



**HSHS
St. Elizabeth's
Hospital**

RECEIVED

APR 10 2015

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

April 10, 2015

Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Re: project number 14-043 State Board Report

Dear Ms. Avery:

On behalf of St. Elizabeth's Hospital, I am writing to comment on the State Board Report on the above project. I am the project manager and wanted to clarify two points which may be relevant to the Board.

Letter From Health Department

The State Board Report includes the St. Clair County Health Department letter dated March 31, 2015 stating that the Department neither supported nor opposed the project, but had concerns about safety net services. As noted in that letter, St. Elizabeth's representatives met with the Executive Director of the Health Department five months ago, on November 13, 2014, to address its concerns pertaining to transportation and access to services. At the conclusion of that meeting, the Executive Director indicated he understood St. Elizabeth's care for a broader population than St. Clair County, his concerns were addressed, and we advised him that should the County Health Department have any additional questions or concerns to contact us. Neither the Executive Director nor the Department subsequently raised any concern at all to St. Elizabeth's. Instead, it surprisingly issued a letter to the record on this project on the day before the last day of the public comment deadline stating that it continues to have concerns pertaining to access to care for those individuals who may not have transportation to the hospital at its new location. St. Elizabeth's maintains that if someone has difficulty with transportation this same issue would exist with respect to access to its current location. Also, St. Elizabeth's has submitted a letter from the Director of Transportation for the County noting that there is a bus stop that will serve the proposed Hospital location every half hour from 6 AM to midnight seven days a

211 South Third Street
Bellefonte, IL 62220
618-234-2120
www.steliz.org

*An Affiliate of
Hospital Sisters
Health System*

week. In addition, St. Elizabeth's has submitted information into the record that less than 3% of its patients currently arrive by means of transportation other than private automobile or ambulance. St. Elizabeth's continues to believe that access to care for the entire region, including those who are underserved, will be improved at the proposed location immediately off Interstate 64.

The St. Clair County Health Department letter also references Memorial's possible inability to provide emergency services to those who are financially challenged. It is clear from Memorial's response to the Illinois Department of Public Health's annual hospital questionnaire that it could accommodate thousands more visits to its emergency department than it currently does, based upon the number of treatment rooms it has available. In addition, the capacity to treat even more patients will exist when the Memorial Shiloh satellite facility opens offering a new emergency department just a few miles from Memorial. Unless Memorial purposefully restricts access to its emergency services to those patients who are Medicaid recipients or who have challenges to obtaining healthcare services, there is no reason to think services will be impacted. Certainly, Memorial has the capacity to serve all patients regardless of payer source. Further, there is no reason to suspect that patients who choose to go to St. Elizabeth's will no longer choose to do so just because of an additional 10 minute drive to reach its proposed new location (the 10 minute drive time reference is based upon the hospital's current location to its proposed new location whereas in fact many patients may have a significantly less drive time to reach the emergency department at the proposed location, based on where the patient lives).

As noted above, St. Elizabeth's personally met with the Health Department's Executive Director five months ago for the specific purpose of discussing and addressing the Department's concerns, and the Executive Director advised St. Elizabeth's that it had addressed those concerns. St. Elizabeth's invited the Department to raise any other questions or concerns it might have, and the Department said nothing over the next five months. In light of that meeting and the Department's subsequent silence, St. Elizabeth's is highly perplexed by the Department's submission of a letter into our project file at the close of the written comment period purporting to raise further concerns. Notwithstanding the Department's failure to respond to St. Elizabeth's open offer to discuss and resolve concerns, St. Elizabeth's remains committed to work with the County Health Department and transportation providers in the region to assure that there is no impediment to access to safety net services as a result of its replacement hospital within a few miles from the hospital's current location.

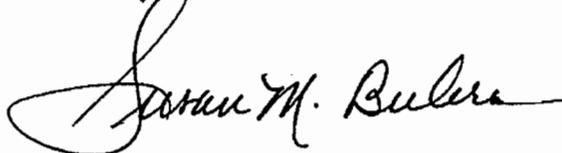
Impact On Healthcare Providers/Memorial's Utilization

The next issue St. Elizabeth's would like to address is the finding on impact to other healthcare providers. Multiple hospitals in the planning area have sent letters of support for St. Elizabeth's project. The only provider opposing the project based upon negative impact is Memorial, which claims that it will not have sufficient ability to provide care to residents of Belleville upon St. Elizabeth's move. First, it is unrealistic to think that all of the Belleville residents who currently choose St. Elizabeth's will no longer go to it once it moves a few miles away. In any event, the State Board Report utilization statistics for Memorial as presented might be construed as supporting Memorial's claim. It indicates that Memorial's utilization is significantly higher than it really is because it views Memorial as having only 175 beds when in fact it currently has 269 beds. The State

Board Report subtracts 94 beds from Memorial's current 269 because those 94 beds will be located in Shiloh when the satellite facility is constructed. However, that facility is not yet constructed. As a result Memorial's utilization numbers are skewed. As an example, Memorial reports utilization of 164% in its obstetric beds. This is because it is admitting patients to a unit that is significantly bigger than what the State Board Report is noting the unit size to be, given the "transfer" of the beds to the Shiloh facility. This is not a fault of the State Board Report but simply a result of the satellite facility having been approved and the inventory adjusted to accommodate that result. According to Memorial its market share and payer mix will not change once its Shiloh facility is completed because its patients will simply utilize both campuses. Therefore it is not expecting any increase in admissions or patient days per its own testimony presented to the planning board on its Shiloh satellite project. As a result, Memorial has significant capacity to accept the small number of patients that might go to it rather than St. Elizabeth's if St. Elizabeth's relocates. In fact, Memorial's own consultant indicated it would see only 900 more patients a year, half of which will be commercial pay or Medicare patients.

A number of findings in the staff report state that the project "may impact" other area facilities operating below target occupancy. Given that the project will result in a *reduction* of planning area beds, will add no new services and in fact is eliminating a service (pediatrics), the only impact on the utilization of existing facilities will be a *positive* impact. In addition, the project will result in an *improved* distribution of services throughout the planning area. Currently, the only high acuity services available in the planning area (based on facility Case Mix Index) are in Belleville at St. Elizabeth's and Memorial Hospital. The proposed project will better distribute these services within the planning area by St. Elizabeth's relocation from Belleville to O'Fallon. Memorial Hospital itself is on record as promoting such decentralization of services. In its own CON application to relocate services from Belleville to Shiloh, Memorial advocated for the decentralization of services and stated, "By definition, a relocation of services away from the concentration of services in the planning area (Belleville) cannot cause or result in a mal-distribution of services." (See page 107 of CON Application, Project No. 11-017, attached hereto.)

Thank you

A handwritten signature in black ink that reads "Susan M. Beeler". The signature is written in a cursive style with a large, looping initial "S".

Susan M. Beeler, BSN, RN
Project Manager
St. Elizabeth's Hospital
211 South Third Street
Belleville, IL 62220

MAL-DISTRIBUTION

The proposed project will not cause or result in a mal-distribution of services.

As discussed in other attachments to this application, the planning focus of this project is the patient population that has traditionally utilized Memorial Hospital, and no market shift away from other Illinois hospitals has been incorporated into the bed need projections. Rather, a "de-centralizing" of services will occur, with a portion of Memorial Hospital-Belleville's bed complement being re-located to the Memorial-East campus. By definition, a relocation of services away from the highest concentration of services in the planning area (Belleville) cannot cause or result in a mal-distribution of services.

The project will involve four IDPH-designated categories of service:

1. The number of medical/surgical and pediatrics beds provided at Memorial Hospital and Memorial Hospital-East combined will be reduced by approximately 6 beds from the number currently provided at Memorial Hospital, alone.
2. Approximately 8 of the 29 existing obstetrics beds will remain at Memorial-Belleville, and sixteen will be "re-located" to Memorial-East. Approximately five