves in a facility that is clearly needed by our members, the wider community, and medical professionals," he said.

Chief Executive of NIB Private, Mr Ron Denison, said construction of the new hospital was scheduled for completion by early 2004.

Discussions on an optimum mix of services for the new facility were continuing with the region's medical specialists.

"Response from specialty groups has been extremely encouraging, and we are considering a number of options to ensure our services complement those available at John Hunter Hospital where it is sensible to do so," Mr Denison said.

The Chief Executive of Hunter Area Health Service, Professor Katherine McGrath, welcomed NIB's decision to increase its footprint on the region's medical campus.

"Our aim of building a first-class medical campus here at Rankin Park has been supported by NIB ever since they first opened the existing private hospital in 1994," Prof. McGrath said.

"We welcome the prospect of increasing and improving the delivery of first-class medical services to our catchment area."

NIB Health Funds Limited
A.B.N. 83 000 124 381

Head Office
384 Hunter Street
Newcastle NSW 2300

Phone: 13 14 63
Fax: 02 4921 2444
Web: nib.com.au

Retail centres around Australia

A not for profit registered
health benefits organisation