

November 24, 2014

Mr. Mike Constantino
Supervisor, Project Review Section
Illinois Health Facilities and Services Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

RECEIVED

NOV 26 2014

HEALTH FACILITIES &
SERVICES REVIEW BOARD

RE: St. Elizabeth's Certificate of Need/Project # 14-043

Dear Mr. Constantino,

St. Elizabeth's Hospital has been a part of my family's history since before I was born. Virtually every member of my family has been treated at St. Elizabeth's, but it's more than that. My parents were married in the St. Elizabeth's chapel, due to renovations going on at St. Peter's Cathedral at the time, so there is an additional sentimental value to the hospital's existence in Belleville. I was born at St. Elizabeth's, as was my daughter and my sister. My father passed there in the ICU as well. The staff at the hospital are excellent and are truly dedicated to the care of their patients. Sentimental value aside, the medical value of St. Elizabeth's Hospital's location in downtown Belleville cannot be understated.

Late in the evening of January 5th of this year, my wife called for me from our second floor that our son was having a seizure. Our son did not have a history of seizures, so you can imagine how frightened and concerned we were as parents. We called 911 and an ambulance was dispatched to our home. However, January 5th was the night of the "polar vortex" blizzard of 2014 that left nearly two feet of snow on the ground. The ambulance arrived nearly 20 minutes after it was dispatched. The EMTs loaded my son in the ambulance and headed for St. Elizabeth's. We live very near to the hospital, which is one of the reasons we purchased a home in that area. In fact, we can see St. Elizabeth's from our front windows. Due to the snow storm, a trip that would normally have taken 60 seconds took nearly 15 minutes. Had we had to go to Memorial Hospital, which is on the other side of town, my son would not have been treated for possibly an hour or more.

My son received excellent care at St. Elizabeth's and we could not have been more pleased with how everyone was treated. Thankfully, he was discharged that night. The hospital's proximity to our home near downtown Belleville was vital in my son's treatment. The contention by HSHS that the new hospital is "only" seven miles away would have been of little consolation if we had been forced to take our son to O'Fallon as opposed to the hospital that we can see from our living room window. That seven miles takes me nearly 30 minutes to drive, due to traffic, on any given day when the weather is nice. I can't imagine how long it would have taken during the snow storm of January 5th.

Please let this letter serve as my opposition to any Certificate of Need that takes St. Elizabeth's Hospital out of Belleville. Thank you.

Sincerely,



Eric Schauster
500 W. Cleveland Ave.
Belleville, IL
ericschauster@yahoo.com

Mr. Mike Constantino
Supervisor, Project Review Section
Illinois Health Facilities and Services Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

I am writing this letter in **opposition** of St. Elizabeth's Hospital relocating from the City of Belleville (Project # 14-043).

I have lived in Belleville since 1976. With a family of five I have had numerous occasions to access health care at St. Elizabeth's Hospital. From sprained ankles, births of babies in the family and complicated heart procedures it has been there for my family and is a fine institution.

Having said that I would like to put away those personal, some would argue selfish, thoughts and express my concern for the region of Southern Illinois. I sincerely believe that it is a mistake to have two hospitals so close to each other. If I were ever going to support relocating St. Elizabeth's Hospital it wouldn't be north of Belleville and it certainly wouldn't be sitting immediately next to an existing hospital. That makes no sense to me. There are many communities south of Belleville that would have to endure the traffic and increased time to reach either of the two hospitals in O'Fallon if they were both located there.

If St. Elizabeth's Hospital absolutely cannot make their current location work then I would urge them to consider moving to the southernmost boarder of Belleville immediately adjacent to State Route 159. Or they might consider moving further east near Southwestern Illinois Community College. I am confident that the two could partner and have a first class nursing program. Additionally they would be closer to Scott AFB, which I believe they have already partnered with for healthcare of our men and women in the military.

Please consider the above and deny the Certificate of Need requested by St. Elizabeth's Hospital.

Respectfully



James Spargur

9 Nob Hill Lane
Belleville, Illinois 62220

Please keep St. Elizabeth's Hospital in its current location. A move to the O'Dallon, St., Shelb., St. etc would be very unfair to patients with limited transportation resources to access care.

Memorial Hospital ^(East) going to be located less than 2 miles away. St. Elizabeth's move from Pulleville will strain capacity at Memorial West because they are leaving our community and because they are cutting beds and services for area patients.

Moving 1200 jobs out of the city would leave a void in the core of downtown. Businesses and home-owners would be impacted by a loss in property values.

Sincerely
Roger Lowery

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

REVISED

RECEIVED

NOV 26 2014 ORIGINAL



HEALTH FACILITIES & SERVICES REVIEW BOARD

4C

CITY OF EAST SAINT LOUIS
CITY COUNCIL • LEGISLATIVE BILL
301 RIVER PARK DRIVE, EAST SAINT LOUIS, IL 62201
PHONE (618) 482-6664 FAX (618) 482-6648

LEGISLATIVE BILL FORM

O-Ordinance
X R-Resolution
Bill No. 14-20065

Title: A Resolution in Opposition to Certificate of Need Application Submitted to the Illinois Health Facilities and Services Review Board by St. Elizabeth's Hospital of the Hospital Sisters of the Third Order of St. Francis for Proposed Hospital Replacement Project

Account Code No.: Title:

Availability of Funds: [x] Yes [] No [] N/A [] Pending:

CITY COUNCIL COMMITTEE ACTIONS
Assigned:
Date:
X Community Development [] Public Works
Public Safety [] Finance
[] Government Operations
[] APPROVE
[] DISAPPROVE
[] OTHERS:

Committee: Date:
[] []
[] APPROVE
[] DISAPPROVE
[] OTHERS:
COMMENTS:

EXPLANATORY STATEMENT
To support the keeping of a hospital in Downtown Belleville, maintaining access of healthcare by East St. Louisans.

Date Prepared: November 25, 2014
Office Of The Mayor
ORIGINATING DEPARTMENT
Alvin L. Parks, Jr. 11/25/2014
DIRECTOR'S APPROVAL Date

OTHER DEPARTMENT(S) AFFECTED
DEPARTMENT:
SIGNATURE Date
DEPARTMENT:
SIGNATURE Date
SPONSORS

SIGNATURE Date
RECEIVED BY:
SIGNATURE Date

RECEIVED

RESOLUTION IN OPPOSITION TO CERTIFICATE OF NEED
APPLICATION SUBMITTED TO THE ILLINOIS HEALTH FACILITIES
AND SERVICES REVIEW BOARD BY ST. ELIZABETH'S HOSPITAL OF
THE HOSPITAL SISTERS OF THE THIRD ORDER OF ST. FRANCIS &
FOR PROPOSED HOSPITAL REPLACEMENT PROJECT REVIEW BOARD

WHEREAS, it is the obligation of the Centreville Township Board of Trustees is to act in the best interests of its citizens;

WHEREAS, access to health care is a fundamentally important issue for the citizens of Washington Park;

WHEREAS, the citizens of Centreville Township would have a notably harder time accessing healthcare in O'Fallon, far more so than they have for years in Belleville;

WHEREAS, the Centreville Township Board of Trustees believes that two new hospitals within a mile of Exit 16 in O'Fallon/Shiloh would be an unnecessary duplication of services and adversely impact access to healthcare;

WHEREAS, the proximity of a new hospital to I-64 is of no value to citizens within our community who are reliant upon public transportation to access healthcare;

WHEREAS, the Centreville Township Board of Trustees believes in progress and in the importance of access to modern healthcare, but not at the expense of underserved communities and not in a way that impedes access to care for impoverished citizens throughout the Metro East region;

WHEREAS, the Centreville Township Board of Trustees wants its citizens to know this it is important that our voices be heard;

Now, therefore, be it resolved by the Board of Trustees of the Township of Centreville, Illinois, as follows:

RESOLVED, that Centreville Township would invite a modern St. Elizabeth's Hospital pursued in Belleville, which, along with the surrounding communities, has supported it for the last 140 years and grown to depend on St. Elizabeth's Hospital for its healthcare; and

RESOLVED, that the Centreville Township Board of Trustees opposes Projects 14-043 and 14-044 to establish a new St. Elizabeth's Hospital in O'Fallon;

RESOLVED, that Centreville Township calls upon its citizens and the citizens of the surrounding communities to let our voices be heard – and submit comments to the Illinois Health Facilities and Services Review Board; and

PASSED by the Board of Trustees of the Township of Centreville, Illinois, on this ____ day of October, 2014 on the following roll call vote:

	YES	NO	ABSENT	PRESENT
Supervisor McCall	<u>X</u>	_____	_____	_____
Trustee Holmes	<u>X</u>	_____	_____	_____
Trustee Myers-Corley	<u>X</u>	_____	_____	_____
Trustee Haywood	<u>X</u>	_____	_____	_____
Trustee Radford	<u>X</u>	_____	_____	_____

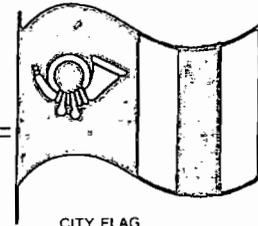
APPROVED BY THE Township Board on 10/15, 2014

James I. McCall
Township Supervisor

ATTEST:

Byron Taubert
Township Clerk

CITY OF BELLEVILLE, ILLINOIS



CITY FLAG
DESIGNED BY
FREDRICK L. LANGE
JULY 6th 1964



Economic Development & Planning

101 South Illinois Street
Belleville, IL 62220-2105
Office: (618) 233-6810 x250
Fax: (618) 355-4209

November 25, 2014

Mr. Mike Constantino
Supervisor, Project Review Section
Illinois Health Facilities and Services Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Dear Mr. Constantino:

The City of Belleville considered commissioning a study to assess the financial impact that would be had upon the community if St. Elizabeth's were allowed to leave the Belleville community. Fortunately, Belleville did not have to incur that cost because through our use of the Freedom of Information Act, we were able to obtain the documentation that St. Elizabeth's provided to O'Fallon to interest them in being the site for their new hospital.

St. Elizabeth's provided an economic impact study they prepared with the assistance of the Illinois Hospital Association. Their report details creating 2,000 jobs and an annual economic impact of \$313 million for the community. Belleville has worked incredibly hard to rebuild over the last decade. Belleville can ill afford to lose the "1,300 healthcare employees," or the "additional 700 jobs" created for the local economy by the spending of St. Elizabeth's Hospital employees, or the additional \$16,516,000 that is generated for the local economy each year based upon St. Elizabeth's capital spending.

Presumably, it was this same financial information that was the motivation for O'Fallon agreeing to create a Tax Increment Finance (TIF) district, to annex unincorporated land into O'Fallon to house the proposed new hospital, and to commit to spending millions of dollars of taxpayer money to pay for the mine remediation that St. Elizabeth's considered necessary for it to build in O'Fallon.

However, St. Elizabeth's is acting as if this financial boon it has utilized to entice O'Fallon will not equate to a financial harm to befall Belleville. The stark reality is that it does and it will. The efforts of Belleville to weather the economic storm and to revitalize its downtown community could all be undermined (no pun intended) if St. Elizabeth's is allowed to abandon its downtown hospital in favor of a new hospital in the more affluent O'Fallon/Shiloh community.

Fortunately, the Health Facilities and Services Review Board does not have to take our word for it. They can rely on St. Elizabeth's own evaluation in the attached report.

Sincerely,

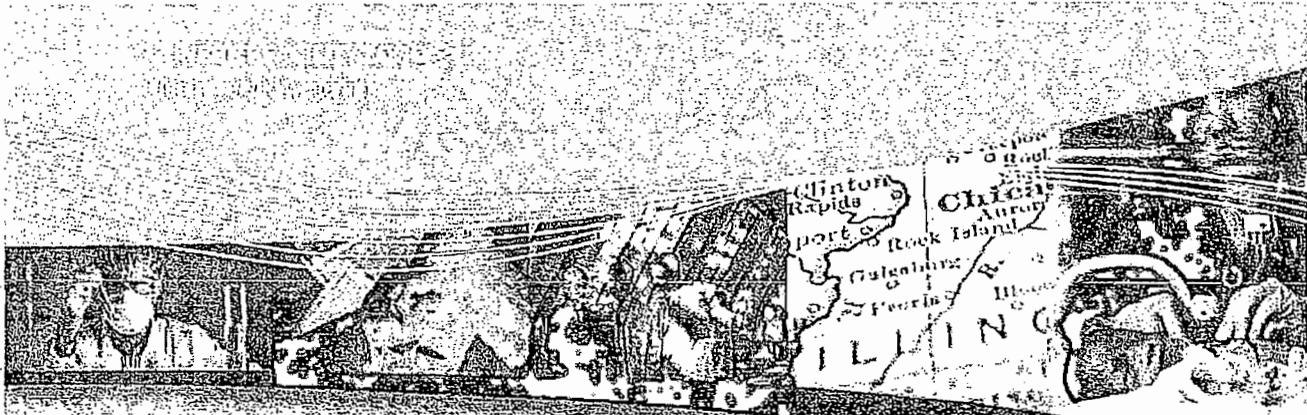
A handwritten signature in blue ink, appearing to read "Eric Schauster".

Eric Schauster
Economic Development Specialist/Grants Coordinator

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HEALTH FACILITIES &
SERVICES REVIEW BOARD



What's at Stake

St. Elizabeth's Hospital

Our Impact on the Economy and
Our Community

September 2010



How St. Elizabeth's Hospital Contributes to Our Economy and Community



St. Elizabeth's Hospital invests in the health of our community in many ways. We provide essential medical services 24 hours a day, 365 days a year. We provide a variety of innovative preventive and community services that improve the health of citizens.

An increasingly important way St. Elizabeth's Hospital keeps our community healthy is by supporting the local and state economies. We are a vigorous economic engine for our community and for Illinois.

This report, prepared with assistance of the Illinois Hospital Association, highlights the significant role St. Elizabeth's Hospital plays in our community. It identifies and measures the direct involvement of our hospital on the local economy and demonstrates the "ripple" effect of the dollars the health care sector brings into the community and the jobs it helps create. In addition, it illustrates the ways we provide for a safe, stable, and healthy community.

ST. ELIZABETH'S HOSPITAL: AN ECONOMIC ANCHOR FOR OUR COMMUNITY

Every year St. Elizabeth's Hospital serves thousands of community residents and helps keep our community strong by providing health care that helps people to be productive citizens. St. Elizabeth's Hospital is also critical to the economic viability of our community as a major source of employment and purchaser of goods and services.

For each hospital
job, an additional
1.1 Illinois jobs
are created
statewide.

St. Elizabeth's Hospital Direct and Indirect Impact on Our Community

JOBS	2,000
ECONOMIC IMPACT	
Payroll	\$140,211,000
Supply Purchases.....	\$156,304,000
Capital Spending	\$16,516,000
TOTAL IMPACT	\$313,032,000

St. Elizabeth's Hospital contributes significantly to the area's economic health. In 2009, the estimated total annual economic impact was \$313,032,000.

Providing Well-Paying, Stable Employment

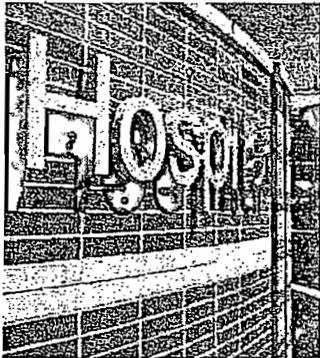
- St. Elizabeth's Hospital has 1,300 health care employees with a total payroll of \$79,019,000. Hospital payroll expenditures serve as an important economic stimulus, creating and supporting jobs throughout the local and state economies.
- Dollars earned by St. Elizabeth's Hospital employees and spent on groceries, clothing, mortgage payments, rent, etc., generate approximately \$140,211,000 in economic activity and create an additional 700 jobs for the local economy.

Stimulating the Local Economy with Purchases of Goods and Services

- St. Elizabeth's Hospital spends about \$88,089,000 per year on the goods and services it needs to provide health care – for example, medical supplies, electricity for its buildings, and food for patients. Funds spent to buy goods and services flow from the hospital to vendors and businesses and then ripple throughout the economy.
- Dollars spent by St. Elizabeth's Hospital generate approximately \$156,304,000 for the local economy.

Building for a Healthier Tomorrow

- In 2009, St. Elizabeth's Hospital spent \$9,308,000 on enhancing and updating buildings and on major medical equipment.
- Capital spending by St. Elizabeth's Hospital generates approximately \$16,516,000 for the local economy per year.



A PLACE OF REFUGE

In today's world, hospitals do even more than provide medical care to the community. Communities can take comfort in knowing that their local hospital always is there, ready to help in an emergency. Hospitals are a place of refuge, food, shelter, and information in times of distress.

[Mention any role that your hospital has played in a natural or non-natural disaster, stressing the community's reliance on your organization. Include any role your hospital has had in emergency preparedness related to individual facility efforts or local efforts.]

A GOOD NEIGHBOR

St. Elizabeth's Hospital has a positive impact on the surrounding neighborhoods. We contribute to civic and cultural programs, make space available to community groups, and improve the environment.

[Include community projects your hospital has been involved in to improve its surrounding neighborhood. Examples could be improving and/or construction of area housing, environmental improvements, working with school programs, etc.]

AN ECONOMIC CATALYST

[Your hospital may be involved with projects or programs that add significant dollars to the regional economy. Following are several examples. Please fill in the blanks where appropriate and adjust your total economic impact figure accordingly.]

Every dollar that Illinois hospitals pay their employees in the form of salaries and benefits generates an additional \$1.40 in income for workers in other industries, statewide.

- **Medical and Nursing Education:** Students in the St. Elizabeth's Hospital teaching/nursing program spend approximately \$____ per year in the community for housing, food, transportation, books, entertainment, clothing, utilities, insurance, and supplies.
 - The medical education program brings approximately \$____ per year into the region from state and federal funding sources.
- **Construction:** Construction activity at St. Elizabeth's Hospital affects the local economy, from the convenience store located down the street to the insurance agent providing policies for the contractors and other companies working on the project. Construction projects totaling approximately \$____ are currently underway at St. Elizabeth's Hospital, generating local jobs and revenue while improving health care delivery for the community.
- **Research:** St. Elizabeth's Hospital medical research programs draw \$____ in funding from sources outside the community per year.
- **Grants:** St. Elizabeth's Hospital is the recipient of a \$____ grant for the purpose of _____ for the years _____.
- **Visitors:** St. Elizabeth's Hospital attracts a variety of visitors, including _____ [e.g., patients' families and friends, vendors, prospective students, students' families, academic visitors who use a variety of community services, including hotels, car rentals, and restaurants.]

CARING FOR OUR COMMUNITY

- St. Elizabeth's Hospital provides vital health care services to our community.

In 2009 we had:

- _____ inpatient visits,
- _____ outpatient visits and procedures, and
- _____ emergency room visits.

[Add others as appropriate, e.g., deliveries.]

- Through programs aimed at educating consumers and preventing disease before it occurs, St. Elizabeth's Hospital saves individuals and the community millions of dollars in treatment costs and lost earnings.

[Mention specific programs from your community service plan or community health programs.]

- Through screening programs, St. Elizabeth's Hospital detects existing medical conditions in the population early, thus lowering the costs of treatment.

[Mention specific programs from your community service plan or community health programs.]

In addition, the hospital contributes to a variety of community service initiatives designed to improve residents' health status and quality of life.

[Mention specific community benefit programs that go beyond traditional medical care.]

CONCLUSION

Hospitals are a key ingredient to Illinois' quality of life and to keeping communities healthy and vibrant. St. Elizabeth's Hospital is a major contributor to both the local and state economies and to keeping families healthy and secure by providing needed health care services.

The data and information contained in this report provide strong evidence that the economic benefit of our hospital on the local and state economies is significant. To continue to attract jobs to and maintain families in Illinois, it is critical that the state have high quality health care providers and services.

We urge our legislators, members of Congress, and community leaders to recognize that our hospital is instrumental in supporting the state and local economy, and steps need to be taken to continue to invest in our state's health care system.



**A Message from the Illinois Hospital Association:
Hospitals are Vital
to All of Illinois**

From rural communities to inner cities, hospitals are a vital part of life in Illinois. Every minute of every day, thousands of people throughout Illinois are providing health care services or receiving services in Illinois hospitals. As partners with our state and federal governments, hospitals provide a solid foundation for our health care system and are a vital segment of the economy. Hospitals are key to keeping Illinois communities healthy and vibrant.

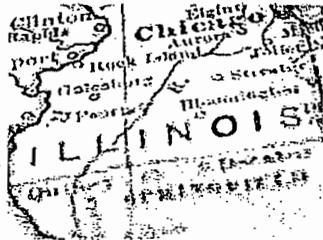
They Boost the Economy...

Illinois hospitals are a fundamental building block for the state and local economy. More than a quarter of a million Illinoisans are employed by Illinois hospitals. As direct employers and purchasers of supplies and investors in capital projects, and as generators of additional jobs and spending by hospital employees and suppliers, their total contribution to the Illinois economy is more than \$75.1 billion annually.

Illinois hospitals pay their employees \$14.8 billion in wages and benefits. In nearly half of the state's counties, hospitals are among the top three employers. These include skilled, family-supporting jobs that are critical to the state's economic recovery.

These jobs generate additional income throughout the state. The salaries paid to these employees are spent in the local economy, creating another 225,900 jobs and resulting in a total impact of 426,700 Illinois jobs. In 2008/2009, annual spending generated by hospital payrolls generated another \$20.7 billion in economic activity, creating a total economic impact of \$35.5 billion from hospital payroll alone.

These hospitals need goods and services in order to continue delivering high-quality care to Illinoisans. They spent \$13.4 billion annually on goods and services for patient care. This led to more employment and spending, further generating an additional \$18.7 billion in economic activity, with a total impact of \$32.1 billion.



Illinois hospitals
contribute more
than \$75.1 billion
annually to the
Illinois economy.

Every dollar that hospitals spend on materials and supplies generates an additional \$1.40 in spending throughout the state.

Hospitals also need capital improvements in order to stay on the cutting edge of health care. Illinois hospitals spent \$3.2 billion annually on buildings and equipment, which generated an additional \$4.4 billion with a total impact from capital improvements of \$7.6 billion. Altogether, Illinois hospitals infused approximately \$75.1 billion into the economy of the state.

The Medicaid program is also a major stimulus to the state economy. Three-quarters of the Medicaid payments to hospitals are from sources other than general state revenues, including taxes paid by hospitals to the state amounting to \$900 million a year. This allows the state to draw down a federal match, generating billions of federal dollars into the Illinois economy for essential health care services. When health care providers receive Medicaid payments, new rounds of spending are promoted, generating new spending and tax revenues for the state.

Illinois faces shortages of health care professionals. To address this, our hospitals invest significantly in workforce development and retention, through such activities as tuition reimbursement and partnering with local colleges to support nursing and other educational programs. This is one more way they contribute to the overall economy.

ILLINOIS HOSPITALS:	RESULTING IN:	
Employ 200,800 FTEs / 255,890 Workers	→ An Additional 225,900 Illinois Jobs	
Expend \$14.8 Billion on Payroll	→ \$20.7 Billion in Salaries in Other Industries	
Spend \$16.5 Billion on Capital, Goods and Services	→ \$23.1 Billion in Other Spending in the State Economy	
IN ILLINOIS HOSPITALS, EVERY:	RESULTS IN:	
Job	→ An additional 1.1 Jobs in Other Industries	
Dollar Spent	→ An additional \$ 1.40 in Spending in the State Economy	

...And Support Their Communities

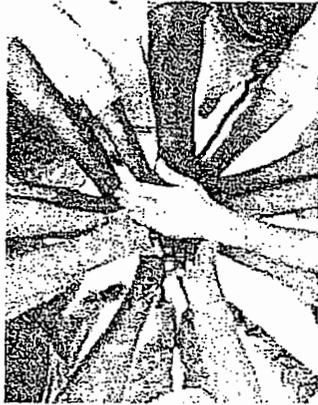
Every year more than 100 Illinois hospitals file annual reports on the benefits they provide to their communities with the Office of the Attorney General. These reports show the monetary value of their contributions, including the cost of the charity care they provide; the underpayment for Medicaid and Medicare patients they absorb; the unpaid debt of patients unable to pay for their care; the cost of subsidizing medical services that bring a financial loss, such as emergency and trauma care; the cost of training the next generation of doctors, nurses, and other highly skilled health care professionals; research not covered by grants; providing free language assistance; donations of meeting space and volunteer time; and free programs addressing community health needs, such as immunizations, nutrition education, support groups, screenings, parenting counseling, and transportation.

The charity care provided by the 109 reporting hospitals in the fiscal years ending through September 30, 2009 was nearly \$500 million, an increase of 17% over the year before and an increase of nearly 100% since 2005. Overall community benefits were more than \$4.86 billion, an increase of more than 4% over the previous year and an increase of more than 32% since 2005.

But the wide range of benefits that Illinois hospitals provide to their communities goes well beyond these numbers. They include innovative programs designed to meet specific needs of their communities, ranging from day care for sick kids to literacy programs, from financial counseling for seniors to psychological counseling for victims of abuse – all created to improve the overall quality of life of the community.

To continue to attract businesses, create jobs, and maintain community health, it is critical that Illinois has strong, adequately funded health care providers. Just as lives depend on our hospitals, our hospitals depend on the support of government and the public.

We urge our legislators, members of Congress, and community leaders to acknowledge that Illinois hospitals are key to the state and local economy, and to take steps to invest in the state's health care system.



Just as lives depend
on our hospitals,
our hospitals depend
on the support of
government and
the public.

CITY OF BELLEVILLE, ILLINOIS

BRIAN D. FLYNN, ASSISTANT CITY ATTORNEY
300 WEST MAIN STREET, SUITE 4
BELLEVILLE, ILLINOIS 62220
(618)233-0480
FAX: (618)233-0601
bflynn@belleville.net



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HEALTH FACILITIES &
SERVICES REVIEW BOARD

Mr. Mike Constantino
Supervisor, Project Review Section
Illinois Health Facilities and Services Review Board
525 W. Jefferson St., 2nd Floor
Springfield, IL 62761

Re: Opposition to Project #14-043 - St. Elizabeth's Hospital Moving to O'Fallon

Dear Sir,

The staff of the Health Facilities and Services Review Board ("HFSRB") did an exceptional job identifying fundamental flaws with the CON application submitted by St. Elizabeth's Hospital. They raised these concerns as a request for additional information. As part of the request – the HFSRB staff wanted to know how many public meetings took place, how many times they met with the City of Belleville leadership, and the incentives provided by the City of O'Fallon.

St. Elizabeth's is portraying a public effort to obtain input and insight as to what was in the best interest of the community. Nothing could be further from the truth.

First and foremost, what is missing from this account are *five years of ongoing and repeated efforts by Mayor Mark Eckert to explore a modern St. Elizabeth's in downtown Belleville*. From 2004 until 2009 Mayor Eckert attempted to, and was successful in engaging St. Elizabeth's in the idea of a new St. Elizabeth's hospital in downtown Belleville. Unilaterally and without any explanation (other than the need to pursue a better payer mix) St. Elizabeth's ceased these discussions. Mayor Eckert attempted to continue discussions about exploring a modern St. Elizabeth's hospital in downtown Belleville from 2010 until 2014 but St. Elizabeth's executives refused to engage Mayor Eckert in any such discussions.

Here is a more complete history:

On December 20th, 2004, Mark W. Eckert became Mayor of Belleville, IL. In early 2005, Tim Brady, then President and CEO of St. Elizabeth's Hospital reached out to the Mayor to explain his plan for a capital campaign to be used to grow the future St. Elizabeth's Hospital *in Belleville, Illinois*. There were multiple meetings and substantial communication – all centered around the notion of a future St. Elizabeth's in Belleville.

In late 2006, Mr. Brady invited Mayor Eckert to a meeting at St. Elizabeth's Hospital *to show drawings and plans to build a new St. Elizabeth's Hospital in downtown Belleville across the street from its current location at 301 West Lincoln*. Mr. Brady wanted to know if the City of Belleville would consider permanently closing off West Lincoln for this project so that St. Elizabeth's Hospital could build a new facility and blend it with parts of their campus that were newer. The St. Elizabeth's Southern Illinois Heart Institute Building was built in 1999 and the newest building at 180 South 3rd was built in 2001. This is a step that the City of Belleville would absolutely undertake. Soon thereafter, Mr. Brady left St. Elizabeth's Hospital and a new interim CEO, Kevin Shrake, was named.

Mr. Shrake continued working with the city on how to grow and improve our St. Elizabeth's Hospital *in Belleville*. Mr. Shrake invited Mayor Eckert to many meetings at St. Elizabeth's to improve community relations and to continue planning improvements at the St. Elizabeth's Belleville campus. However, in either late-2009 or early 2010 something changed. Suddenly, St. Elizabeth's was no longer interested or willing to discuss any project that included a modern or new hospital in downtown Belleville. The only explanation provided came in a face-to-face discussion in which Mayor Eckert was told that St. Elizabeth's needed to improve its payer mix and, therefore, would be leaving downtown Belleville. No mention of these discussions or the unconditional cooperation that was offered by Belleville is even recounted or acknowledged by St. Elizabeth's. Nevertheless, the City of Belleville remained committed to keeping St. Elizabeth's in its community.

It is beyond misleading and bordering on the dishonest for St. Elizabeth's Hospital to claim that "at no time has the City of Belleville offered the Hospital a site in the City limits." First off, *St. Elizabeth's Hospital already owned enough land downtown to build a brand new hospital!* Second, to claim that the SWIC location was outside the city limits ignores that it is directly adjacent to the city limits and could have easily been annexed and/or incorporated. Perhaps St. Elizabeth's forgot that they had O'Fallon annex the space for their currently proposed hospital and bring it into incorporated O'Fallon before they would commit to the project in O'Fallon. Of course, admitting that would be inconsistent with St. Elizabeth's executives having stood up before the HFSRB last fall and denied that any decision had been made to relocate the hospital from downtown Belleville. That too, goes beyond misleading and rises to the level of approaching dishonest.

Left with no other options, Mayor Eckert began the process of evaluating the potential for a new hospital to be established at Southwestern Illinois College ("SWIC"). Multiple meetings took place between the City of Belleville and Southwestern Illinois College seeking to explore a new campus partnership near the MetroLink station and bus station.

On January 2011, the City of Belleville and Southwestern Illinois College, including the Mayor and college president, Dr. Costello, all went to Springfield and presented their proposal to HSHS. The decision to pursue the O'Fallon site over the SWIC was decided before the spring of 2011 (and well before the fall meeting before the HFSRB when St. Elizabeth's executives denied that discontinuing their AMI services was a first step to relocating the hospital outside of Belleville). Once that decision was made, St. Elizabeth's was no longer willing to engage in any discussions with Mayor Eckert about improvements to the facility at 211 South 3rd Street or establishing a new facility anywhere other than in O'Fallon.

St Elizabeth's makes reference to quarterly meetings – as if these were meetings designed to discuss the modernization of St. Elizabeth's or the possibility of a replacement hospital. This is pure fallacy. The Mayor served on the St. Elizabeth's Hospital Advisory Council from 2007 to 2013. There were quarterly meetings that for the first five years and the Mayor made almost every meeting or sent his administrative assistant. These meetings were with many different community leaders and only general information was discussed including health care laws, doctors with malpractice insurance, and in the last year a brief mention of their looking at future options for St. Elizabeth's Hospital. The subject of parking meters was often the subject of discussion – and certainly not the strategic plans of St. Elizabeth's to abandon downtown Belleville.

When the new CEO, Maryann Reese was appointed on January 17, 2011, Mayor Eckert called Ms. Reese on her first day. He then made several follow up calls. It took Ms. Reese over three months to call the Mayor back and schedule a first meeting and never was she willing to discuss or explore a new St. Elizabeth's in downtown Belleville. After Ms. Reese came on board, there was one meeting a year. On October 2012, the only question that St. Elizabeth's wanted answered was what services did the Mayor want left on the site of the old hospital once they had relocated out to O'Fallon (the Board should remember, of course, that St. Elizabeth's claims that no decision was made as late as fall of 2013). The February 2014 meeting included the Mayor and the city's attorney and, once again, St. Elizabeth's was unwilling to discuss a future for St. Elizabeth's in downtown Belleville. The final meeting in February 2014 included Mr. Silberman whom the City had retained to assist in exploring any remaining potential for the possibility of a future St. Elizabeth's in downtown Belleville. It was at that meeting that St. Elizabeth's announced that it concluded that pursuit of its mission in Belleville was “not survivable” and, once again, was unwilling to discuss a future in Belleville. Most curious about that meeting was when it was asked of St. Elizabeth's -- “would you be willing to have these discussions if the HFSRB does not provide the regulatory approval necessary to relocate to O'Fallon?” the St. Elizabeth's personnel refused to even answer that question.

Belleville has made similar offers to what St. Elizabeth's claims O'Fallon is doing. Admittedly, Belleville did not offer \$10 million for mine remediation because no such remediation would have been necessary to rebuild in downtown Belleville. Belleville could not have offered an incentive package related to land acquisition because St. Elizabeth's already owned more than enough land to build its brand new hospital in downtown Belleville. St. Elizabeth's is obviously hoping the Board will not notice that all of these incentives and concessions were made in 2010 – almost three years before testifying under oath before the Board that no decision had been made about establishing a new hospital outside of Belleville. No doubt there was some formal action that still required being taken and a response like that was carefully crafted by a lawyer – but it was still designed to deceive the HFSRB, just like their conduct has been to deceive the citizenry of Belleville.

What Belleville did offer included:

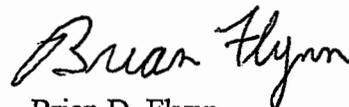
- Identifying land downtown that could support a replacement hospital;
- Exploring tax breaks and additional incentives that could be provided to St. Elizabeth's hospital;
- Exploring alternative uses for all or some of the existing hospital;

- Exploring the potential of partnering with St. Elizabeth's in the establishment of a smaller replacement hospital in the downtown area;
- Identifying outside potential partners who could enter into a joint venture with St. Elizabeth's to increase access to patient care, scope of care, and profitability; and
- Evaluating traffic patterns, potential road closures, or public works projects that would assist in addressing whatever concerns have yielded the desire to abandon the downtown area for O'Fallon.

There is no option that Belleville was not prepared to consider. However, just as St. Elizabeth's communicated to O'Fallon what would be needed before committing to O'Fallon, no such discussions took place with Belleville. No meaningful discussion was had with the City of Belleville to pursue these or other options. No meaningful discussion was had about a new St. Elizabeth's in downtown Belleville since 2009. St. Elizabeth's made its mind up long ago and now wants to somehow place the blame for that on the City of Belleville.

If the HFSRB needs verification, we would recommend asking St. Elizabeth's to explain the timing of their discussions with O'Fallon and both the timing and the various steps taken by O'Fallon to obtain St. Elizabeth's commitment to pursue a new hospital in O'Fallon. Their credibility before this Board can be judged by that once compared to the sworn testimony that has already been presented to this Board. When only presenting a strategic portion of the story, it is difficult to call it the truth.

Sincerely,



Brian D. Flynn

CC: Courtney Avery