

201 South Grand Avenue East  
Springfield, Illinois 62763-0002

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June 30, 2012

Proctor Hospital  
ATTN: Chief Executive Officer  
5409 North Knoxville Avenue  
Peoria, IL 61614

Dear Chief Executive Officer:

Pursuant to Public Act 097-0689, for hospitals not identified as Safety Net Hospitals or Critical Access Hospitals, the rates or payments for hospital services shall be further reduced by 3.5%. These reductions apply to reimbursements for both institutional claims payments and the static payment programs.

As your hospital does not meet the criteria for designation as a Safety Net or Critical Access hospital, it is subject to the reduction in reimbursement. All components of claims reimbursement including the DRG or Per Diem base amount, capital for DRG reimbursement, outliers, DSH, MPA, and MHVA will all be calculated using current reimbursement rates and methodologies and then reduced by 3.5%.

The RY 2013 static payment determinations will be performed as usual in July and the results will be published via the State's web site shortly thereafter as in previous years. The individual program breakout sheets published at that time will display the 3.5% reduction in payments.

Reductions to the hospital assessment related payments have been calculated and are attached.

Please provide a copy of this letter to your Chief Financial Officer and Patient Accounts Manager.

Sincerely,

F. N. Kopel, Administrator,  
Division of Finance

## Summary of Payments

<b>Proctor Hospital Peoria</b>			
<b>PAYMENT PROGRAM</b>	<b>FY 12 ANNUAL AMOUNT</b>	<b>3.5% Reduction</b>	<b>FY 13 ANNUAL AMOUNT</b>
High Volume Adjustment Payment:	\$0	\$0	\$0
Inpatient Services Adjustment Payment:	\$386,292	\$13,520	\$372,772
Capital Needs Payment:	\$0	\$0	\$0
Obstetrical Care Payment:	\$331,200	\$11,592	\$319,608
Trauma Care Payment:	\$0	\$0	\$0
Supplemental Tertiary Care Payment:	\$80,454	\$2,816	\$77,638
Crossover Care Payment:	\$0	\$0	\$0
Magnet Hospital Payment:	\$0	\$0	\$0
Ambulatory Procedure Listing Increase Payment:	\$939,735	\$32,891	\$906,844
<b>TOTAL ANNUAL PAYMENT AMOUNT</b>	<b>\$1,737,681</b>	<b>\$60,819</b>	<b>\$1,676,862</b>
<b>MONTHLY PAYMENT AMOUNT</b>	<b>\$144,807</b>	<b>\$5,068</b>	<b>\$139,739</b>
PLEASE NOTE: Actual payment amounts may vary due to rounding.			