February 20, 2016

Ms. Courtney Avery, Administrator
Illinois Department of Public Health
525 W. Jefferson, 2nd Floor
Springfield, Illinois 62761

Re: Application #16-001 Palos Community Hospital

Dear Ms. Avery:

I ask that this letter replace my letter of February 16, 2016 as I have had some more time to think about this issue and to more clearly hone my thoughts relative to this application.

This letter serves to oppose the approval of Application#16-001 in its present form. The proposed expansion of the current campus in Orland Park might potentially have a very positive effect on the community were it not for their plans to destroy the Palos Health and Fitness facility as part of this project. The removal of Palos Health and Fitness is clearly part of this proposed project, yet it is not referenced anywhere in the application. This application is therefore not complete.

In order for the State Board to make an informed decision, the applicant must provide a complete application with an accurate description of the proposed project. Just as the applicant described the proposed new buildings and the positive impacts to community health, the applicant should describe the removal of facilities and programs and the negative impacts to community health. This is what they are removing: Palos Health and Fitness offers the area's strongest preventative and restorative health facilities and programs. Thousands of members have improved their health at this facility and I am one of those thousands. Many hundreds of seniors receive specialized therapy in the pools and physical rehab facilities that are not found elsewhere. Testimony at the well-attended February 18, 2016 public hearing underscores this. This facility is truly a community where people come to improve their health and support others doing the same.

The subject site owned by Palos Community Hospital includes acres of surface parking and available land. There is more than enough space to design around Palos Health and Fitness with the use of underground parking and parking structures. Palos Health and Fitness is only about fifteen years old. It is still very functional and in good shape. Demolition would truly serve as the poster child for a throw-away society. In the application discussion in Section III, Background, Purpose of the Project, and Alternatives, none of the alternatives provided an option to keep Palos Health and Fitness open and build around it, again in keeping with lack of any reference to Palos Health and Fitness in the application. The applicant should be instructed to return with site plan alternatives that include retention of Palos Health and Fitness to get an informed view of the options.

As stated in the application, "Palos Community Hospital is recognized as one of the top hospitals in the area through the delivery of quality inpatient and outpatient medical services, ...and **preventative services**." Palos Community Hospital cannot make this claim if they demolish one of the area's primary providers of preventative health services, Palos Health and Fitness—a place they worked very hard to

successfully build up to what it is today, making it all the more difficult to explain their eagerness to destroy it.

The Notes to Financial Statements includes the following statement: "In January 2015, St. George Assurance, Ltd. was incorporated as a Cayman Islands-based captive insurance company that will provide professional and general liability coverage to the Hospital." They already enjoy not for profit status and avoid paying large sums in taxes. Usually basing something in the Cayman Islands means more tax avoidance. The taxes that Palos Community Hospital avoids paying are paid by other businesses and property owners.

When an entity enjoys the not for profit status, it is obligated to contribute something more to the community. Keeping Palos Health and Fitness open would provide such a contribution to the wellbeing of the community. In order to be fair, the Hospital does provide charity care as part of its community commitment. In Notes to Financial Statements, it states "The estimated cost of charity care provided during 2014 and 2013, was approximately $5,472,000 and $7,044,000 respectively." In a later table in Section XII, the "Cost of Charity Care" in 2014 is listed as $5,172,296 and in 2013 as $5,888,760. It is unclear why those figures differ.

These figures must be based on values assigned to services provided for charity. There must be some standards to ensure accuracy of these values. If Palos Community Hospital is not getting the revenue it seeks out of Palos Health and Fitness, is it possible to similarly assign values to services provided by Palos Health and Fitness as part of its charitable contribution to the wellbeing of the community's health? Based upon the stated charity care numbers, it would appear to be within the capabilities of Palos Community Hospital, especially since they have now teamed up with Loyola.

In summary, if Palos Community Hospital allowed Palos Health and Fitness to continue providing effective preventative and restorative healthcare for thousands of area residents, I would wholeheartedly support their application for the expansion. However, the application in its present state does not warrant such support. Thank you for considering my letter in your deliberations.

Sincerely,

Robert E. Sullivan