



SAINT ANTHONY MEDICAL CENTER

VIA OVERNIGHT DELIVERY

October 27, 2015

Ms. Courtney R. Avery
Administrator
Health Facilities and Services Review Board
525 West Jefferson Street
2nd Floor
Springfield, IL 62761

**Re: Response to Safety Net Impact Statement
Rockford Memorial Hospital
Project Nos. 15-038 and 15-039**

Dear Ms. Avery:

OSF Saint Anthony Medical Center in Rockford submits this Response to the Safety Net Impact Statement filed by MercyRockford in connection with its Certificate of Need ("CON") applications for a new hospital and reconfiguration of its existing hospital. MercyRockford proposes to eliminate many critical health care services from its current location in the underserved west side of Rockford and replicate those services to the east side of Rockford. MercyRockford's Safety Net Impact Statement (the "Statement") is a one-page cursory summary that does not describe the full impact of its proposed move nor does it satisfy the requirements of the Illinois Health Facilities Planning Act (the "Planning Act") for a Statement.

According to the Planning Act, "support for safety net services must continue to be [a] central tenet of the Certificate of Need process." 20 ILCS 3960/2. "Safety net services" are defined as services provided by health care providers that "deliver health care services to persons with barriers to mainstream health care due to lack of insurance, inability to pay, special needs, ethnic or cultural characteristics, or geographic isolation." 20 ILCS 3960/5.4(b). MercyRockford's proposed new hospital on the east side and resulting relocation of numerous critical services, such as a Level I Trauma Center, Open Heart Surgery and Cardiac Catheterization Services, away from the west side is contrary to the Planning Act's intent to support safety net services.

I. IMPACT ON THE WEST SIDE COMMUNITY AND ITS RESIDENTS

MercyRockford plans to eliminate many critical health care services at its west side location and move those services to the east side of Rockford, eight miles away from its current location. The proposed move would have a devastating effect on west side residents who depend on those services. MercyRockford is located on the west side of Rockford in proximity to a large federally-designated Health Professional Shortage Area (HPSA). In addition, the area Healthy Community Study reflects that nearly 50% of the population of Winnebago County is medically

RECEIVED

OCT 28 2015

HEALTH FACILITIES &
SERVICES REVIEW BOARD

underserved and most of this population is on Rockford's west side. Many of the community's residents are elderly or indigent, and do not have ready access to transportation. MercyRockford's potential move will reduce access to health care services for west side residents.

A. MercyRockford's Proposed Move Of Critical Services, Including The Level I Trauma Center

Despite the fact that the west side of Rockford is located in a HPSA and is medically underserved, MercyRockford plans to move a number of critical services out of the community, including:

- Level I Trauma Center;
- Cardiac Catheterization Services;
- Open Heart Surgical Services;
- Pediatric ICU;
- Neonatal ICU; and
- Obstetrics.

The elimination of these critical services on the west side will have a harmful effect on the community. Level I Trauma Centers provide immediate, comprehensive care for every kind of injury, and MercyRockford proposes relocating it to the east side. The remaining emergency department on the west side will not even constitute a Level II Trauma Center—MercyRockford plans to seek designation as a comprehensive emergency department, and its emergency department will be reduced from 31 to 17 treatment stations. These changes constitute a severe reduction of services and capabilities compared to a Level I or Level II Trauma Center. In addition, there is no evidence in MercyRockford's Statement or CON applications that it has consulted with IDPH about this serious shift in emergency services in the Rockford community.

IDPH defines Level I Trauma Centers as hospitals participating in an approved EMS system and designated by IDPH to provide optimal care to trauma patients and provide all essential services in-house, 24 hours per day, including:

- 24-hour in-house staffing by trauma surgeons, emergency medicine physicians and anesthesiologists;
- Prompt availability of care in such specialties as: (i) Orthopedic surgery; (ii) Neurosurgery; (iii) Critical care; (iv) Radiology; (v) Internal medicine; (vi) Pediatric; (vii) Plastic surgery; (viii) Oral and maxillofacial (jaws and face); and
- Resources to welcome and treat patients who are referred by non-Level I Trauma Centers throughout northern Illinois or from other nearby communities, such as Winnebago, Seward and Pecatonica.

Currently, if west side residents are involved in emergencies such as car accidents or gunshot wounds, they would be rushed to MercyRockford. If MercyRockford moves its Level I Trauma Center to the east side, patients with life-threatening emergencies would need to travel at least 25 more minutes in an ambulance to MercyRockford's proposed east side Level I Trauma Center.

As noted in IDPH's *Trauma Center Feasibility Study*, the geographic proximity to a trauma center is important because proximity correlates with prehospital transport time. The farther away a patient is from a trauma center, the longer it may take to travel to the trauma center, and "longer transport times often contribute to a higher mortality."¹ MercyRockford is moving critical emergency services out of the community.

In addition to moving the Level I Trauma Center, MercyRockford plans to move the region's only NICU to the east side of Rockford, as well as leaving the west side with no cardiac catheterization or open heart surgical services. These changes will reduce access for a community that is already medically underserved and will harm Rockford's safety net.

B. MercyRockford Is Significantly Curtailing Emergency Services On The West Side

MercyRockford is reducing its emergency room stations on the west side from 31 to 17, and moving 10 stations to the east side. The majority of Rockford Memorial's patients, however, remain on the west side. Not only are trauma services being removed, but the remaining emergency department will be undersized based on the proximity of the population. In fact, Rockford Memorial's 2014 ED visits at the west side location were 54,338 which justified 28 stations compared to the 17 stations the MercyRockford is leaving on the west side. This is a critical reduction of necessary services, especially given the reduction of physicians and physician services on the west side.

It is not reasonable to assume that patients from the west side will easily make the additional 20 minute drive to a new emergency department located far on the east side. Consequently, the patient demand will continue at the west side location, with little movement to the proposed east side campus. In spite of the addition of immediate care capabilities at the west side location, the facility will not be large enough to accommodate the volumes on the west side. As a result, wait times will be severely extended for patients needing treatment. Should west side patients alternatively seek treatment at other facilities, namely SwedishAmerican and, to a lesser extent OSF Saint Anthony those facilities will encounter increases in emergency room visits that their facilities are not currently designed to handle.

Further, the percentage of people utilizing public transportation is very high on the west side, as demonstrated by the Rockford Area Transportation Study. Public transportation is not a satisfactory way to transport patients that need emergency treatment. Mercy has offered to provide

¹ Illinois Department of Public Health, *Trauma Center Feasibility Study*, Jan. 2, 2015, 2, available at http://dph.illinois.gov/sites/default/files/publications/Trauma_Center_Feasibility_Study.pdf.

shuttle service. However, patients will still need to get to the west side for transport to the east side location. A shuttle bus is not a satisfactory means of transportation for patients needing emergency treatment. The alternatives are extremely long waits at the west side Campus or an expensive ambulance trip.

Notwithstanding that emergency rooms are not intended to be a source of obtaining primary care, the reality is that with the reduction of physician services on the west side, more people will likely utilize the emergency department thereby exacerbating things further for the west side.

C. MercyRockford's Community Benefit Plan

MercyRockford published a 2014-2017 Implementation Plan for its Community Benefit Plan, nowhere disclosing its proposal to discontinue critical health services on the west side of Rockford by moving those services to the east side. In fact, in describing its strategy to improve the general health of individuals living in the primary service area, the Community Benefit Plan states that MercyRockford will "continue to develop and offer various access sites and venues for primary care (adult and pediatric) medical services." Instead, MercyRockford proposes a major shift of its services to a new hospital in a less needy area, thereby reducing access sites and making care more difficult for residents of its primary service area.

MercyRockford also states that it will maintain commitment to the women and children of the community as the "exclusive provider of comprehensive tertiary services (including perinatal, maternal, neonatal and pediatric intensive care services) and ensure excellent outcomes for mothers, infants, and children." MercyRockford does not reveal that it plans to move its pediatric ICU and neonatal ICU to the east side of Rockford, thereby reducing access to its services for west side residents, contrary to its statement to "maintain commitment" to the women and children of its community.

D. Impact On Other Providers In Rockford

The proposed new MercyRockford hospital will be located in a different area of the city, likely drawing patients away from the existing providers in the area. The resulting losses will reduce the ability of the existing hospitals to cross-subsidize safety net services that they currently provide to the community. In addition, west side residents will need to travel to other providers who are closer to the west side, shifting long established patient treatment patterns in the Rockford area.

II. MERCYROCKFORD'S FAILURE TO COMPLY WITH THE ACT'S REQUIREMENTS FOR SAFETY NET IMPACT STATEMENTS

The Planning Act sets forth a number of requirements for applicants to include in Safety Net Impact Statements, including a certification describing the amount of charity care provided by the applicant for the three years prior to the application.

MercyRockford's Statement fails to provide a certification describing the amount of charity care provided over the past three years. Instead, MercyRockford touts itself as the largest area provider of inpatient charity care services in 2013, but it is not actually the largest provider of charity care services in Rockford. In fact, of Rockford's three hospitals, MercyRockford has the lowest average percentage of net revenue dedicated to charity care over the past three years shown in the below table. MercyRockford's total charity care as a percentage of net revenue fell a full two percentage points between CY 2013 and CY 2014.

MercyRockford's new parent entity, Mercy Alliance, Inc., has a history of providing a low level of charity care services in the community. Mercy's Harvard Memorial Hospital reported only 0.2% of charity care as a percentage of net revenue in 2014. The below table further illustrates the charity care services provided by Rockford Memorial Hospital, OSF Saint Anthony Medical Center, SwedishAmerican Hospital, and Mercy Harvard Memorial Hospital over the past three years.

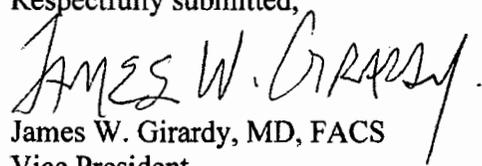
Charity Care Services			
Year	Hospital	Total Charity Care Expense	Total Charity Care as % of Net Revenue
CY 2014	Rockford Memorial Hospital	\$4,779,953	1.4%
	OSF Saint Anthony Medical Center	\$6,924,818	2.1%
	Swedish American Hospital	\$8,666,418	2.2%
CY 2013	Rockford Memorial Hospital	\$10,770,825	3.4%
	OSF Saint Anthony Medical Center	\$10,933,026	3.4%
	Swedish American Hospital	\$11,128,034	3.1%
CY 2012	Rockford Memorial Hospital	\$8,963,540	2.9%
	OSF Saint Anthony Medical Center	\$8,825,481	2.8%
	Swedish American Hospital	\$12,000,213	3.4%
Average Over Last 3 Years	Rockford Memorial Hospital	\$8,171,439	2.6%
	OSF Saint Anthony Medical Center	\$8,894,442	2.8%
	Swedish American Hospital	\$10,598,222	2.9%
CY 2014	Mercy Harvard Memorial Hospital	\$57,976	0.2%
CY 2013		\$150,919	0.7%
CY 2012		\$307,687	1.3%
Average Over Last 3 Years		\$172,194	0.7%

Ms. Courtney R. Avery
October 27, 2015
Page 7

Conclusion

MercyRockford's Statement glosses over key components to safety net services, such as increasing accessibility and reducing barriers to services. The reason that the Statement does not focus on those points is because the proposed new hospital and reconfigured existing hospital will harm the region's safety net and limit access to health care services for Rockford's west side.

Respectfully submitted,

A handwritten signature in black ink that reads "James W. Girardy". The signature is written in a cursive, slightly slanted style.

James W. Girardy, MD, FACS
Vice President
Chief Surgical Officer