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HEALTH FACILITIES &
SERVICES REVIEW BOARD

Mr. Dale Galassie , Acting Chairperson
Illinois Health Facilities Planning Board
Illinois Department of Public Health
525 West Jefferson St., 2nd Floor
Springfield IL 62761

Subject: Written Comments Submitted in accordance with Title 77 - Section 1130.950 Regarding Project 10-056/ Crossroads Community Hospital, Mt. Vernon

August 27, 2010

Dear Mr. Dale Galassie,

On behalf of SSM Health Care, we respectfully request your attention to the issues raised in this letter about the proposed project for Crossroads Community Hospital in Mt. Vernon. As you know, SSM Health Care is making a substantial, long-term investment in Mt. Vernon with Good Samaritan Regional Health Center's replacement hospital. The amount of this investment is approximately \$185 million, and two related, approved projects (the Medical Office Building and Ambulatory Surgery Center) bring the entire investment in our new medical campus to nearly \$240 million. The replacement hospital is now officially obligated, and we are on-schedule to complete all three projects by December 31, 2012 as indicated in our application.

The investment is predicated on the planning board ensuring that the "Health Planning Area F-04" is not over-saturated with hospital beds that cannot be justified by Planning Board guidelines. In addition to protecting SSM's financial investment, we wish to protect the long-term mission of St. Mary's Good Samaritan, as our hospitals serve more people, offer more services, and individually provide more charity care and uncompensated Medicaid services than any other hospital in the planning area (and beyond). We do all of this while keeping our hospitals' charges among the lowest in the region.

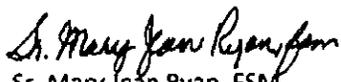
We request your consideration of the following concerns:

1. Community Health Systems has proposed a modernization project for Crossroads Community Hospital which includes 40 Medical/Surgical beds plus an observation unit, in addition to its existing 7 ICU beds. The hospital's 2009 average daily census (Med/Surg) was 14.83. This is consistent with its historical average daily census, which was 14.3 in 2008 as reported on the "Health Facilities Inventory & Data" web page. Using the Board's formula for hospitals with 26-99 beds, Crossroads' bed need would be 19.77 (or 20). Although Crossroads' application cites the need for additional beds because it does not have the "flexibility of hospitals with larger bed complements", this challenge is already accounted for in the Board's established "Target Occupancy Rates", which vary by hospital bed capacity. As proposed, Crossroads' Med/Surg bed count is 200% of the justified need.

2. The two additional physicians referenced in the application do not represent new specialties to the region: The projected additional admissions would be predicated on these physicians pulling market share from like-specialists who already exist in the community, which is not allowable by the Board's criteria. Furthermore, one of the two (Andrew Dickler) is relocating out of state, and received a license to practice in Hawaii in April, 2010.
3. The average daily census referenced above includes observation days. Crossroads' "Hospital Profile" posted on the Inventory & Data web page for 2008 listed 200 observation days contributing to the average daily census that year of 14.3. On page 46 of the application, Crossroads estimates 2-3 patients will be in observation / Critical Decisions Unit each day. These patients are already accounted for in the average daily census. The additional beds in the Critical Decisions Unit are above and beyond the Med/Surg bed need.
4. While not part of the modernization project, the hospital's seven ICU beds should be considered along with the overall application. As shown on the Inventory & Data web page, Crossroads' 2008 average daily census in ICU was 1.5; creating a need (according to the ICU "Target Occupancy Rate") of 2.5 intensive care beds, or a four-bed minimum for ICU. The proposed continuation of seven ICU beds further saturates the overall bed count in the F-04 Planning Area.
5. As of July 20, 2010, the "Inventory of Health Care Facilities / Services and Need Determinations" published on the Planning Board website shows an excess of 113 Medical / Surgical beds and six ICU beds in the F-04 Planning Area.
6. Jefferson County has an unemployment rate of 9.6% according to the Illinois Department of Employment Security. Despite a strained local economy, Crossroads admitted only 50 charity care patients and 260 Medicaid patients in the entire 2009 year, according to the application. Crossroads' apparent selective admission of mostly insured patients only strains the financial viability of an already-approved and obligated Good Samaritan Regional Health Center. The Good Samaritan policy has always been to accept all patients, regardless of ability to pay.

For the reasons cited above, we ask that Crossroads Community Hospital be held to a bed count that is more reasonable and consistent with the Board's established guidelines based on the hospital's actual utilization. Thank you for your consideration.

Sincerely,


Sr. Mary Jean Ryan, FSM
Chair and CEO, SSM Health Care


Sr. Clarette Stryzewski, CSSF
President and CEO, Felician Services, Inc.