

SWEDISHAMERICAN
HEALTH SYSTEM



A Top 100 Hospital
Winner Of The Lincoln Award For Excellence

THOMAS M. MYERS, VICE PRESIDENT, MARKETING, PLANNING AND DEVELOPMENT

February 27, 2014

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

SwedishAmerican Hospital
SwedishAmerican Medical
Center/Belvidere
SwedishAmerican Medical Group/
Belvidere
Brookside Immediate Care
Brookside Specialty Center
Byron
Camelot OB/GYN
Cardiothoracic Surgery
Davis Junction
Five Points
Lundholm Orthopedics
Marengo and Immediate Care
Maternal-Fetal Medicine
Midtown
Neuro & Headache Center
Pulmonary & Sleep Clinic
Rochelle
Rock Valley Women's Health Center
Stateline and Immediate Care
State Street OB/GYN
Valley
Woodside
SwedishAmerican Center For Women
SwedishAmerican Health
Management Organization
SwedishAmerican Home Health
Care & Infusion Services
SwedishAmerican Management
Services Organization
SwedishAmerican Foundation
SwedishAmerican Realty
SwedishAmerican Regional
Cancer Center
SwedishAmerican Wound Care and
Hyperbaric Clinics
Midwest Heart Specialists at
SwedishAmerican
The Heart Hospital at
SwedishAmerican
TriRivers Health Partners

Ms. Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62762

RE: Project No. 13-072 NorthPointe Health and Wellness Campus Ambulatory
Surgery Treatment Center, Roscoe
SwedishAmerican Health System's Response to Staff Report

Dear Ms. Avery:

Please accept this response of SwedishAmerican Health System to the staff report for Project No. 13-072, NorthPointe Health and Wellness Campus Ambulatory Surgery Treatment Center, Roscoe. SwedishAmerican Health System operates two hospitals, SwedishAmerican Hospital in Rockford and SwedishAmerican Medical Center – Belvidere, that will be adversely impacted by the proposed project. Both of our facilities submitted oral and written testimony in opposition to Project No. 13-072 at the public hearing on February 10, 2014.

First, we respectfully note that while the staff report references and includes the written objections of other opponents to the project, the written objections of the SwedishAmerican facilities were not included. The hearing officer's report of the public hearing includes our written objections and we trust that the Health Facilities and Services Review Board will be made aware of those objections.

Second, we also note that the Executive Summary on pages 2 and 3 of the staff report does not identify all of the Review Board standards that the project fails to meet as indicated in the body of the report. Specifically, page 23 of the staff report shows that the project does not appear to be in conformance with several of the project costs components of Criterion 1120.140(c) in that both Architectural/Engineering Fees and Movable/Other Equipment Costs were found to be high when compared to the Review Board's standards. These negative findings are not shown in the Executive Summary.

Third, we further note a significant representational error in one of the attachments to the staff report made by the applicant Beloit Health System. In denying that it is "moving to a better market," the applicant states that its service area "approximates the same level of poverty inherent in the Rockford region..." To the contrary, US Census data show that the percentage of persons below the poverty level in Rockford, where SwedishAmerican Hospital is located, is 25.1% while the percentage of persons below the poverty level in Roscoe, where the proposed project is to be located, is only 5.8%. ***The poverty level in Rockford is over four times the poverty level in Roscoe.***

Copies of the US Census data from the Census Bureau's website for Rockford, Roscoe and Beloit are attached to this letter. The Census data show that the Wisconsin city of Beloit, where the applicant's own hospital is located, has 24% of its population below the poverty level. Again, over four times the poverty level in Roscoe.

Finally, we wish to point out that the data from the permit application that is reproduced on page 15 of the staff report states that "92.5%" of the Illinois patients from the physician referral letters reside near the vicinity of the proposed project. We respectfully note that only 30% of the facility's patients (1,055 of 3,457) are identified as Illinois residents, and according to page 140 of the permit application only 20% of the referring physicians' patients reside in Illinois. As we noted in our prior written opposition from Ms. Dawna Menke, *the hours of surgery on Illinois residents would not support even one OR at target utilization.*

The large majority of the project's Wisconsin patients will have to drive past the applicant's own hospital in Beloit in order to get to Roscoe, and the better alternative to this project would be to improve or expand the applicant's existing facilities at its Wisconsin campus.

We concur with the staff report's finding on page 20 that "no evidence has been provided that the proposed facility is necessary to improve access to care" and we respectfully request that the Illinois Health Facilities and Services Review Board deny Project No. 13-072, NorthPointe Health and Wellness Campus Ambulatory Surgery.

Sincerely,



Thomas Myers,
Vice President Strategy, Marketing & Development
SwedishAmerican Health System

Enclosures: US Census Bureau Quick Facts sheets

State & County QuickFacts

Rockford (city), Illinois

People QuickFacts	Rockford	Illinois
Population, 2012 estimate	150,843	12,868,192
Population, 2010 (April 1) estimates base	152,891	12,830,632
Population, percent change, April 1, 2010 to July 1, 2012	-1.3%	0.3%
Population, 2010	152,871	12,830,632
Persons under 5 years, percent, 2010	7.6%	6.5%
Persons under 18 years, percent, 2010	25.9%	24.4%
Persons 65 years and over, percent, 2010	13.9%	12.5%
Female persons, percent, 2010	51.7%	51.0%

White alone, percent, 2010 (a)	65.1%	71.5%
Black or African American alone, percent, 2010 (a)	20.5%	14.5%
American Indian and Alaska Native alone, percent, 2010 (a)	0.4%	0.3%
Asian alone, percent, 2010 (a)	2.9%	4.6%
Native Hawaiian and Other Pacific Islander alone, percent, 2010 (a)	Z	0.0%
Two or More Races, percent, 2010	3.6%	2.3%
Hispanic or Latino, percent, 2010 (b)	15.8%	15.8%
White alone, not Hispanic or Latino, percent, 2010	58.4%	63.7%

Living in same house 1 year & over, percent, 2008-2012	84.5%	86.8%
Foreign born persons, percent, 2008-2012	10.4%	13.8%
Language other than English spoken at home, pct age 5+, 2008-2012	17.1%	22.2%
High school graduate or higher, percent of persons age 25+, 2008-2012	81.6%	87.0%
Bachelor's degree or higher, percent of persons age 25+, 2008-2012	20.7%	31.1%
Veterans, 2008-2012	10,317	755,256
Mean travel time to work (minutes), workers age 16+, 2008-2012	20.1	28.1
Housing units, 2010	66,700	5,296,715
Homeownership rate, 2008-2012	57.0%	68.0%
Housing units in multi-unit structures, percent, 2008-2012	36.2%	32.9%
Median value of owner-occupied housing units, 2008-2012	\$106,600	\$190,800
Households, 2008-2012	59,387	4,774,275
Persons per household, 2008-2012	2.51	2.62
Per capita money income in past 12 months (2012 dollars), 2008-2012	\$21,579	\$29,519
Median household income, 2008-2012	\$38,157	\$56,853
Persons below poverty level, percent, 2008-2012	25.1%	13.7%

Business QuickFacts	Rockford	Illinois
Total number of firms, 2007	12,102	1,123,817
Black-owned firms, percent, 2007	12.7%	9.5%
American Indian- and Alaska Native-owned firms, percent, 2007	S	0.5%
Asian-owned firms, percent, 2007	S	5.3%
Native Hawaiian and Other Pacific Islander-owned firms, percent, 2007	F	0.1%
Hispanic-owned firms, percent, 2007	3.9%	5.0%
Women-owned firms, percent, 2007	32.5%	30.5%

Manufacturers shipments, 2007 (\$1000)	5,349,767	257,760,713
Merchant wholesaler sales, 2007 (\$1000)	1,871,688	231,082,768
Retail sales, 2007 (\$1000)	2,276,624	165,450,520
Retail sales per capita, 2007	\$14,556	\$12,947

Accommodation and food services sales, 2007 (\$1000) 320,128 25,469,026

Geography QuickFacts	Rockford	Illinois
Land area in square miles, 2010	61.08	55,518.93
Persons per square mile, 2010	2,502.8	231.1
FIPS Code	65000	17
Counties		

(a) Includes persons reporting only one race.
 (b) Hispanics may be of any race, so also are included in applicable race categories.

D: Suppressed to avoid disclosure of confidential information
 F: Fewer than 25 firms
 FN: Footnote on this item for this area in place of data
 NA: Not available
 S: Suppressed; does not meet publication standards
 X: Not applicable
 Z: Value greater than zero but less than half unit of measure shown

Source U.S. Census Bureau: State and County QuickFacts. Data derived from Population Estimates, American Community Survey, Census of Population and Housing, County Business Patterns, Economic Census, Survey of Business Owners, Building Permits, Census of Governments
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State & County QuickFacts

Roscoe (village), Illinois

People QuickFacts	Roscoe	Illinois
Population, 2012 estimate	10,720	12,868,192
Population, 2010 (April 1) estimates base	10,782	12,830,632
Population, percent change, April 1, 2010 to July 1, 2012	-0.6%	0.3%
Population, 2010	10,785	12,830,632
Persons under 5 years, percent, 2010	6.6%	6.5%
Persons under 18 years, percent, 2010	30.4%	24.4%
Persons 65 years and over, percent, 2010	8.5%	12.5%
Female persons, percent, 2010	50.9%	51.0%
White alone, percent, 2010 (a)	91.2%	71.5%
Black or African American alone, percent, 2010 (a)	3.1%	14.5%
American Indian and Alaska Native alone, percent, 2010 (a)	0.1%	0.3%
Asian alone, percent, 2010 (a)	2.1%	4.6%
Native Hawaiian and Other Pacific Islander alone, percent, 2010 (a)	0.0%	0.0%
Two or More Races, percent, 2010	2.0%	2.3%
Hispanic or Latino, percent, 2010 (b)	4.6%	15.8%
White alone, not Hispanic or Latino, percent, 2010	88.5%	63.7%
Living in same house 1 year & over, percent, 2008-2012	86.7%	86.8%
Foreign born persons, percent, 2008-2012	6.4%	13.8%
Language other than English spoken at home, pct age 5+, 2008-2012	7.4%	22.2%
High school graduate or higher, percent of persons age 25+, 2008-2012	91.7%	87.0%
Bachelor's degree or higher, percent of persons age 25+, 2008-2012	27.9%	31.1%
Veterans, 2008-2012	687	755,256
Mean travel time to work (minutes), workers age 16+, 2008-2012	26.5	28.1
Housing units, 2010	4,172	5,296,715
Homeownership rate, 2008-2012	67.5%	68.0%
Housing units in multi-unit structures, percent, 2008-2012	30.7%	32.9%
Median value of owner-occupied housing units, 2008-2012	\$172,000	\$190,800
Households, 2008-2012	3,656	4,774,275
Persons per household, 2008-2012	2.92	2.62
Per capita money income in past 12 months (2012 dollars), 2008-2012	\$26,491	\$29,519
Median household income, 2008-2012	\$69,122	\$56,853
Persons below poverty level, percent, 2008-2012	5.8%	13.7%
Business QuickFacts	Roscoe	Illinois
Total number of firms, 2007	636	1,123,817
Black-owned firms, percent, 2007	F	9.5%
American Indian- and Alaska Native-owned firms, percent, 2007	F	0.5%
Asian-owned firms, percent, 2007	F	5.3%
Native Hawaiian and Other Pacific Islander-owned firms, percent, 2007	F	0.1%
Hispanic-owned firms, percent, 2007	F	5.0%
Women-owned firms, percent, 2007	36.0%	30.5%
Manufacturers shipments, 2007 (\$1000)	0	257,760,713
Merchant wholesaler sales, 2007 (\$1000)	10,766	231,082,768
Retail sales, 2007 (\$1000)	157,878	165,450,520
Retail sales per capita, 2007	\$17,973	\$12,947

Accommodation and food services sales, 2007 (\$1000) 12,789 25,469,026

Geography QuickFacts	Roscoe	Illinois
Land area in square miles, 2010	10.36	55,518.93
Persons per square mile, 2010	1,041.0	231.1
FIPS Code	65611	17
Counties		

1: Counties with 500 employees or less are excluded.

(a) Includes persons reporting only one race.

(b) Hispanics may be of any race, so also are included in applicable race categories.

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F: Fewer than 25 firms

FN: Footnote on this item for this area in place of data

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State & County QuickFacts

Beloit (city), Wisconsin

People QuickFacts	Beloit	Wisconsin
Population, 2012 estimate	36,842	5,724,554
Population, 2010 (April 1) estimates base	36,967	5,686,983
Population, percent change, April 1, 2010 to July 1, 2012	-0.3%	0.7%
Population, 2010	36,966	5,686,986
Persons under 5 years, percent, 2010	7.7%	6.3%
Persons under 18 years, percent, 2010	27.1%	23.6%
Persons 65 years and over, percent, 2010	12.0%	13.7%
Female persons, percent, 2010	52.1%	50.4%

White alone, percent, 2010 (a)	68.9%	86.2%
Black or African American alone, percent, 2010 (a)	15.1%	6.3%
American Indian and Alaska Native alone, percent, 2010 (a)	0.4%	1.0%
Asian alone, percent, 2010 (a)	1.1%	2.3%
Native Hawaiian and Other Pacific Islander alone, percent, 2010 (a)	Z	0.0%
Two or More Races, percent, 2010	4.4%	1.8%
Hispanic or Latino, percent, 2010 (b)	17.1%	5.9%
White alone, not Hispanic or Latino, percent, 2010	63.5%	83.3%

Living in same house 1 year & over, percent, 2008-2012	83.6%	85.8%
Foreign born persons, percent, 2008-2012	9.1%	4.6%
Language other than English spoken at home, pct age 5+, 2008-2012	17.1%	8.6%
High school graduate or higher, percent of persons age 25+, 2008-2012	77.3%	90.2%
Bachelor's degree or higher, percent of persons age 25+, 2008-2012	13.9%	26.4%
Veterans, 2008-2012	2,139	423,264
Mean travel time to work (minutes), workers age 16+, 2008-2012	21.6	21.6
Housing units, 2010	15,177	2,624,358
Homeownership rate, 2008-2012	63.0%	68.6%
Housing units in multi-unit structures, percent, 2008-2012	23.9%	25.3%
Median value of owner-occupied housing units, 2008-2012	\$88,600	\$169,000
Households, 2008-2012	13,869	2,286,339
Persons per household, 2008-2012	2.56	2.42
Per capita money income in past 12 months (2012 dollars), 2008-2012	\$18,427	\$27,426
Median household income, 2008-2012	\$38,047	\$52,627
Persons below poverty level, percent, 2008-2012	24.0%	12.5%

Business QuickFacts	Beloit	Wisconsin
Total number of firms, 2007	2,003	433,797
Black-owned firms, percent, 2007	8.5%	2.6%
American Indian- and Alaska Native-owned firms, percent, 2007	F	0.6%
Asian-owned firms, percent, 2007	F	1.6%
Native Hawaiian and Other Pacific Islander-owned firms, percent, 2007	F	S
Hispanic-owned firms, percent, 2007	3.0%	1.3%
Women-owned firms, percent, 2007	S	25.9%

Manufacturers shipments, 2007 (\$1000)	1,522,900	163,563,195
Merchant wholesaler sales, 2007 (\$1000)	297,935	59,996,244
Retail sales, 2007 (\$1000)	467,068	72,283,321
Retail sales per capita, 2007	\$12,713	\$12,904

Accommodation and food services sales, 2007 (\$1000) 53,648 9,247,311

Geography QuickFacts

	Beloit	Wisconsin
Land area in square miles, 2010	17.37	54,157.80
Persons per square mile, 2010	2,127.8	105.0
FIPS Code	06500	55
Counties		

(a) Includes persons reporting only one race.
 (b) Hispanics may be of any race, so also are included in applicable race categories.

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