

From: anne.murphy@hklaw.com
Sent: Thursday, July 28, 2011 4:21 PM
To: Constantino, Mike
Cc: rmark@ccbhs.org
Subject: RE: numbers for oak forest

Of these services, all but Urology would be available as of the beginning of September 2011 (September 1 or 2). The Standby ED would be converted to the 24/7 Immediate Care Center at the beginning of September. Existing outpatient services would be expanded at the beginning of September in Cardiology, Endocrinology, General Surgery, Nephrology, Neurology, Podiatry, Gastroenterology, Optometry, Orthopedics, Psychiatry, Rehabilitation, and Primary Care. (Please note that all these services reference physician office visits and related diagnostic procedures; in particular, "General Surgery" does not refer to surgical procedures, but instead refers to consultations with surgeons.) New service lines in Pain Management and Infectious Disease would be available at the beginning of September, as well. Once a new Urologist is recruited, Urology services would be added during Phase I, but likely not at the beginning of September. Please refer to pp. 464-466 of the application for detailed information.

Establishment of the ROC, and the timeframes listed above, is contingent on IHFSRB approval of Oak Forest Hospital operations at the August 16 meeting. As you know, the CCBHS intends to establish Phase I of the ROC immediately upon approval to discontinue the hospital; the intervening 2 weeks would be used to transition staff to ROC operations.

As indicated in today's prior email, these Phase I services would be delivered in a manner that does not require an ASTC license. CCBHS continues to plan for ASTC establishment in Phase II of the ROC

In addition to current and future outpatient visits, the Oak Forest campus provides--and will continue to provide--significant clinical lab, diagnostic radiology, diagnostic cardiology, diagnostic gastroenterology, and diagnostic neurological testing services.

Please let me know if you have any additional questions. Thanks, Mike.

--Anne

Anne Murphy | Holland & Knight

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From: Constantino, Mike [mailto:Mike.Constantino@Illinois.gov]
Sent: Thursday, July 28, 2011 3:32 PM
To: Murphy, Anne M (CHI - X66544)
Subject: RE: numbers for oak forest

Cardiology, Endocrinology, General Surgery, Nephrology, Neurology, Podiatry, Gastroenterology, Optometry, Ophthalmology, Orthopedics, Psychiatry, Rehabilitation, Primary Care, Pain Management, Infectious Disease, Urology and Immediate Care Services. Immediate Care Services will operate 24 hours a day 7 days a week.

Of these services what is going to be available as of September 2, 2011.

Mike Constantino
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From: anne.murphy@hkllaw.com [mailto:anne.murphy@hkllaw.com]
Sent: Thursday, July 28, 2011 2:18 PM
To: Constantino, Mike
Cc: rlmark@ccbhs.org
Subject: FW: numbers for oak forest

Mike,

Please see below for the response to your questions regarding the net revenue and charity care/charge numbers for Oak Forest Hospital. As to the FY 2008 net revenue being lower than in years 2007 or 2009, Randy noted to me that this deviation was largely due to the phase out of Medicaid "UPL" supplemental payments. This phase out impacted primarily the revenues in FY 2008.

Thanks. As always, please let me know if you have any additional questions. I am working on responses to your other questions.

--Anne

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From: Mark, Randall [mailto:rlmark@cookcountyhhs.org]
Sent: Wednesday, July 27, 2011 2:47 PM
To: Murphy, Anne M (CHI - X66544); Reidy, Elizabeth
Subject: RE: numbers for oak forest/URGENT

Anne:

The FY2008 number is taken from the audited financials (attached, see p 35); with respect to cost/charge ratio, it often has been the case in the past – I do not believe this is true any longer – that our costs have exceeded our charges because the charges were not modernized into a contemporary chargemaster; Much work has been done on this the last couple of years; The FY2008 financials at p.18 note that System-wide costs exceeded charges;

Please share with Mike, and refer him to me if he has any further questions;

Thanks;

---Randy

From: Constantino, Mike [mailto:Mike.Constantino@Illinois.gov]
Sent: Tuesday, July 26, 2011 10:05 AM
To: Murphy, Anne M (CHI - X66544)
Subject: numbers for oak forest

	FY 2009	FY 2008	FY 2007
Net Patient Revenue	\$100,511,313	\$46,312,262	\$75,029,785
Amount of Charity Care (charges)	\$22,777,202	\$15,223,275	\$3,202,664
Cost of Charity Care	\$24,050,865	\$15,316,551	\$3,545,594
Ratio of Charity Care Cost to net patient revenue	24%	33%	5%

Anne:

The numbers for FY 2008 do not look correct especially the net revenue figure and I do not understand how charges can be less than the cost.

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Constantino, Mike

From: anne.murphy@hkllaw.com
Sent: Thursday, July 28, 2011 4:51 PM
To: Constantino, Mike
Subject: FW: Oak Forest

Importance: High

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From: Murphy, Anne M (CHI - X66544)
Sent: Thursday, July 28, 2011 3:50 PM
To: Constantino, Mike
Cc: 'rlmark@ccbhs.org'
Subject: FW: Oak Forest
Importance: High

Mike,

I am going to address several questions you have asked about the current and projected volume of outpatient and ED visits on the Oak Forest Hospital campus.

1. As to ASTC licensure and surgery, I refer you to the prior emails from Clare Ranalli. I do want to clarify that when we reference "General Surgery" sessions that will take place in phase I of the ROC (see p. 465 of the application), these are consultations with surgeons (and not surgical procedures). Similarly, when we reference gastroenterology procedures that will take place in phase I of the ROC, these are diagnostic procedures and not surgical procedures. In sum, we are confident that the totality of operations in phase I of the ROC would not require ASTC licensure. It remains part of the ROC plan to establish an ASTC on the ROC campus, likely in 2012. Of course, this would occur only after approvals from the IHFSRB and IDPH.

2. As you know, CCBHS plans to establish phase I of the ROC September 1, 2011, if the hospital discontinuation application is approved by the IHFSRB at the August 16 meeting. The intervening 2 weeks would be used to transition staff to ROC operations.

3. Since June 1, the hospital's inpatient services have been modified in the manner reflected in my notice letters regarding: (1) temporary suspension of inpatient rehab, long-term care and ICU services; and (2) reduction in inpatient med/surg services. The hospital has maintained its 24/7 Standby ED services, and continues to provide non-ED outpatient primary care and specialty care services. You have requested data regarding the June ED and outpatient visits:

- The Standby ED saw 2,310 visits.
- There were a total of approximately 4,172 non-ED outpatient visits on the OFH campus, including 887 primary care visits, 2,178 specialty care visits, and approximately 975 outpatient rehab visits. The rehab visits are approximated, but this is a conservative and fairly accurate calculation based on 3,900 15-

minute units of outpatient rehab service in the month of June. Overall, these visit statistics do not include outpatient clinical lab, diagnostic radiology and other diagnostic procedures taking place on campus.

As always, please let me know if you have any additional questions.

Thanks.

--Anne

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From: Murphy, Anne M (CHI - X66544)
Sent: Monday, July 25, 2011 1:38 PM
To: 'Wykowski, Joy'; Edwards, Sylvia
Cc: 'temason@ccbhs.org'; 'ereidy@ccbhs.org'; 'rlmark@ccbhs.org'
Subject: RE: Oak Forest
Importance: High

I just got off the phone with Mike Constantino @ IHFSRB. He wants for June 2011 the number of standby ED visits, plus the number of other outpatient visits at OFH campus by type.

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From: Ranalli, Clare Connor (CHI - X66567)
Sent: Monday, July 11, 2011 6:00 PM
To: 'mike.constantino@illinois.gov'; Murphy, Anne M (CHI - X66544)
Subject: Re: Oak Forest

Thanks Mike - we will work to get you this information. On the ASC issue we will get back to you.

From: Constantino, Mike [mailto:Mike.Constantino@Illinois.gov]
Sent: Monday, July 11, 2011 05:45 PM
To: Ranalli, Clare Connor (CHI - X66567); Murphy, Anne M (CHI - X66544)
Subject: Oak Forest

Clare:

If the application for Oak Forest is approved and the hospital is discontinued I do not see how surgical services and a number of these other procedures can be performed without cook county coming in here to establish an ASTC. To the best of my knowledge there is no free standing ASTC on the Oak Forest campus.

I am going to need to know exactly what is going to be performed (types of procedures) for each category identified on page 36. I have attached page 36. And what procedures they are currently performing at the facility since June 1, 2011. What does primary care include? I will need the first month utilization of this regional outpatient facility.

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