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HEALTH FACILITIES &
SERVICES REVIEW BOARD

February 29, 2016

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Mr. Mike Constantino
Illinois Health Facilities and Services Review Board
525 West Jefferson
Springfield, IL 62761

Re: Palos Community Hospital Orland Park Campus Redevelopment (Project No. 16-001)

Dear Mike:

You requested additional information regarding the Palos Community Hospital project, project 16-001 and this correspondence is responsive to that inquiry. With regard to the existing services at the Palos Community Hospital outpatient campus in Orland Park, there are some services at that location provided by the applicant and others provided by other providers, namely professionals including but not limited to physicians. Additionally, Loyola University Medical Center provides chemotherapy (infusion) services and related professional oncology services. The outpatient services provided by Palos Community Hospital at this location include imaging services, behavioral health services, phlebotomist draw room and immediate care services. With regard to other operations at that site, the hospital currently leases space to 21 third-parties engaged in medical and related services.

As far as the planned occupants of the additional building, the reference to physician offices and diagnostic and treatment services references the services provided within the physician office space that is planned. Most of the space will be leased to physicians. Given that there are other professionals like dentists and psychologists in the existing buildings, however, we would expect that the medical office building will have some other professionals in it, not just physicians. Physician and other professional services are diagnostic and therapeutic by their nature which was the reason that was stated on Page five of the application. As explained on page 69 of the application which you and I reviewed on the phone after you had received the application in January, these services will NOT be billed as hospital services but rather as physician practice services. We understood that you expected this application and all related costs of the project would be submitted for consideration by the Illinois Health Facilities and Services Review Board despite the space being non-hospital based in nature because the

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expenditures are planned to be made "by or on behalf of a health care facility" but none of the services will be hospital services.

Finally, with regard to the charity care figures previously provided, thank you for pointing out that we duplicated the cost of charity care for the figure that should have reflected the usual charges associated with services that were provided as charity care. The chart below reflects the correct data. We apologize for the oversight.

Palos Community Hospital 2012 - 2014 Charity Care Data

	2012	2013	2014
Amount of Charity Care (charges)	26,480,804	24,617,511	21,535,736
Cost of Charity Care	6,553,999	5,888,760	5,172,296

Please let us know if you require anything further.

Sincerely,

Kara Friedman

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