

SAFETY NET IMPACT STATEMENT

1. The project's material impact, if any, on essential safety net services in the community.

This project will have a positive impact on essential safety net services in the community. Taylorville Memorial Hospital is a Critical Access Hospital safety-net hospital serving Christian County. Taylorville Memorial Hospital provides a wide range of services to poor, uninsured and underinsured persons. This project will enhance Taylorville Memorial Hospital's ability to serve as a safety-net hospital for this population.

Health Safety Net Services have been defined as services provided to patients who are low-income and otherwise vulnerable, including those uninsured and covered by Medicaid. (Agency for Healthcare Research and Quality, Public Health Service, U.S. Department of Health and Human Services, "The Safety Net Monitoring Initiative," AHRQ Pub. No. 03-P011, August, 2003)

This construction project will modernize the Medical Surgical Category of Service and existing Clinical Service Areas that are not Categories of Service, thereby improving Taylorville Memorial Hospital's ability to provide essential medical and surgical services to all the patients it serves, including the uninsured and underinsured residents of Christian county in Planning Area E-01, the State-defined planning area in which the hospital is located and northern Montgomery County located in Planning Area E-02.

As discussed in Attachment 12, the market area for this project includes those zip codes in which 0.5% or more of Taylorville Memorial Hospital's medical and surgical cases reside. These zip codes are shown in the patient origin chart for its medical and surgical patients during the recent 12-month period of calendar year 2016 which is found in Attachment 12, Page 4.

This project will enable Taylorville Memorial Hospital to continue to provide much-needed services to the low income and uninsured that reside and work within the market area for this project.

- a. Many of the patients that are served at Taylorville Memorial Hospital are low-income or otherwise vulnerable, as documented by their residing in Medically Underserved Areas and/or Health Professional Shortage Areas.

Medically Underserved Areas and Medically Underserved Populations are designated by the federal government (Health Resources and Services Administration of the U.S. Department of Health and Human Services) based on the Index of Medical Underservice. Designated Medically Underserved Areas (MUAs) and Medically Underserved Populations (MUPs) are eligible for certification and funding under federal programs such as Community Health Center (CHC) grant funds, Federally Qualified Health Centers (FQHCs), and Rural Health Clinics (<http://bhpr.hrsa.gov/shortage/muaguide.htm>) (Health Resources and Services Administration, U.S. Department of Health and Human Services).

Health Professional Shortage Areas are designated by the federal government because they have a shortage of primary medical care, dental, or mental health providers (<http://bhpr.hrsa.gov/shortage/index.htm>) (Health Resources and Services Administration, U.S. Department of Health and Human Services).

The entire Christian County is designated a Health Professional Shortage Area, and 2 townships (Locust and Pana) in the Pana/Ricks Service Area are a Medically Underserved Area/Population.

The entire Montgomery County is also designated a Health Professional Shortage Area, and 4 townships in the Irving/Witt Service Area (Audubon, Irving, Nokomis, Witt) and 1 township in the South Litchfield Service Area (South Litchfield) are Medically Underserved Areas/Populations

- b. Although the total amount of the uninsured individuals has declined since the Affordable Care Act was implemented, a significant percentage of the residents of Taylorville Memorial Hospital's Service Area have been identified as being uninsured. According to the County Health Rankings & Roadmaps and the United State Census Bureau, roughly 9% of Christian County residents remain uninsured as of 2016.

This project will have a positive impact on essential safety net services in Christian County in Planning Area E-01 and the market area for this project for those patients requiring Medical and Surgical because Taylorville Memorial Hospital's inpatient facilities will be modernized and modern, all-private medical surgical patient rooms will be constructed, thus providing a contemporary environment for the patients receiving care in these areas, a significant percentage of whom are low-income, uninsured, and otherwise vulnerable. The current 5-story hospital facility will also be replaced with two new buildings, one a single-story, ground-level building connected to a new 2-story building with enhanced access and shorter exterior and interior travel times for patients.

2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services

This project will have no impact, or will enhance, the ability of other providers or health care systems to cross-subsidize safety net services by assuring that Taylorville Memorial Hospital continues to have the capacity to serve the poor, uninsured and under-insured persons described above. The project will not impact on other patient populations served by other providers and, as such, it will not have any impact on other providers' or health care systems' abilities to cross-subsidize safety net services.

3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community:

This project will have no impact on the remaining safety net providers in the community. Taylorville Memorial Hospital is not proposing to discontinue the facility and will only re-categorize 1 pediatrics bed and 3 ICU beds to become 4 medical surgical beds while caring for the same patient population.

Safety Net Impact Statements shall also include all of the following.

1. The amount of charity care provided by Taylorville Memorial Hospital for the 3 fiscal years prior to submission of the CON application was:

CHARITY CARE			
Charity (# of patients)	Year 2014	Year 2015	Year 2016
Inpatient	23	18	14
Outpatient	2,063	1,966	1,562
Total	2,086	2,084	1,576
Charity (cost in dollars)			
Inpatient	129,198	21,592	10,825
Outpatient	1,216,802	476,991	463,175
Total	1,346,000	498,583	474,000

This amount was calculated in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act.

2. The amount of care provided by Taylorville Memorial Hospital to Medicaid patients for the 3 fiscal years prior to submission of the CON application was:

MEDICAID			
Medicaid (# of patients)	Year 2014	Year 2015	Year 2016
Inpatient	73	74	66
Outpatient	8,052	10,807	9,506
Total	8,125	10,881	9,572
Medicaid (revenue)			
Inpatient	117,879	86,938	165,192
Outpatient	1,541,400	2,045,959	2,509,700
Total	1,659,279	2,132,897	2,674,892

This amount was provided in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Illinois Health Facilities and Services Review Board under Section 13 of the Illinois Health Facilities Act and published in the Annual Hospital Profile.

3. Any other information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.
- a. TMH provides clinical education for LPN students from Capital Area School of Practical Nursing, nursing students from Lincoln Land Community College and respiratory therapy students.
 - b. Taylorville Memorial Hospital proactively offers charity care to patients and routinely approves patients to receive charity care without requiring patients to produce onerous paper documentation

of their financial condition. This is accomplished electronically by completing a high-level credit check for the purposes of confirming the patients' verbal assertions.

c. The hospital teaches numerous CPR classes in the community. It also serves as a community resource for ACLS and PALS certification for firefighters and first responders (a good resource for scattered rural communities, many which may rely on volunteer fire departments).

d. TMH, in collaboration with Memorial Behavioral Health, has held 5 classes and trained 76 individuals through the Mental Health First Aid (MHFA) program. This program gives participants the knowledge and skills to help individuals who are developing a mental illness or experiencing a crisis find their path to recovery.

e. Since 2014 TMH has provided a new service to the community called Senior Life Solutions (SLS). SLS provides geriatric psychiatric group therapy for patients suffering from anxiety and depression. Low-dose CT scanning to screen for Lung Cancer was also added to radiology services, allowing patients at risk for lung cancer to be screened with a lower dose of radiation before symptoms are present. Early Intervention therapy services were developed to provide occupational and speech therapy for the community's pediatric population.

f. Taylorville Memorial Hospital is one of the largest employers in Christian County and provides employment and benefits for approximately 380 families. TMH is a member of the Greater Taylorville Chamber of Commerce and the Christian County Economic Development Corporation, which are working to improve the economic vitality of Christian County. Community support is provided by leadership on the boards of the United Way of Christian County, Taylorville Development Association, and Taylorville Sertoma Club. TMH actively promotes and supports the United Way of Christian County. TMH also offers incentives to employees who make contributions to United Way. Coalition building has also been accomplished through membership in the Christian County Prevention Coalition, which is dedicated to stopping drug and alcohol abuse, especially on the part of young people. Community health improvement advocacy is supported through leadership involvement in the Illinois Hospital Small and Rural Constituency Section. This section of the Illinois Hospital Association supports small and rural hospitals as they strive to provide needed healthcare services to the communities they serve. Leaders and employees of TMH serve on several other committees and boards, such as Illinois Respiratory Care Board, Relay for Life, Local Emergency Planning Committee of Christian County, and Christian County Economic Development Corporation. In addition, the TMH CEO serves on the Capitalized Land of Lincoln Workforce Investment Board, and on the Executive Committee of the Christian County Prevention Coalition.

Charity Care Information – ATTACHMENT – 39

The amount of charity care provided by Taylorville Memorial Hospital for the last three **audited** fiscal years, the cost of charity care and the ratio of charity care cost to net patient revenue are shown below. Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer. (20 ILCS 3960/3).

CHARITY CARE – Taylorville Memorial Hospital			
	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016
Net Patient Revenue	\$34,847,741	\$38,372,824	\$42,441,416
Amount of Charity Care (charges)	\$3,543,577	\$1,355,807	\$621,413
Cost of Charity Care	\$1,346,559	\$498,937	\$185,243
Ratio of Cost of Charity Care to Net Patient Service Revenue	3.86%	1.3%	.44%