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Anne M. Murphy
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April 23, 2010

Via UPS Overnight Mail

Michael Constantino
Illinois Facilities and Services and
Services Review Board
525 West Jefferson
Springfield, Illinois 62761

Re: *Project 10-018 (Vista Lindenhurst Emergency Center)*

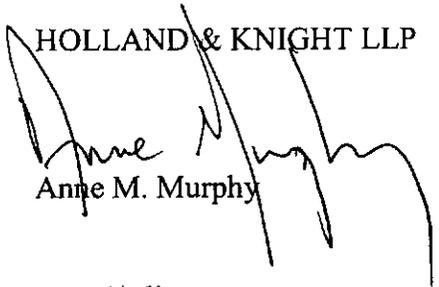
Dear Michael:

As you requested, I am providing additional information in connection with the captioned CON Permit Application.

As always, thank you for your assistance.

Sincerely yours,

HOLLAND & KNIGHT LLP



Anne M. Murphy

AMM/edj

Enclosure

cc: Barb Martin (w/enclosures)

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RECEIVED

APR 26 2010

HEALTH FACILITIES &
SERVICES REVIEW BOARD

PURPOSE OF PROJECT

The purpose of the proposed project is to improve accessibility to emergency services for the residents of the GSA, including especially the rapidly-growing north-central and northwestern Lake County, through development of a Freestanding Emergency Center ("FEC"). A FEC would reduce patient travel times for live-saving emergency medical treatment, many of whom currently must travel substantial distances on congested roads to get to the nearest existing ED. In addition, the FEC would benefit the medically underserved patient population in the GSA, by affording access to an emergency medical facility subject to EMTALA obligations and operated by a hospital system that has demonstrated an unwavering commitment to the uninsured and Medicaid patient populations in Lake County.

As the Board is aware, the General Assembly recently created the FEC licensure category, in order to afford better access to emergency medical services to residents in close proximity to relatively small municipalities such as Lindenhurst. By definition and legislative design, an FEC must be located in a community with less than 75,000 residents, and must have a strong relationship with a hospital within 20 miles of the FEC. The FEC must be integrated with the regional EMS System.

The proposed FEC would have Vista East Medical Center, which is a Level II Trauma Center, as both the controlling hospital and as the Resource Hospital for the regional EMS System. The FEC would have six stations and a trauma room. It would be established on Vista's existing outpatient treatment campus in Lindenhurst, which already houses a 4-room licensed full-service ASTC and extensive diagnostic imaging services. Unlike the other FEC in the area, the Vista Lindenhurst campus has a FAA-approved heliport that is already used to enhance emergency medical treatment in the area.

It is important to note that the Board's Rule specify that no formula need calculation has been established for the FEC medical service category of service. Instead, these Rules request, and we have provided in this application, detailed data regarding: (1) service to area residents, showing that the vast majority of ED visits in the past 12 months seen in the GSA were from residents of the GSA; (2) service demand, including historical and projected utilization; (3) service accessibility, including evidence of service restrictions and medical care problems in the GSA; and (4) evidence that the proposed project will not result in maldistribution or unnecessary duplication of services.

Patients in need of emergency care, as opposed to "urgent" care, are often transported to an emergency room by a rescue squad or ambulance. The project's planning area is identified on the attached map. The geographic service area (GSA) extends 30 minutes from the proposed site in all directions, except that it stops to the north at the Wisconsin state border. The perimeter of the GSA was identified using 30 minutes drives times through Map Quest, adjusted consistent with Board rules.

The table below identifies the 2008 ER utilization in the GSA, as reported in the hospital's IDPH *Profiles*.

2008 Utilization of Emergency

Departments located in the GSA

Hospital	Location	Visits (1)
Vista Medical Center- West	Waukegan	12,018
Advocate Condell Medical Center	Libertyville	<u>45,944</u>
		57,962

(1) per IDPH *Profiles*

The data presented above documents 57,962 visits during 2008, the most recent IDPH data available to the co-applicants.

CompDATA was used to calculate ED visits in the GSA for the two most recent years data was available: October 2007 – September 2008 (2008) October 2008 – September 2009

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(2009). We recognize the CompDATA shows different ED visit totals than does IDPH data 2008. This may be based on different reporting methods, or the fact that the CompDATA calculation was not on a calendar year basis. CompDATA shows, for hospitals in the GSA, 51,584 total ED visits in 2008 and 63,127 total ED visits in 2009. Using CompDATA to conduct a zip code analysis, 46,213 ED visits in 2008 were by patients who reside in zip codes within the GSA, and 57,470 of the ED visits in 2009 were by patients who reside in zip codes within the GSA. Based on this, 89.4% of 2008 ED visits at hospitals in the GSA were by patients who resided within the GSA, and 91% of 2009 ED visits at hospitals in the GSA were by patients who resided within the GSA. Hospital-specific ED visits can be found in the attached CompDATA information. Calendar year 2009 ED visits for Vista-East and Vista-West can be found in Attachment 74.

Approximately 85% of the proposed FEC's patients are anticipated to come from the target population area (TPA) identified in said map, and which consists of that portion of Lake County located closer to the proposed site than to any existing hospital-based emergency department; ZIP code areas 60002 (Antioch), 60046 (Lindenhurst/Lake Villa) and 60073 (Round Lake) and portions of five others. The vast majority of the remaining 15% of the anticipated patients will, it is believed, come from other parts of the GSA (and possibly from southern Wisconsin).

As this project relates to accessibility, restricted services exist, per Section 1110.3230, when one or more of three situations occur: 1) there are no emergency departments in the GSA; 2) the GSA exhibits indicators of medical care problems; or 3) all existing emergency services in the GSA meet or exceed the IDPH's utilization standard. Among the indicators of medical care problems identified in Section 1110.3230 is "...designation by the Secretary of Health and Human Services as a Health Professional Shortage Area, a Medically Underserved Area, or

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Medically Underserved Population. Attached is documentation from the U.S. Department of Health and Human Services, showing three townships, all of which are located in the northeastern portion of the GSA, being identified as Health Professional Shortage Areas for primary medical care. In addition, certain census tracts in the GSA are designated as Medical Underserved Areas or Medically Underserved Populations.

Lastly, attached is a letter from the Village of Lindenhurst endorsing the project.

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Case Trend Analysis

COMPdata

03/19/2010

Page 1

COMPdata Report: ER PATIENTS MARKET SHARE FOR ANNE ALL ZIPS
 Reporting Period: 10/01/2007 THROUGH 09/30/2009

PROVIDER FACILITY	CASES				SHARE			
	10/01/2007 09/30/2008	10/01/2008 09/30/2009	Change	% Change	10/01/2007 09/30/2008	10/01/2008 09/30/2009	Change	% Change
ADVOCATE CONDELL MEDICAL CENTER	49,128	45,126	-3,999	-8.14%	23.9	24.2	0.3	1.46%
ADVOCATE GOOD SHEPHERD HOSPITAL	8,125	8,655	530	6.52%	3.9	4.8	0.9	23.08%
CENTEGA HOSPITAL - MCHENRY	36,350	30,153	-6,197	-17.05%	17.7	16.2	-1.5	-8.47%
MIDWESTERN REGIONAL MEDICAL CENTER	4,468	420	-4,048	-90.60%	2.2	0.2	-2.0	-90.91%
NORTHSHORE UNIVERSITY HEALTHSYSTEM/HIGHU	24,502	23,821	-681	-2.78%	11.9	12.7	0.8	6.72%
NORTHWESTERN LAKE FOREST HOSPITAL	33,468	34,371	903	2.70%	16.3	18.4	2.1	12.83%
VISTA MEDICAL CENTER EAST	35,613	37,412	1,799	5.05%	17.4	20.1	2.7	15.52%
VISTA MEDICAL CENTER WEST	13,998	6,458	-7,540	-53.87%	6.8	3.5	-3.3	-48.12%
TOTAL:	205,884	186,358	-19,526	-9.48%	100.0	100.0	0.0	0.00%

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Case Trend Analysis

COMPdata Report: ER PATIENTS MARKET SHARE FOR ANNE
 Reporting Period: 10/01/2007 THROUGH 09/30/2009

ZIPs WITHIN SITE SSA

COMPdata
 03/18/2010
 Page 1

PROVIDER FACILITY	CASES				SHARE			
	10/01/2007 09/30/2008	10/01/2008 09/30/2009	% Change	% of Total	10/01/2007 09/30/2008	10/01/2008 09/30/2009	% Change	% of Total
ADVOCATE CONDELL MEDICAL CENTER	44,106	40,018	10.22	28.3	28.8	-1.74		
ADVOCATE GOOD SHEPHERD HOSPITAL	1,822	1,820	-11.37	1.0	1.3	-20.98		
CENTEGA HOSPITAL - MCKENRY	22,061	18,166	24.74	14.5	13.1	11.21		
MIDWESTERN REGIONAL MEDICAL CENTER	3,718	279	1,232.62	2.4	0.2	1,095.08		
NORTSHORE UNIVERSITY HEALTHSYSTEM HIGHU	6,842	6,533	1.67	4.3	4.7	-9.37		
NORTHWESTERN LAKE FOREST HOSPITAL	29,604	30,202	-2.94	19.0	21.9	-13.47		
VISTA MEDICAL CENTER EAST	34,338	15,694	-3.80	22.0	25.7	-14.23		
VISTA MEDICAL CENTER WEST	43,364	6,105	118.90	8.6	4.4	95.17		
TOTAL:	156,655	139,127	12.17	100.0	100.0	141.46		

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Criteria:

State: Illinois
County: Lake County
D #: All

Results: 34 records found

Name	ID#	Type	Score	Designation Date	Update Date
Lake County					
North Chicago Service Area	00823	MUA	60.30	1992/08/26	1994/02/03
CT 8628.00					
CT 8629.01					
CT 8630.01					
CT 8631.00					
CT 8632.01					
Low Inc - Waukegan Service Area	00824	GOV MUP	0	1992/08/26	1994/02/03
CT 8617.01					
CT 8618.03					
CT 8618.05					
CT 8619.01					
CT 8619.02					
CT 8620.00					
CT 8621.00					
CT 8622.00					
CT 8623.00					
CT 8624.02					
CT 8625.02					
CT 8626.03					
CT 8626.04					
CT 8627.00					
Low Inc - Zion Service Area	00825	GOV MUP	0	1992/08/26	1994/02/03
CT 8602.00					
CT 8603.02					
CT 8605.00					
Highland Park/Highwood Service Area	07115	GOV MUP	0	2001/11/26	
CT 8647.00					
CT 8652.00					
CT 8653.00					
CT 8654.00					
CT 8655.01					
CT 8656.00					
CT 8657.00					
CT 8658.01					

[NEW SEARCH](#) [MODIFY SEARCH CRITERIA](#)

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ALTERNATIVES

The purpose of this project is to improve accessibility to emergency services for the residents of north-central and northwestern Lake County. Current accessibility is not optimal for two reasons. The first reason is routine drive times that far exceed those identified by MapQuest due to an inadequate road system, high traffic volumes, two high traffic railroad lines running north-south through the County, and the dozens of lakes, making driving circuitous. Improving travel times through a re-design and expansion of the roadway system is both extraordinarily expensive, and beyond the control of the co-applicants. As such, it is not even considered as an alternative.

The first alternative considered is to do nothing, and continue to rely on area hospitals for the provision of emergency services. This alternative does not address the goal of the project as stated above, or that of the FEC legislation to improve accessibility to emergency medical services.

The second alternative is to rely on others to provide the service. While the Board approved in 2008 a FEC application submitted by Lake Forest Hospital for a similar facility in Grayslake, there remains a pressing need for our proposed FEC facility in Lindenhurst. The Grayslake site is not centrally-located to serve the north-central portion of the county as is the Lindenhurst site, and patients from Antioch and Lindenhurst would need to drive past our proposed site to get to the Lake Forest Hospital site. Last, and important to the type of service being proposed, only the Lindenhurst site has an FAA and IDOT-approved helipad in operation. This availability will be

invaluable when transporting patients in need of inpatient care from the/any FEC to an acute care hospital.

The third alternative is to build the FEC on the Vista Lindenhurst campus, but as a freestanding facility. This alternative was dismissed because it was more costly, would require more square footage and would necessitate the duplication of the imaging facilities already housed in the building proposed to be expanded.

The fourth alternative is the proposed project, which, based on the fact that the Lindenhurst site is nearly 29 minutes from the closest full-service hospital, the availability of a helipad and the central location will provide a greater improvement in accessibility than alternatives one or two. In addition, the development of the FEC as an addition to an existing building in which a variety of services, including a broad scope of imaging services are already available, negates the need to duplicate those services.

The success of the project will be measured by shortened EMS transport time.

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SERVICE TO AREA RESIDENTS

The purpose of the proposed project is to improve accessibility to emergency services for the residents of north-central and northwestern Lake County. Patients in need of emergency care, as opposed to "urgent" care, are most often transported to an emergency room by a rescue squad or ambulance.

The only three emergency departments in the GSA are located at Vista Medical Center – West, which is 24 minutes to the southeast, Northwestern Lake Forest Hospital Grayslake Emergency Center, which is over 16 minutes to the south, and Advocate Condell Medical Center, which is almost 29 minutes to the south/southeast.

A simple proximity assessment identifies the residents of Zip Code areas 60002 (Antioch), 60046 (Lindenhurst/Lake Villa), 60073 (Round Lake) and portions of five other Zip Code areas as residing closer to the proposed Lindenhurst site than any of the existing hospital-based emergency departments. This area is defined as the Target Population Area (TPA). As such, accessibility to emergency care services will clearly be improved for the TPA - which represents a sizable portion of the GSA - with the development of a freestanding emergency center in Lindenhurst; and the co-applicants believe that approximately 85% of the patients to be seen in the proposed freestanding emergency center will be residents of the TPA. Traditionally, need assessments prepared for Certificate of Need projects exclude out-of-state patients, and while the Lindenhurst site is located within six miles of the Wisconsin border, per past practices, Wisconsin residents have been excluded from the GSA population. However, it is anticipated that some patients using the emergency center will be Wisconsin residents. The vast majority of the remaining patients will come from the rest of the GSA.

The table below identifies the 2008 ER utilization in the GSA, as reported in the hospital's IDPH Profiles.

**2008 Utilization of Emergency
Departments located in the GSA**

Hospital	Location	Visits (1)
Vista Medical Center- West	Waukegan	12,018
Advocate Condell Medical Center	Libertyville	45,944
		57,962

(1) per IDPH Profiles

The data presented above documents 57,962 visits during 2008, the most recent IDPH data available to the co-applicants.

CompDATA was used to calculate ED visits in the GSA for the two most recent years data was available: October 2007 – September 2008 (2008) and October 2008 – September 2009 (2009). We recognize the CompDATA shows different ED visit totals than does IDPH data 2008. This may be based on different reporting methods, or the fact that the CompDATA calculation was not on a calendar year basis. CompDATA shows, for hospitals in the GSA, 51,584 total ED visits in 2008 and 63,127 total ED visits in 2009. Using CompDATA to conduct a zip code analysis, 46,213 ED visits in 2008 were by patients who reside in zip codes within the GSA, and 57,470 of the ED visits in 2009 were by patients who reside in zip codes within the GSA. Based on this, 89.4 of 2008 ED visits at hospitals in the GSA were by patients who resided within the GSA, and 91% of 2009 ED visits at hospitals in the GSA were by patients who resided within the GSA. Hospital-specific ED visits can be found in the attached CompDATA information.

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PLANNING AREA NEED

The project's planning area is identified on the attached map, and identified on that map. The geographic service area (GSA) extends 30 minutes from the proposed site, in all directions, exception that it stops to the north at the Wisconsin state border. The perimeter of the GSA was identified, using 30-minute drive times through MapQuest, adjusted consistent with the State Board's rules.

Approximately 85% of the proposed FEC's patients are anticipated to come from the target population area (TPA) identified in said map, and which consists of that portion of Lake County located to the proposed site than to any existing hospital-based emergency department; ZIP code areas 60002 (Antioch), 60046 (Lindenhurst/Lake Villa) and 60073 (Round Lake) and portions of five others. The vast majority of the remaining 15% of the anticipated patients, it is believed, will come from other parts of the GSA (and possibly from southern Wisconsin).

The table below identifies the anticipated origin of the center's population:

		2009 Area ER Visits	Proposed FEC Mkt. Pen.	Projected FEC Visits
60002	Antioch	4,817	40%	1,927
60020	Fox Lake	2,747	20%	549
60030	Grayslake	6,664	10%	666
60031	Gurnee	7,668	10%	767
60041	Ingleside	2,460	20%	492
60046	Lindenhurst/Lake Villa	5,901	70%	4,131
60073	Round Lake	14,928	30%	4,478
60083	Wadsworth	1,715	30%	<u>514</u>
				13,523
		adj. for out-of-area (TPA) patients		<u>.85</u>
				15,909

We developed the projected patients origin data based on our understanding of the GSA and TPA, discussions with area providers of EMS services, and discussions with the

regional EMS coordinator. As discussed in the "Utilization" section in Attachment 74, this projected utilization was calculated in a very conservative manner, by making the following assumptions:

- ED service utilization will remain at the 2009 level.
- 100% of proposed FEC patients will reside closer to the FEC than to another hospital – based ED.
- No more than 70 % of the patients from any Zip Code area will use the proposed FEC.
- Our calculations factor in the FEC facility in Grayslake, for example by projecting that only 10% of the proposed FEC's patients would originate in the Grayslake Zip Code area.

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SERVICE ACCESSIBILITY

The purpose of this project is to improve the accessibility to emergency services for the residents of north-central and northwestern Lake County. The proposed service's geographic service area (GSA), as defined in Section 1110.3230 is identified on the attached map. That service area extends 30-minutes from the proposed site, except that it ends at the Wisconsin border to the north.

Restricted services exist, per Section 1110.3230, when one or more of three situations occur: 1) there are no emergency departments in the GSA; 2) the GSA exhibits indicators of medical care problems; or 3) all existing emergency services in the GSA meet or exceed the IDPH's utilization standard. Among the indicators of medical care problems identified in Section 1110.3230 is "...designation by the Secretary of Health and Human Services as a Health Professional Shortage Area, a Medically Underserved Area, or Medically Underserved Population." Attached is documentation from the U.S. Department of Health and Human Services, showing three townships, all of which are located in the northeastern portion of the GSA, being identified as Health Professional Shortage Areas for primary medical care. In addition, certain census tracts in the GSA are designated as Medically Underserved Areas or Medically Underserved Populations.

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Criteria:
 State: Illinois
 County: Lake County
 D #: All

Results: 34 records found

Name	ID#	Type	Score	Designation Date	Update Date
Lake County					
North Chicago Service Area	00823	MUA	60.30	1992/08/26	1994/02/03
CT 8628.00					
CT 8629.01					
CT 8630.01					
CT 8631.00					
CT 8632.01					
Low Inc - Waukegan Service Area	00824	GOV MUP	0	1992/08/26	1994/02/03
CT 8617.01					
CT 8618.03					
CT 8618.05					
CT 8619.01					
CT 8619.02					
CT 8620.00					
CT 8621.00					
CT 8622.00					
CT 8623.00					
CT 8624.02					
CT 8625.02					
CT 8626.03					
CT 8626.04					
CT 8627.00					
Low Inc - Zion Service Area	00825	GOV MUP	0	1992/08/26	1994/02/03
CT 8602.00					
CT 8603.02					
CT 8605.00					
Highland Park/Highwood Service Area	07115	GOV MUP	0	2001/11/26	
CT 8647.00					
CT 8652.00					
CT 8653.00					
CT 8654.00					
CT 8655.01					
CT 8656.00					
CT 8657.00					
CT 8658.01					

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UNNECESSARY DUPLICATION/MALDISTRIBUTION

The IDPH-defined geographic service area (GSA) includes 22 Zip Code areas and their primary community, as follows:

60002	Antioch
60020	Fox Lake
60030	Grayslake
60031	Gurnee
60041	Ingleside
60044	Lake Bluff
60045	Lake Forest
60046	Lake Villa
60048	Libertyville
60060	Mundelein
60061	Vernon Hills
60064	North Chicago
60073	Round Lake
60079	Waukegan
60083	Wadsworth
60084	Wauconda
60085	Waukegan
60086	North Chicago
60087	Waukegan
60088	Great Lakes
60096	Winthrop Harbor
60099	Zion

In order to identify "the total population" of the identified zip code areas (based upon the most recent population numbers available for the State of Illinois population), a representative of the co-applicants consulted with Michael Gibbs and Michael Mitchell of the IDPH staff and was directed to the U.S. Bureau of the Census ZIP code-specific population data. The cumulative 2000 population of the 22 Zip Code area identified above was 573,045 (it should be noted that the data did not include a population for Zip Code area 60051).

It should also be noted that while the proposed site is about 29 minutes from the closest full-service hospital, a significant portion of the TPA is located in excess of 30 minutes from the closest hospital. In addition, all residents in the TPA are located close

to the Lindenhurst site than to any hospital-based ED. As such, the proposed FEC will not be unnecessarily duplicating emergency department services and this project will not result in a maldistribution of services; rather, accessibility will be improved.

The only providers of emergency department services (and accepting ambulances) located within 30 minutes of the proposed site are Advocate Condell Medical Center, which is located at 755 S. Milwaukee Avenue in Libertyville, Illinois, and Vista Medical Center-West, which is located at 2615 Washington Street in Waukegan, Illinois, and the Lake Forest Hospital FEC, which is located at 1475 E. Belvidere Road in Grayslake, Illinois.

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STAFFING

No unusual difficulties are anticipated with the staffing of the proposed FEC. As discussed in other portions of this document, the FEC will operate as an extension of the Level II trauma center at Vista Medical Center-East, and will likely attract its staff from the same general area, that being northern Lake County.

As noted, there are only two providers of emergency department services (and accepting ambulances) other than VMC-W located within a 30-minute drive of the proposed facility: Advocate Condell Medical Center and the Lake Forest Hospital FEC in Grayslake.

Consistent with the requirements of Section 1110.3230, letters were sent to area hospitals and providers of ED services (copies attached) regarding vacancy rates, and their responses will be provided to the Board upon request.

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UTILIZATION

The IDPH-adopted utilization standard for freestanding emergency centers is 2,000 visits per treatment room.

Utilization was projected in a very conservative manner, including the following assumptions:

- utilization of emergency department services by area residents will remain at the 2009 level, even though a population increase will be realized.
- 100% of the FEC's patients will reside closer to the FEC than to a hospital-based emergency department (note: we used this calculation even though up to 15% of patients likely will come from other parts of the GSA).
- no more than 70% of the emergency services patients from any ZIP Code area will use the proposed FEC.

Based on the assumptions identified above, utilization during the second year of the proposed FEC's operation is projected to be 13,523 visits, supporting a "need" for the proposed seven treatment stations. The manner in which projected utilization was identified is presented in the table below.

		2009 Area ER Visits	Proposed FEC Mkt. Pen.	Projected FEC Visits
60002	Antioch	4,817	40%	1,927
60020	Fox Lake	2,747	20%	549
60030	Grayslake	6,664	10%	666
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60083	Wadsworth	1,715	30%	<u>514</u>
				13,523
			adj. for out-of-area (TPA) patients	<u>.85</u>
				15,909

The utilization projection identified above will not require the hiring of any physicians or other professionals that will refer patients to the FEC.

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MUNICIPALITY

The proposed Freestanding Emergency Center (FEC) will be located on the Vista Health System campus in Lindenhurst, Illinois. The U.S. Bureau of the Census estimated Lindenhurst's 2007 population to be 14,639.

CONTROL HOSPITAL

Vista Medical Center-East is the resource hospital for the area's EMS program covering the northern portion of Lake County (North Lake County Emergency Medical Services System), and is located 13.3 miles (per MapQuest) to the east of the proposed freestanding emergency center. Vista Medical Center-East is designated as a Level II trauma center, and will "control" the proposed facility.

RESOURCE HOSPITAL

Vista Medical Center-East is the resource hospital for the area's EMS program covering the northern portion of Lake County (North Lake County Emergency Medical Services System), and is located 13.3 miles (per MapQuest) to the east of the proposed freestanding emergency center. Vista Medical Center-East is designated as a Level II trauma center, and will "Control" the proposed facility.

Attached as certification of Vista Medical Center-East's status as the area's resource hospital is the identification of all IDPH-designated resource hospitals, as documented on the IDPH's web site.

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SERVICE TO AREA RESIDENTS

The purpose of the proposed project is to improve accessibility to emergency services for the residents of north-central and northwestern Lake County. Patients in need of emergency care, as opposed to "urgent" care, are most often transported to an emergency room by a rescue squad or ambulance. The only three emergency departments in the GSA are located at Vista Medical Center-West, which is 24 minutes to the southeast, Northwestern Lake Forest Hospital Grayslake Emergency Center, which is over 16 minutes to the south, and Advocate Condell Medical Center, which is almost 29 minutes to the south/southeast.

A simple proximity assessment identifies the residents of Zip Code areas 60002 (Antioch), 60046 (Lindenhurst/Lake Villa), 60073 (Round Lake) and portions of five other Zip Code areas as residing closer to the proposed Lindenhurst site than any of the existing hospital-based emergency departments. This area is defined as the Target Population Area (TPA). As such, accessibility to emergency care services will clearly be improved for the TPA - which represents a sizable portion of the GSA - with the development of a freestanding emergency center in Lindenhurst; and the co-applicants believe that approximately 85% of the patients to be seen in the proposed freestanding emergency center will be residents of the TPA. Traditionally, need assessments prepared for Certificate of Need projects exclude out-of-state patients, and while the Lindenhurst site is located within six miles of the Wisconsin border, per past practices, Wisconsin residents have been excluded from the GSA population. However, it is anticipated that some patients using the emergency center will be Wisconsin residents. The vast majority of the remaining patients will come from the rest of the GSA.

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The table below identifies the 2008 ER utilization in the GSA, as reported in the hospital's IDPH *Profiles*.

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Departments located in the GSA**

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Case Trend Analysis

COMPdata

COMPdata Report: ER PATIENTS MARKET SHARE FOR ANNE ALL ZIPS
 Reporting Period: 10/01/2007 THROUGH 09/30/2009

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FACILITY	CASES		SHARE	
	10/01/2007 - 09/30/2009	% Change	10/01/2007 - 09/30/2009	% Change
ADVOCATE CONDELL MEDICAL CENTER	49,128	8.97	23.9	-1.46
ADVOCATE GOOD SHEPHERD HOSPITAL	8,136	-8.68	3.9	-17.33
CENTERA HOSPITAL - MCHEERY	36,390	20.65	17.7	9.23
MIDWESTERN REGIONAL MEDICAL CENTER	4,468	803.81	2.2	884.44
NORTSHORE UNIVERSITY HEALTHSYSTEM HIGHU	24,502	2.73	11.9	-8.11
NORTHWESTERN LAKE FOREST HOSPITAL	33,489	-2.34	16.3	-11.51
VISTA MEDICAL CENTER EAST	36,813	-4.27	17.4	-10.36
VISTA MEDICAL CENTER WEST	13,998	116.75	6.8	96.22
TOTAL:	205,894	10.48	100.0	115.00

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Case Trend Analysis

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ZIPs WITHIN THE GSA

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PROVIDER FACILITY	10/01/2007 - 09/30/2008		10/01/2008 - 09/30/2009		CUMULATIVE		SHARE	
	Cases	% Change	Cases	% Change	Cases	% Change	Share	% Change
ADVOCATE CONNELL MEDICAL CENTER	44,106	40.018	10.22		28.3	28.6	-1.74	
ADVOCATE GOOD SHEPHERD HOSPITAL	1,622	1,830	-11.37		1.0	1.3	-20.99	
CENTEGRA HOSPITAL - MCHENRY	22,661	16,166	26.74		14.5	13.1	11.21	
MIDWESTERN REGIONAL MEDICAL CENTER	3,718	278	1,232.62		2.4	0.2	1,085.08	
NORTHSHORE UNIVERSITY HEALTHSYSTEM HIGHU	6,642	6,533	1.67		4.3	4.7	-9.37	
NORTHWESTERN LAKE FOREST HOSPITAL	29,604	30,502	-2.94		19.0	21.9	-13.67	
VISTA MEDICAL CENTER EAST	34,238	35,694	-3.80		22.0	25.7	-14.23	
VISTA MEDICAL CENTER WEST	43,354	6,105	118.80		8.8	4.4	95.17	
TOTAL:	156,055	138,127	12.17		106.0	100.0	141.66	

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LOCATION

The attached map identifies the area from which the proposed freestanding emergency center (FEC) anticipates attracting most patients, its target population area (TPA). The TPA is that portion of the geographic service area (GSA) that is located closer to the proposed FEC's site than to an existing hospital-based emergency room. The GSA is defined by IHFPB rule as being the area located within a thirty-minute drive of the FEC. The GSA extends to the Wisconsin state border (as is common practice with CON projects) on the north, nearly to Lake Michigan on the east and into far northeastern McHenry County on the west.

Using the IHFSRB's adjusted MapQuest drive time estimates, there are two hospitals that accept ambulances at their emergency departments located within the GSA: Vista Medical Center-West (24 minutes/12.24 miles to the southeast) and Advocate Condell Medical Center (28.75 minutes/14.4 miles to the south/southeast). In addition, Lake Forest Hospital recently opened an FEC in Grayslake, 7.35 miles and 16.1 minutes to the south. It should be noted that Vista Medical Center-West (VMC-W) is the sister hospital to the co-applicant and operates in concert with VMC-E, with a shared management team. VMC-W does not provide inpatient medical/surgical, pediatric or obstetrics services, and the hospital's emergency department was kept open as part of Vista's commitment to the residents of the west side of Waukegan, upon the consolidation of medical/surgical services at VMC-E. The 35 - 50 patients presenting themselves each day to the VMC-W emergency department who need non-psychiatric or rehabilitation (the only inpatient services provided at VMC-W) hospitalization are transferred to another hospital, often VMC-E. Area rescue squads transport patients to the VMC-W emergency department on a limited basis, typically not more than 3-5 per day.

This project does not involve inpatient services, and as such, the bed:population ratio is not applicable.

SERVICE DEMAND - HISTORICAL UTILIZATION

As noted elsewhere in this application, Advocate Condell Medical Center in Libertyville, Vista Medical Center-West in Waukegan and the Lake Forest Hospital FEC in Grayslake are the only providers of emergency room services located within 30 minutes of the proposed FEC. Also as noted, VMC-W has a very limited inpatient program.

CompDATA was used to calculate ED visits in the GSA for the two most recent years data was available: October 2007 – September 2008 (2008) and October 2008 – September 2009 (2009). We recognize the CompDATA shows different ED visit totals than does IDPH data 2008. This may be based on different reporting methods, or the fact that the CompDATA calculation was not on a calendar year basis. CompDATA shows, for hospitals in the GSA, 51,584 total ED visits in 2008 and 63,127 total ED visits in 2009. Using CompDATA to conduct a zip code analysis, 46,213 ED visits in 2008 were by patients who reside in zip codes within the GSA, and 57,470 of the ED visits in 2009 were by patients who reside in zip codes within the GSA. Based on this, 89.4% of 2008 ED visits at hospitals in the GSA were by patients who resided within the GSA, and 91% of 2009 ED visits at hospitals in the GSA were by patients who resided within the GSA. Hospital-specific ED visits can be found in the attached CompDATA information. Also attached is the 2009 calendar year ER patient data for Vista-East and Vista-West, for all Zip Codes and also for Zip Codes in the GSA.

Utilization of the proposed FEC was projected in a very conservative manner, including the following assumptions:

- Utilization of emergency department services by area residents will remain at the 2009 level, even though a population increase will be realized

- 100% of the FEC's patients will reside closer to the FEC than to a hospital-based emergency department
- No more than 70% of the emergency services patients from any Zip Code area will use the proposed FEC.

Based on the assumptions identified above, utilization during the second year of the proposed FEC's operation is projected to be 13,523 visits, supporting a "need" for the proposed seven treatment stations. The manner in which projected utilization was identified is presented in the table below. Allowing for a "ramp-up" period, utilization during the first year of operation is anticipated to be 60% of the second year's utilization, or 8,114 patient visits.

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MALDISTRIBUTION

The proposed project will not create a maldistribution of services. Rather, this project will improve accessibility to emergency department services for the residents of the target population area, who, by definition, reside closer to the proposed site than to an existing hospital-based ED service. This issue is most critical for those residing in the northern and western portions of the TPA which are farthest from existing emergency departments.

The anticipated TPA is a very small geographic area, but of sufficient population size to justify the proposed seven treatment stations, based on the following assumptions: 1) the population of the TPA will at least remain constant (very conservative); 2) the TPA's utilization rate will remain at its 2009 level of 193.87 visits/1,000; and 3) no more than 70% of emergency services patients from any TPA Zip Code will use the proposed FEC, and in each case will reside closer to the FEC than to a hospital-based emergency department.

The only providers of emergency department services within a thirty-minute drive of the proposed site are Advocate Condell Medical Center in Libertyville, Vista Medical Center-West in Waukegan, and the Lake Forest Hospital FEC in Grayslake. During 2008, 45,944 patients were treated in Condell's emergency department, and during 2008, 12,018 patient's were treated at VMC-West's emergency department 2009 ED data for Vista-East and Vista-West is attached. No ED visit data is available for the FEC in Grayslake, which opened in 2009.

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