The uncertainty surrounding the Affordable Care Act and the future of Medicare and Medicaid has been weighing down health-care construction. Financing constraints have also had a dampening effect.

**Market Focus: Health Care**

**Health-Care Starts by Region**

In addition to U.S. total and 2013 forecast figures

<table>
<thead>
<tr>
<th>Region</th>
<th>2011</th>
<th>2012</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total U.S.</td>
<td>170</td>
<td>140</td>
<td>150</td>
</tr>
<tr>
<td>Northeast</td>
<td>40</td>
<td>30</td>
<td>35</td>
</tr>
<tr>
<td>Midwest</td>
<td>30</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>South</td>
<td>25</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>West</td>
<td>20</td>
<td>15</td>
<td>15</td>
</tr>
</tbody>
</table>

**The Dodge Index for Health-Care Construction 12/2011–12/2012**

The index is based on seasonally adjusted data for U.S. health-care construction starts. The average dollar value of projects in 2003 serves as the index baseline.

**Momentum Index Continues to Climb**

In January, the Dodge Momentum Index rose for the second month in a row. The 2.7% gain, which is the result of both institutional and commercial activity, lifted the index to 97.6—the highest reading since mid-2010.

The Dodge Momentum Index is a leading indicator of construction spending. The information is derived from first-issued planning reports in McGraw-Hill Construction's Dodge Reports database. The data leads the U.S. Commerce Department's nonresidential spending by a full year.

**Top 5 Design Firms**

Ranked by health-care construction starts, 1/2011 through 12/2012

1. H + L Architecture
2. NBBJ
3. ZGF Architects
4. Perkins + Will
5. Cannon Design

**Top 5 Projects**

Ranked by 2012 health-care construction starts

1. **$651 Million**
   - PROJECT: Southeast Louisiana Veterans Health Care System Medical Center
   - ARCHITECT: Studio NOVA—NBBJ, Eskew+Dumez+Ripple, Rozas Ward Architects
   - LOCATION: New Orleans

2. **$615 Million**
   - PROJECT: Lucile Packard Children’s Hospital Expansion
   - ARCHITECTS: Perkins+Will; HGA
   - LOCATION: Palo Alto, CA

3. **$583 Million**
   - PROJECT: Exempla Saint Joseph Hospital
   - ARCHITECTS: ZGF Architects; Davis Partnership; H+L Architecture
   - LOCATION: Denver, CO

4. **$420 Million**
   - PROJECT: University of California San Diego Jacobs Medical Center
   - ARCHITECT: Cannon Design
   - LOCATION: La Jolla, CA

5. **$335 Million**
   - PROJECT: Saint John’s Mercy Medical Center
   - ARCHITECTS: HKS Architects; Archimages
   - LOCATION: Joplin, MO