



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

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 FAX: (217) 785-4111

<b>DOCKET ITEM:</b> C-09	<b>BOARD MEETING:</b> January 15, 2019	<b>EXEMPTION NUMBER:</b> E-069-18
<b>EXEMPTION APPLICANT(S):</b> Alexian Brothers-AHS Midwest Region Health Co. d/b/a AMITA Health, Adventist Midwest Health d/b/a Adventist LaGrange Memorial Hospital, and Adventist Health System Sunbelt Healthcare Corporation		
<b>FACILITY NAME and LOCATION:</b> Adventist LaGrange Memorial Hospital a/k/a AMITA Health Medical Center - LaGrange, LaGrange, Illinois		

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

**I. The Exemption Application**

The Applicants (Alexian Brothers-AHS Midwest Region Health Co. d/b/a AMITA Health, Adventist Midwest Health d/b/a Adventist LaGrange Memorial Hospital, and Adventist Health System Sunbelt Healthcare Corporation) propose the discontinuation of a 12-bed obstetric category of service. The operating entity/licensee and the owner of the site is Adventist Midwest Health. A Safety Net Impact Statement and Charity Care Information have been provided as required. Impact Letters were sent to hospitals within 10-miles of Adventist LaGrange Memorial Hospital that maintain obstetric services. The expected completion date is February 14, 2019.

The exemption is before the State Board because the transaction is a discontinuation of a category of service.

**II. Background**

Adventist LaGrange Memorial Hospital is a 196-bed hospital located in LaGrange, Illinois. The Inpatient obstetric days at the hospital have declined in recent years. The State Board’s target occupancy for a 12-bed obstetric unit is 65%. The hospital reported in the Annual hospital profile over the past three years the pediatric unit has operated with an average daily census of three patients.

**TABLE ONE**  
**Adventist LaGrange Memorial Hospital**  
**Pediatric Utilization**

Year	2015	2016	2017
Beds	12	12	12
Days	1,257	986	1,047
ADC	3.44	2.70	2.87
Occupancy	28.70%	22.51%	23.90%

The Applicants have stated that the reason for the discontinuation of the obstetric category of service is low census. The obstetric service at the hospital was suspended on June 1, 2018 with a letter to the State Board and the Department of Public Health. The Applicants note that AMITA Medical Center – Hinsdale is within 10 minutes of Adventist LaGrange Memorial Hospital. The two hospitals have a common Medical Staff and management and during the 5-month period until this exemption application was filed the Applicants have referred obstetric patients to the Hinsdale facility. The Applicants will be consolidating obstetric services at the Hinsdale facility. The Hinsdale facility has a 37-bed obstetric unit that operated at 57.8% utilization in 2017. The State Board’s target occupancy for an obstetric unit that has more than 26 beds is 78%.

The Applicants do not expect the discontinuation will have an adverse effect on access to care in the hospital’s market area. There are 9 hospitals nearby that offer obstetric patient care.

**TABLE TWO  
Hospitals with Obstetric Services**

Hospital	City	Miles
AMITA Health Medical Center-Hinsdale	Hinsdale	2.5
Elmhurst Memorial Hospital	Elmhurst	7.4
MacNeal Hospital	Berwyn	7.6
Loyola University Medical Center	Maywood	11.7
Palos Community Hospital	Palos Heights	12.5
Westlake Hospital	Melrose Park	13
Advocate Christ Hospital & Medical Ctr.	Oak Lawn	13.1
Little Company of Mary Hospital	Evergreen Park	15
West Suburban Medical Center	Oak Park	15.4

**II. 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)**

**TABLE THREE**

Adventist LaGrange Medical Center Year	Charity Care Information		
	2015	2016	2017
Net Patient Revenue	\$159,802,351	\$160,571,704	\$158,971,897
Amount of Charity Care charges)	\$7,637,693	\$6,375,572	\$6,565,635
Cost of Charity Care	\$1,884,250	\$1,583,864	\$1,607,072
Charity Care as a % of Patient Revenue	1.18%	0.99%	1.01%

# E-069-18 Adventist Medical Center LaGrange - LaGrange

