



QUINCY MEDICAL GROUP

April 10, 2019

Via Hand-Delivery by Messenger

Members, Illinois Health Facilities and Services Review Board

Ms. Courtney Avery

Mr. Michael Constantino

525 West Jefferson Street, 2nd floor

Springfield, Illinois 62761

RECEIVED

APR 10 2019

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Re: Quincy Medical Group Surgery Center, Project No. 18-042
Public Comment Submission – Response to Blessing’s April 5, 2019 Joint
Venture Proposal, Documentation of April 8, 2019 Meeting, and Renewed
Transfer Agreement Request

Dear Board Members, Ms. Avery, and Mr. Constantino:

Please find enclosed the following:

- QMG’s response to Blessing’s April 5, 2019 letter setting forth a proposed joint venture for the *existing* surgery center, enclosed as **Exhibit 1**. The April 5, 2019 letter was purportedly submitted by Blessing to the HFSRB and uploaded to the HFSRB’s website on April 9, 2019;
- QMG’s letter to Blessing documenting an April 8, 2019 meeting between QMG and Blessing regarding the existing surgery center, enclosed as **Exhibit 2**; and
- QMG’s letter to Blessing renewing its previous request for a transfer agreement and noting compliance with the HFSRB’s cardiac catheterization regulations, enclosed as **Exhibit 3**.

Please feel free to contact me with any questions.

Sincerely,

Carol Brockmiller, CMPE

Chief Executive Officer

Quincy Medical Group

Enclosures – Exhibits 1-3

cc: Tracey Klein and Rebecca Lindstrom – Polsinelli
Ralph Weber – CON Consultant





April 10, 2019

SENT VIA E-MAIL AND HAND-DELIVERY

Maureen A. Kahn
President/CEO
Blessing Health System
P.O. Box 7005
Quincy, IL 62305

Re: Response to April 5, 2019 Joint Venture Proposal

Dear Ms. Kahn:

We are in receipt of your letter dated April 5, 2019, received late Friday afternoon, which sets forth Blessing's joint venture proposal for the existing surgery center.

While we are happy to discuss the proposal, we believe there are insurmountable obstacles associated with QMG and Blessing entering into a joint venture for either the existing or proposed surgery center. As set forth in the March 20, 2019 letter to Mr. Koontz and March 28, 2019 letter to the HFSRB, QMG does not believe a joint venture for the existing surgery center is a viable option as it will not solve the need for affordable access to surgical care in Adams County, is problematic from both a legal and business perspective due to, among other reasons, fraud and abuse risks and anti-trust concerns, and would not be in the best interest of our community. Patients, local employers, and community organizations have voiced opposition to and reservations regarding our organizations entering into any cooperative venture in relation to the existing, or proposed, surgery center. Further, at no time did any HFSRB members suggest that we enter into a joint venture for the existing surgery center. Rather, three HFSRB members commented on the perceived tension in the community and suggested we make efforts to resolve the tension and determine what is in the best interest of the community. The remaining HFSRB members disagreed with the comments of their fellow HFSRB members - with one HFSRB member acknowledging that the perceived animosity or tension was merely an outgrowth of competition. The perceived animosity or tension is undoubtedly the result of the extreme tactics employed by Blessing in its attempt to block our project.

Additionally, the manner in which the proposal was made raises questions regarding Blessing's intentions in making the proposal. If Blessing were truly interested in pursuing a joint venture for the existing surgery center, we question why vague terms and limited details were provided, and why Blessing submitted the proposal directly to the HFSRB and released it to the media without first providing QMG with the courtesy of a few business days to assemble our Board to meet and discuss the proposal.

We are scheduled to meet on April 17, 2019 to discuss the collaborative and alignment opportunities aimed at improving patient safety and quality, which we believe will allow us to



move forward and continue our history of working together to better serve our patients and the community.

We remain agreeable to discuss all potential collaborative opportunities at the April 17, 2019 meeting, including Blessing's most recent joint venture proposal for the existing surgery center. We are, however, moving forward with our CON application, which is set to be heard by the HFSRB on April 30, 2019, and we will view any attempt or effort by Blessing to persuade the HFSRB to defer or deny our project due to this recent joint venture proposal as anti-competitive in nature.

Sincerely,



Todd Petty, MD
Chairman, Board of Directors
Quincy Medical Group



Carol Brockmiller, CMPE
Chief Executive Officer
Quincy Medical Group



April 10, 2019

SENT VIA EMAIL AND HAND-DELIVERY

Maureen A. Kahn
President/CEO
Blessing Health System
P.O. Box 7005
Quincy, IL 62305

Re: April 8, 2019 Meet and Confer regarding Ambulatory Surgery Center
Management Agreement

Dear Ms. Kahn:

Thank you for the opportunity to meet and confer on April 8, 2019 regarding Blessing's claims that QMG defaulted on its obligations under the Ambulatory Surgery Center Management Agreement ("Management Agreement"). We previously responded in writing to the allegations on February 5, 2019, vehemently denying any default or breach of our contractual obligations, and a copy of our response letter is enclosed for reference.

QMG has believed from the outset that Blessing's allegations set forth in its January 21, 2019 Notice to Cure letter were baseless and essentially intended by Blessing to force QMG to withdraw its CON application or risk losing significant management fees. Nonetheless, we appreciated the opportunity to meet and put this matter behind us. As a result of the April 8, 2019 meeting, we understand this matter now to be closed and that Blessing has withdrawn its claims that QMG violated its contractual obligations under the Management Agreement.

We also appreciate that Blessing appears to acknowledge and is now taking ownership of many of the issues, limitations, and shortcomings of the existing surgery center – issues which have been and remain under Blessing's ultimate control. The agenda Blessing prepared and circulated at the meeting, which we have enclosed for reference, lists many of the issues QMG previously raised with the existing surgery center. One item on the agenda pertained to Blessing's recent decision to extend surgery center hours. While we would have preferred some involvement or consultation before Blessing made and announced the decision, we acknowledge that surgery center hours are set by Blessing and any decision to extend those hours has been and remains under Blessing's control. As we noted in our March 28, 2019 letter, we welcome this recent initiative and are happy to assist and provide input as to its implementation.

While Blessing's recent efforts to improve operational limitations at the existing surgery center are a positive development for our patients and the community, we believe these efforts will not provide the requisite access to ambulatory surgical services required by the community. Consequently, QMG intends to proceed with the project to establish a second surgery center as



described in our CON application. Despite Blessing's recent restatement of its surgery center utilization numbers, which we believe to be unreliable and potentially untruthful, there is no question that the Quincy community would benefit from a second surgery center so that the increasing number of outpatient surgical procedures can be performed in the appropriate setting. In addition, even if we assume that Blessing's restated numbers are accurate, the current surgery center will operate at or above state standards by 2021. As of the date of this letter, the current surgery center lacks sufficient additional surgical blocks to accommodate new physicians recruited to the community by Blessing or QMG. It also lacks equipment or physical space to accommodate the expanding list of surgical procedures for which a surgery center is the appropriate site of service. These limitations or deficiencies, along with others previously articulated by QMG, cannot be remedied, especially long term, through small repairs to the existing surgery center. A new surgery center is needed.

Consequently, we expressly request that Blessing discontinue its efforts to block the development of additional needed health care facilities in the Quincy community and that the HFSRB set aside Blessing's repeated requests that QMG's application be denied or deferred.

Sincerely,



Todd Petty, MD
Chairman, Board of Directors
Quincy Medical Group



Carol Brockmiller, CMPE
Chief Executive Officer
Quincy Medical Group

Enclosures – February 5, 2019 Letter and April 8, 2019 Agenda



February 5, 2019

SENT BY E-MAIL AND OVERNIGHT DELIVERY

Ms. Maureen A. Kahn
President / CEO
Blessing Health System
P.O. Box 7005
Quincy, IL 62305

Dear Maureen:

This letter is in response to Blessing Hospital's notice letter dated January 21, 2019 ("Notice Letter"), in which Blessing alleges that Quincy Medical Group ("QMG") is in default of its obligations under the Ambulatory Surgery Center Management Agreement ("Management Agreement").

QMG has reviewed each and every allegation in the Notice Letter and strongly denies that QMG has defaulted on any of its contractual obligations.

In the Notice Letter, Blessing specifically alleges that QMG is in default of the following provisions of the Management Agreement:

1. Section 1(c) in relation to the standard of care owed by QMG to Blessing Hospital while performing its duties and obligations under the Management Agreement;
2. Section A(1)(2) and (3) of Attachment A in relation to patient scheduling and scheduling hours of operation and work for surgery center services;
3. Section D of Attachment A in relation to the recommendation of purchase equipment, supplies and inventory;
4. Section H of Attachment A in relation to the assessment of service level and patient satisfaction;
5. Section 2, 4, and 13 of Attachment B in relation to the development and monitoring of quality indicators, development and implementation of a quality improvement program, and development and implementation of clinical policies and procedures; and
6. Section 7 of Attachment B in relation to assistance in the design and development of patient information, medical record, and consent forms.

QMG acknowledges all applicable contractual obligations under the Management Agreement, affirmatively states that it has satisfied and continues to satisfy all contractual obligations, and strongly denies default and/or breach of any contractual obligations.



TO: Maureen Kahn, President/CEO

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At the outset, it should be noted that while Blessing has contractually delegated to QMG the responsibility to administer and manage the day-to-day operations of Blessing's surgery center, QMG's authority and responsibility is "subject to the ultimate approval and authority of [Blessing] Hospital." (Management Agreement, Section 1(a).)

The Notice Letter references various statements made by QMG in its Certificate of Need permit application as the conduct triggering the alleged defaults and/or breaches. (Notice Letter, p. 2-3.) QMG has reviewed the statements in conjunction with the contractual obligations in the Management Agreement, and, again, finds no default and/or breach of its contractual obligations as set forth in detail below.

First, Blessing's allegation that because QMG stated in its application that "the operational practice at the existing ASTC drastically limits available surgery hours as the anesthesiology group retained by the owner of the ASTC usually does not allow surgical cases to being after 3 p.m." and that "QMG desires to have the flexibility to control and expand surgery hours to include evenings and weekends for patient convenience," QMG has somehow defaulted on its obligation relating to scheduling hours of operation, hours of work, and patient scheduling is without any merit or validity.

Section A(1)(2) and (3) of Attachment A states that QMG is responsible for "[s]upervision of day-to-day operation of the Facility, including:

- (1) In consultation with [Blessing] Hospital, scheduling the hours of operation of all Facility services;
- (2) Scheduling the hours of work of all Facility personnel;
- (3) Patient scheduling; and
- (4) Assist with training in the operation and use of all equipment, systems and procedures to be used in connection with Facility for all personnel and all physicians who provide services to patients in Facility."

Contrary to the allegations in the Notice Letter, nothing in Section A(1)(2) and (3) of Attachment A delegates authority from Blessing to QMG to unilaterally expand surgery hours to include evenings and weekends, nor does it delegate authority to QMG to control the practices of the anesthesiology group with whom Blessing contracts. For years, QMG physicians have voiced complaints to Blessing regarding the limited surgery hours. For years, Blessing has failed to act.

Second, Blessing alleges that the following statements demonstrate that QMG has allegedly failed to perform its responsibility for patient satisfaction, assessing service level, and recommending equipment purchases:

TO: Maureen Kahn, President/CEO
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- “Urology equipment is not available in the existing ASTC; therefore, outpatient urological surgery is performed in the local hospital’s ORs. Lack of ASTC availability for these services is a dissatisfier for both patients and providers[;]”
- “[L]imited neurosurgery procedures are performed in Quincy’s existing ASTC[;]” and
- “[C]ertain ENT equipment . . . is currently only offered by the local hospital in its outpatient department[.]”

Sections D and H of Attachment A of the Management Agreement delegate authority to QMG to “[r]ecommend[] for purchase equipment, supplies and inventory” and “[a]ssess[] service level and patient satisfaction.” Blessing does not have the authority to purchase equipment, supplies, or inventory without Blessing’s approval. Blessing is well aware that QMG previously requested equipment for the existing surgery center, including, but not limited to, urology equipment. As Blessing should remember, Blessing’s response to the urology equipment request was that purchasing new equipment would be too expensive and that physical damage would result if the urology equipment currently housed in the outpatient operating room was moved in between locations. QMG does not have control over whether Blessing purchases the equipment QMG recommends.

Third, Blessing alleges that QMG’s statement that the proposed surgery center will “improve care coordination, efficiency, and lead to better clinical outcomes as QMG physicians will have immediate access to a patient’s complete medical record through QMG’s EMR system and will not be required to navigate two EMR systems” demonstrates that QMG is in default of its Medical Director duties.

Again, there is no merit to this allegation. None of the Medical Director duties set forth in Attachment B of the Management Agreement provide QMG with the authority to purchase and implement an EMR on behalf of Blessing. As Blessing acknowledged at the public hearing on January 24, 2019, there have been many discussions between QMG and Blessing regarding EMR navigation issues; however, to date, and despite QMG’s recommendations and efforts, the parties have not reached a solution.

For years, QMG physicians have repeatedly made operational requests and voiced complaints regarding various aspects of the existing ASTC with Blessing leadership, including that of the Surgery Center, as well as numerous Blessing employees at multiple levels in the health system. Blessing has repeatedly failed to take action. QMG physicians are willing to attest that these specific complaints and requests were, in fact, made, and that Blessing failed to adequately respond. QMG suggests that Blessing speak with its own employees who have knowledge of the complaints and requests and that Blessing review its internal documentation of the same.

TO: Maureen Kahn, President/CEO
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The Notice Letter further alleges that QMG breached its duty of care owed to Blessing under the Management Agreement through several statements relating to partnership and/or collaborative efforts in QMG's application. As Blessing should be aware from its recent applications - including its approved application filed last year to construct a \$40 million medical office building - an applicant must submit information regarding all alternatives considered before selecting a proposed project. When our boards met on November 19, 2018, you expressed concern with the accuracy of one of QMG's representations in the alternatives section of the application, specifically the statement that QMG had formally proposed a joint venture arrangement to Blessing for the proposed location before submitting our application. As I expressed to you during that meeting, I was not aware that the statement had been included in our application. Following the meeting, I immediately reviewed the application, discovered the inadvertent error, and took steps to correct the oversight by submitting a revised application page to the Illinois Health Facilities and Services Review Board ("Review Board"). No additional corrections to the alternatives section, however, were required. As you and Blessing's Board should undoubtedly recall, QMG had proposed various surgery center alignment opportunities prior to filing the application, all of which had been rejected by Blessing.

In light of the above, and despite Blessing's demand for the same, QMG will not withdraw its permit application for the proposed surgery center as the demand is without valid justification and wholly improper. I further find the timing of the Notice Letter suspect, a mere ploy to divert QMG's attention from preparing for the January 24, 2019 public hearing, and Blessing's attempt to distract the Review Board and the public from the merits of the proposed project. It is unfortunate that despite having been in alignment conversations for months, this is the type of action Blessing has elected to take with no prior conversation.

Additionally, if Blessing were truly seeking resolution of the issues outlined in its January 21, 2019 correspondence, I would have expected Blessing to request to meet and confer in good faith on the issues, pursuant to Section 9(a) of the Management Agreement, rather than issue a notice of default. It is unfortunate that this is the typical behavior that QMG has come to expect from hospital leadership. Rather than sit down, talk through the many issues raised by QMG physicians and administrators over the years, Blessing's reaction to a perceived threat is to send an inflammatory and contentious letter without any merit or validity.

It is my sincere hope that Blessing will begin to take ownership of the issues raised by QMG, previously and in the recent permit application - issues which have been and remain under Blessing's ultimate control.

If, after review of this letter, Blessing has legitimate and genuine concerns regarding QMG's fulfillment of its contractual duties under the Management Agreement, QMG requests that the parties meet and confer in good faith and enter into good faith negotiations to resolve the concerns pursuant to the requirements of Section 9(a) of the Management Agreement.

TO: Maureen Kahn, President/CEO
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Sincerely,

A handwritten signature in cursive script that reads "Carol Brockmiller".

Carol Brockmiller, CPME
Chief Executive Officer
Quincy Medical Group

ASTC Management "Cure" Meeting
Monday, April 8, 2019
5pm
Location: QMG's Board Room

Blessing Attendees:

Maureen Kahn
Patrick Gerveler
Elliot Kuida
Tim Moore
Tim Tranor
Lori Wilkey

QMG Attendees:

Carol Brockmiller
Dr. Todd Petty
Dr. Joh Bozdech
Dr. Dick Schlepffhorst
Patty Williamson

AGENDA

1. Access
 - A. Extended hours
 - B. Saturday hours
2. Block time
 - A. Establishing block
 - B. Scheduling in block
 - C. Scheduling outside of block
3. Need to change scheduled procedure (today done physician-to-physician)
4. Quality concerns
5. Equipment needs
6. Procedures
7. Handling new physician needs
8. Medical Records
9. Topics not on agenda



April 10, 2019

SENT VIA E-MAIL AND HAND-DELIVERY

Ms. Maureen A. Kahn
President / CEO
Blessing Health System
P.O. Box 7005
Quincy, IL 62305

Dear Ms. Kahn:

I am writing to renew QMG's prior request that Blessing Hospital enter into a transfer agreement with QMG in relation to the proposed surgery center.

On January 9, 2019, I provided you with QMG's proposed transfer agreement for the surgery center. To date, Blessing has not agreed to execute the transfer agreement, nor has it proposed any specific modifications to the agreement. Our verbal communications suggested Blessing would agree to enter into a transfer agreement subject to minimal legal modifications to the agreement to address the fact that the surgery center is not yet in existence. Instead, Blessing issued to QMG what is essentially a demand or request for information regarding what Blessing believes to be "items of patient safety and quality" that QMG purportedly must answer to Blessing's satisfaction before any further conversation on the transfer agreement takes place.

QMG made similar requests for transfer agreements to St. John's Hospital and the Methodist Medical Center of Illinois – facilities with open heart surgery capabilities – and both agreed without hesitation to enter into the agreements. Neither facility demanded that QMG "prove" that it would fully comply with HFSRB requirements or IDPH requirements relating to licensure before agreeing to enter into a transfer agreement. Neither facility sent a list of requests to QMG that needed to be answered before agreements were executed. Both facilities understood that the HFSRB would approve the surgery center when QMG complies with HFSRB regulations and that the IDPH would license the facility when QMG complies with IDPH licensure requirements. Neither facility questioned the authority of the HFSRB or the IDPH to properly execute its duties and obligations under the law. As stated to Blessing on numerous occasions, following approval by the HFSRB, QMG will obtain all necessary and applicable licenses and certifications to operate as an ASTC and provide cardiac catheterization services in a safe manner.

Contrary to Blessing's assertions, and as evidenced by the HFSRB's Staff Report and confirmed through technical assistance communications with the HFSRB's Staff, QMG complied with all cardiac catheterization criteria and application instructions and was not required to provide any information other than what was submitted with its application. Any allegation or claim that QMG failed to comply with HFSRB regulations or application instructions is baseless and without merit.



Further, none of the voting HFSRB members present at the March 5, 2019 HFSRB meeting expressed any concern with the project's compliance with the cardiac catheterization criteria, application instructions, or patient safety and quality in relation to cardiac catheterization services to be performed in the surgery center. Rather, the majority of comments made by the voting HFSRB members pertained to QMG and Blessing working together in the interest of patient safety and doing what is in the best interest of the community. A transfer agreement is undeniably always in the interest of patient safety and in the best interest of the community. Transfer agreements assure continuity of care and provide certainty of a coordinated approach in the event a transfer is needed.

Blessing's continued failure or refusal to enter into a transfer agreement for the proposed surgery center goes against patient safety and has the potential to deny the community access to an essential facility. Blessing is well aware that it is the closest hospital to the proposed surgery center (approximately two miles away on the same main street as Blessing Hospital), that the proposed surgery center is not yet in existence and will open approximately two years following HFSRB approval, that licensure and certification focused on ensuring patient safety and quality *follow* HFSRB approval, that the HFSRB's Staff found the project in compliance with all HFSRB cardiac catheterization criteria, and that Blessing will be legally required to accept transfer patients from the surgery center regardless of whether a transfer agreement is in place. Blessing's continued failure to enter into a transfer agreement and its continued demand that QMG provide answers to a list of requests – requests which Blessing has no authority to issue to QMG and to which QMG has no obligation to respond– appear to be tactics intended to prevent QMG from obtaining CON approval.

Further, Blessing's reliance on the discontinuation of Prairie Diagnostic Center, as noted in your February 12, 2019 letter, to support Blessing's claims pertaining to patient safety and quality in relation to the surgery center is misplaced. As noted in Prairie Diagnostic Center's application for discontinuation, enclosed for your review, the facility (a single-specialty ASTC that performed cardiac catheterization services) was discontinued solely due to a decrease in utilization. There were no safety or quality concerns implicated or noted in relation to the discontinuation.

On behalf of QMG, I again ask that Blessing revisit its stated mission, take into consideration the needs and wants of its patients and residents of the Quincy area, respect the authority of the HFSRB and IDPH, and enter into a transfer agreement for the proposed surgery center.

Sincerely,



Carol Brockmiller, CMPE
Chief Executive Officer
Quincy Medical Group

Enclosure - Prairie Diagnostic Center Discontinuation Appl., Project E-021-18, pgs 1, 8, 30-31

E-021-18

ORIGINAL

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR EXEMPTION PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

RECEIVED

This Section must be completed for all projects.

APR 23 2018

Facility/Project Identification

Facility Name: Prairie Diagnostic Center at St. John's Hospital- Discontinuation of Prairie Diagnostic Center ("ASTC")		
Street Address: 401 E. Carpenter Street		
City and Zip Code: Springfield, 62702		
County: Sangamon	Health Service Area: 3	Health Planning Area: E-01

HEALTH FACILITIES & SERVICES REVIEW BOARD

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: St. John's Hospital of the Hospital Sisters of the Third Order of Saint Francis d/b/a Prairie Diagnostic Center at St. John's Hospital	
Street Address: 800 E. Carpenter Street	
City and Zip Code: Springfield, 62769	
Name of Registered Agent: Amy K. Bulpitt	
Registered Agent Street Address: 800 E. Carpenter Street	
Registered Agent City and Zip Code: Springfield, 62769	
Name of Chief Executive Officer: Dr. Charles Lucore	
CEO Street Address: 800 E. Carpenter Street	
CEO City and Zip Code: Springfield, 62769	
CEO Telephone Number: (217) 535-3989	

Type of Ownership of Applicants

<input checked="" type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship
	<input type="checkbox"/> Other

- Corporations and limited liability companies must provide an Illinois certificate of good standing.
- Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Clare Connor
Title: Partner
Company Name: McDermott Will & Emery LLP
Address: 227 W. Monroe Street, Chicago, IL 60606
Telephone Number: (312) 984-3365
E-mail Address: cconnor@mwe.com
Fax Number: (312) 277-2964

Additional Contact [Person who is also authorized to discuss the application for exemption permit]

Name: NONE

2. Narrative Description

In the space below, provide a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does **NOT** have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

HSHS St. John's Hospital proposes the discontinuation of Prairie Diagnostic Center at St. John's Hospital, a single specialty ambulatory surgical treatment center ("ASTC"). Prairie Diagnostic Center has two procedure rooms and has temporarily discontinued performing cardiac catheterization procedures, in accordance with the Illinois Health Facilities and Services Review Board ("HFSRB") rules, pending approval by the HFSRB of permanent discontinuation.

This project does not include the construction, demolition, or modernization of any existing buildings and there are no project costs.

This is a substantive project because it proposes the discontinuation of a health care facility.

Attachment 10- Discontinuation (Continued)**REASONS FOR DISCONTINUATION**

The applicant shall state the reasons for the discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.130(b) for examples.

The utilization of the operating rooms at this facility to perform cardiac catheterization procedures has declined steadily to the point that keeping it open appears to be unnecessary, particularly as St. John's Hospital, which owns and operates the facility offers the cardiac catheterization service. There are 4 providers (including St. John's Hospital) that offer this surgical service within a 45-minute radius of the facility.

IMPACT ON ACCESS

1. Document that the discontinuation of each service or of the entire facility and whether or not it will have an adverse effect upon access to care for residents of the facility's market area.

Given the declining volumes of cardiac catheterization procedures performed at the surgery center and the ample availability of alternate providers in the region, the applicants do not believe there will be any impact on the availability of the service to area residents.

2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within 45 minutes travel time of the applicant facility.

See Appendix A.

Attachment 20- Safety Net Impact Statement

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.

The applicants believe that the availability of cardiac catheterization procedures in the service area is sufficient enough to ensure that this project will not have a material impact on essential safety net services in the community.

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

The applicants believe that this project will not materially impact the ability of other providers or health care systems to subsidize safety net services due to the declining utilization of the surgery center and St. John's Hospital's ability to provide the services.

3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

The applicants believe that this discontinuation will not have an impact on area safety net providers.

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

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.

See attached table below.

2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information 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 Board under Section 13 of this Act and published in the Annual Hospital Profile.

See attached table below.

3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

None known.