QUORUM HEALTH

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

August 23, 2019

Ms. Courtney Avery
Administrator
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

Re: COE-024-19 – MetroSouth Medical Center
Response to Letter of Concern Dated 8/14/19 and Published 8/22/19

Dear Ms. Avery:

We understand and appreciate the desire of area legislators for MetroSouth Medical Center to continue operating as a full-service hospital. But as the exemption application details, that is no longer possible. Hospital representatives have spent two years trying to attract an operator willing to take over the hospital and its medical equipment; outreach was made to more than 40 health systems and hospitals. Local governments were approached with offers to take over the hospital at no cost, but they too declined. Ceasing operations is a most difficult and costly endeavor, but it is a step we must now undertake after having exhausted all other options.

MetroSouth and Quorum Health have done their best to viably operate the hospital in an environment of declining governmental reimbursements and intense competition from numerous area hospitals and outpatient health care facilities; we can no longer sustain the significant and growing annual losses. While we disagree with the above-referenced letter's characterization of our outreach and efforts, and with its description of health care impacts in a region having many other resources, we recognize and respect the legislative effort to "leave no stone unturned." Unfortunately, we are now there, with every effort having been made.

Quorum Health, through its subsidiaries, owns or operates seven other hospitals in Illinois and 19 hospitals in other states. Many of Quorum's facilities are in rural, non-urban communities for which their hospitals are sole providers. Given the company's debt structure and associated debt covenants, Quorum's other hospitals in Illinois and other states would be put at risk if MetroSouth is not closed by the end of Q3 2019. That translates into more than 3,000 jobs in Illinois and 10,000 jobs throughout the country. It also involves many regions without the numerous health care options of the Chicago Southland – such that patient care in those other communities would be put at risk should approval of this COE be delayed. We deeply respect the legislators who represent the communities around MetroSouth, and sincerely wish the circumstances supported the continuation of the hospital – but unfortunately they do not.

The hospital is in the process of scheduling employee job fairs for early September with other areas providers to ease the transition.

Respectfully yours,

Martin Smith
Executive Vice President/COO
Quorum Health Corporation

John Walsh
CEO
Metro South Medical Center