



STATE OF ILLINOIS  
**HEALTH FACILITIES AND SERVICES REVIEW BOARD**

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| <b>DOCKET ITEM:</b><br>C-02   | <b>BOARD MEETING:</b><br>October 30, 2018 | <b>EXEMPTION NUMBER:</b><br>E-044-18 |
| <b>EXEMPTION APPLICANT(S):</b> OSF Healthcare System d/b/a OSF Saint Anthony Medical Center |   |                                      |
| <b>FACILITY NAME and LOCATION:</b> OSF Saint Anthony Medical Center, Rockford, Illinois     |   |                                      |

**STATE BOARD STAFF REPORT**  
**DISCONTINUATION OF A CATEGORY OF SERVICE**

**I. The Exemption Application**

The Applicant requests approval of an application to discontinue the 13-bed pediatric category of service at OSF Saint Anthony Medical Center, 5666 State Street, Rockford, Illinois (#E-044-18). The Applicant is OSF Healthcare System d/b/a Saint Anthony Medical Center. The licensee is OSF Healthcare System d/b/a Saint Anthony Medical Center and the owner of the site is OSF Healthcare System. The exemption is before the State Board because the transaction is a discontinuation of a category of service. The anticipated completion date is December 31, 2018.

**II. Background**

OSF Healthcare System d/b/a Saint Anthony Medical Center is a 254-bed acute care hospital located in Rockford, Illinois. The Applicant states the reason for the proposed discontinuation is that the utilization of pediatric services has been in decline over the past several years to the point that it no longer appears the services are necessary for a separate Pediatric Unit. In addition, as census has declined it has been increasingly difficult to retain and recruit pediatric staff for the unit. The Pediatric unit has had low and declining average daily census (ADC) and occupancy for the last several years. The last five years, the Pediatric Unit has had an ADC and occupancy % as follows:

2013: ADC 1.0, Occ% 7.5%  
2014: ADC 0.6, Occ% 4.9%  
2015: ADC 0.3, Occ% 2.2%  
2016: ADC 0.4, Occ% 2.8%  
2017: ADC 0.3, Occ% 2.3%

There are two additional hospitals located in Rockford; Rockford Memorial Hospital and SwedishAmerican Hospital both provide pediatric services and both have a Level III NICU Unit. OSF Saint Anthony Hospital has transfer agreements in place with the other area hospitals.

**III. Applicable Rules**

The Illinois Health Facilities Planning Act (20 ILCS 3960/6) states the State Board shall establish by regulation the procedures and requirements regarding issuance of exemptions. An exemption shall be approved when information required by the Board by rule is submitted. Projects eligible for an exemption, rather than a permit, include, but are not limited to, change of ownership of a health care facility, discontinuation of a category of service, and discontinuation of a health care facility, other than a health care facility

maintained by the State or any agency or department thereof or a nursing home maintained by a county.

The State Board's rule (77 IAC 1130.500 & 77 ILAC 1130.525) specifies the requirements necessary for a discontinuation of a category of service exemption application to be filed with the State Board. The State Board may, by rule, delegate authority to the Chairman to grant permits or exemptions when applications meet all of the State Board's review criteria and are unopposed [20 ILCS 3960/5].

**The State Board Staff Notes:** No support or opposition letters were submitted and there was no request for a public hearing. All of the requirements of the State Board have been met.

**STATE BOARD STAFF FINDS THE EXEMPTION FOR DISCONTINUATION OF A CATEGORY OF SERVICE IN CONFORMANCE WITH CRITERIA (77 ILAC 1130.500 & 77 ILAC 1130.525)**

