

Axel & Associates, Inc.

MANAGEMENT CONSULTANTS

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

July 22, 2015

Mr. Michael Constantino
c/o Illinois Health Facilities and
Services Review Board
525 West Jefferson
Springfield, IL 62761

RE: Project 15029
Highland Park Hospital

Dear Mike:

Enclosed please find a revised ATTACHMENTS 15 and 34 to the above-referenced application.

Should you have any questions, please do not hesitate to contact me.

Sincerely,


Jacob M. Axel
President

enclosures

PROJECT SERVICES UTILIZATION

The proposed project involves only two services, functions or equipment that have associated utilization targets adopted by the IHFSRB: obstetrics beds and the C-Section suite.

Obstetrics Beds

Highland Park Hospital currently operates an obstetrics program consisting of 25 beds, each of which is located in a labor-delivery-recovery-post-partum room (LDRP). Through the proposed project, the number of LDRPs will be reduced to 15. No “traditional” labor-delivery-recovery rooms or “traditional” post-partum rooms are or will be provided.

Highland Park Hospital has reversed a downward trend in obstetrics admissions, and in 2014, a 15.2% increase in obstetrical admissions over the hospital’s 2013 level was experienced. In addition, data for the first four months of 2015 identify a 5.4% increase over the same period in 2014. This reversal is the direct result of two factors: the addition of obstetricians to the hospital’s Medical Staff, and the changing demographics in the hospital’s obstetrics service area. Since October 2014, 8 obstetricians have joined the Medical Staff, and since April 2013, 21 obstetricians have joined the hospital’s Medical Staff. This increase in the number referring obstetricians took place during a period in which the service area’s 20-39 age-group population has experienced growth, and that growth is anticipated to continue. A ZIP Code-specific analysis based on the population estimates and projections developed by GeoLytics for the 20-39 age-group population of the ten ZIP Code areas having the greatest number of obstetrics patients admitted to HPH during 2014 reveals significant growth. Within those ZIP Code areas, which accounted for 51.75% of HPH’s 2014 obstetrics admissions, the population is projected to increase by 11.4% between 2013 and 2018.

The applicants anticipate that the 5.4% increase in utilization experienced during the first four months of this year will continue for the remainder of the year, resulting in approximately 1,461 admissions this year. Because of the recent addition to the Medical Staff, similar growth is anticipated in 2016, with the annual growth rate lowering to 4% in 2017 and 2018, and 3% during the first two years following the project's completion. For planning purposes, the average length of stay for obstetrics patients is projected to remain constant, resulting in 4,142 projected obstetrics patient days during the second year following the project's completion.

C-Section Suite

In 2014, 409 C-Sections were performed at Highland Park Hospital. The resultant C-Section rate was 29.0%, slightly lower than the planning area and the State. That rate is anticipated to remain constant through the second year following the project's completion. As a result, in 2020, approximately 512 C-Sections are projected to be performed. Two C-Section rooms are included in the project because of: 1) the frequency with which both of the hospital's existing rooms are simultaneously in use, and 2) the distance between the unit and the surgical suite, making the use of an operating room as a "back-up" impractical.

Dept./ Service	2014	PROJECTED		STATE STANDARD	MET STANDARD?
	Historical	UTILIZATION			
	Utilization (Patient Days) (TREATMENTS)	(patient days) YEAR 1	YEAR 2		
OB/LDRPs	3,250	4,021	4,142	3,832	YES
C-Section	409	497	512	801	NO

CLINICAL SERVICE AREAS OTHER THAN CATEGORIES OF SERVICE

The proposed project addresses the modernization of only one clinical area that is not an IDPH-designated category of service, but for which a utilization standard has been identified, the hospital's C-Section suite.

Through diligent monitoring and routine minor renovations, the areas addressed through the proposed project, including the C-Section Suite, have remained compliant with applicable life safety codes and licensure and accreditation requirements. The areas have, however, become dated, lack support space and no longer meet contemporary standards.

The hospital's existing C-Section suite consists of two procedure rooms, and the proposed suite will also consist of two procedure rooms. The existing two procedure rooms are only 315 square feet, each, well below contemporary standards, and the suite lacks storage space. In contrast, the proposed procedure rooms will be 472 square feet in size, and support space such as an anesthesia work room, a clean equipment and supply storage room, and a soiled utility room will be provided in the suite.

Based on projected births and the hospital's C-Section rate, it is anticipated that approximately 512 C-Sections will be performed during the second year, following the project's completion. While this level of utilization is below the target utilization level, it has been the hospital's experience that the existing two procedure rooms are frequently in use simultaneously, and unlike some hospitals, the distance between the obstetrical areas and the surgical suite render the use of an operating room for C-Sections impractical.