



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 FAX: (217) 785-4111

BOARD MEETING: June 2, 2026	PROJECT NO: 26-013	PROJECT COST: Original: \$26,460,706
FACILITY NAME: Sarah D. Culbertson Memorial Hospital	CITY: Rushville	
TYPE OF PROJECT: Non-Substantive		HSA: III

PROJECT DESCRIPTION: The Applicant (Schuyler County Hospital District d/b/a Sarah D. Culbertson Memorial Hospital) is proposing a modernization project consisting of replacing aging mechanical equipment, (ii) constructing a 12,645 square-foot addition to consist of two operating rooms to replace the current one operating room and one procedure room, a new laboratory and main entry, and (iii) renovation of the emergency department. The estimated cost of the project is \$26,460,706 with an estimated completion date of April 30, 2029.

Information regarding this Application for a Permit can be found at this site <https://hfsrb.illinois.gov/project.26-013-sarah-d--culberston-memorial-hospital.html>.

EXECUTIVE SUMMARY

PROJECT DESCRIPTION:

- **The Applicant** (Schuyler County Hospital District d/b/a Sarah D. Culbertson Memorial Hospital) is proposing a modernization project consisting of replacing aging mechanical equipment, (ii) constructing a 12,645 square-foot addition to consist of two operating rooms to replace the current one operating room and one procedure room, a new laboratory and main entry, and (iii) renovation of the emergency department. The estimated cost of the project is \$26,460,706 with an estimated completion date of April 30, 2029.
- **Sarah D. Culbertson Memorial Hospital** in Rushville, Illinois¹ It was founded on **February 15, 1921**, by Dr. Frederick Culbertson and his wife, Sarah DeWitt Culbertson. Located at 238 S. Congress Street in Rushville, the facility opened to address a critical shortage of local medical care in rural Schuyler County. Today, it operates as an **11-bed** Critical Access Hospital serving the residents of Schuyler, Brown, Cass, and southern Fulton counties. When Dr. Culbertson passed away in 1949, he willed the hospital directly to the citizens of Schuyler County. His singular stipulation was that the facility be renamed to honor his late wife, whom he credited as the true reason the hospital existed. In 1950, the hospital transitioned into a public, tax-supported entity under Illinois law, forming the Schuyler County Hospital District.² This restructuring secured its long-term financial survival. Dr. Frederick Culbertson began practicing medicine in the Rushville area in 1910. During the horse-and-buggy era, he faced immense frustration due to poorly maintained, mud-choked rural roads that routinely slowed patient visits. Compounded by the complete lack of a local medical facility, Dr. Culbertson lost many patients and grew disheartened enough to prepare a move back to Chicago. However, his wife, Sarah, a native of nearby Littleton, refused to leave the region. She famously told him, *"If it's a hospital you need, it's a hospital you'll have."* Sarah took the initiative to secure a bank loan herself to fund the building's construction. On opening day in 1921, more than 2,000 local citizens queued for hours to tour the new community asset. Sarah successfully managed the hospital's business operations through the Great Depression and beyond. (Source <https://cmhospital.com/about-us/history>)

WHY THE PROJECT IS BEFORE THE STATE BOARD:

- The project is before the State Board because the project exceeds the minimum capital expenditure (\$17,787,538) in effect at the time of this report.

PUBLIC HEARING/COMMENT:

- No public hearing was requested. Letters of support were provided, and they are included at the end of this report. The State Board has received no opposition letters.
 - State Representative Kyle A. Moore
 - Blessing Health System
 - Quincy Medical Group

¹ **Rushville, Illinois**, is a small, historic city located in West-Central Illinois. It serves as the county seat of Schuyler County and has a population of approximately 2,800 to 3,000 residents. Originally settled in 1823, it was named in honor of Dr. Benjamin Rush, a signer of the Declaration of Independence. Rushville sits at the intersection of U.S. Route 67 and U.S. Route 24. It is roughly 60 miles northwest of Springfield and 10 miles from the Illinois River. Source: Wikipedia

² The **Illinois Hospital District Law (70 ILCS 910/)** is a state statute that governs the establishment, maintenance, and operation of independent public hospital districts in Illinois. Enacted to protect and improve public health, the law allows local communities to create distinct municipal corporations to run public medical facilities. Hospital Districts operate as separate municipal corporations and bodies politic. They remain completely independent of the state government, counties, or other local municipalities. Districts can only be established in counties with a population of fewer than 1,000,000. This restriction explicitly excludes Cook County. Districts are managed by an appointed Board of Directors. Board members serve as public servants without a salary; however, they are legally permitted to seek reimbursement for reasonable out-of-pocket expenses incurred in the course of their duties. The law grants the district the authority to levy public taxes to establish and maintain hospital facilities. If a district levies a property tax, it cannot construct or run facilities outside its established district boundaries unless authorized by a local voter referendum. The Board of Directors holds the authority to sell, lease, or transfer public hospital property. To do this, the board must host at least one public hearing and make the proposal available for public inspection at least 10 days before adopting a corporate resolution. A Hospital District can incorporate territory across multiple municipalities or counties, provided it maintains contiguous borders and does not divide an existing municipality.

- McDonough District Hospital
- Memorial Hospital – Carthage

CONCLUSION:

- Critical Access Hospital historically had difficulty in meeting State Board utilization standards. A critical access hospital is designed for low-volume, rural demand. Their purpose, reimbursement, and operational mandates make it difficult to meet utilization benchmarks. The State Board utilization standards are based on the urban population. In small, sparsely populated rural communities, maintaining a constant daily volume is impossible. Additionally, to qualify for and maintain Medicare cost-based reimbursement as a CAH, the hospital is subject to federal regulation: a CAH may have a maximum of 25 inpatient beds. The annual average length of stay per patient must be 96 hours (4 days) or less. These constraints mean CAHs cannot operate like traditional hospitals. They are meant for rapid stabilization and transfer, not long-term inpatient care. A high utilization rate directly conflicts with the rapid-turnover rules required to keep its Critical Access Hospital designation. CAHs are required to provide 24/7 emergency services regardless of patient volume. Having beds available for acute emergencies—even if they go unused on a typical day—is a non-negotiable life-safety requirement. Measuring a CAH by standard, profitability-driven utilization metrics undermines the safety-net role these facilities provide for this rural population. Critical Access Applicants emphasize that they are access-driven rather than volume-driven. CAHs prioritize maintaining physical capacity to handle immediate medical crises in their remote service areas. (Source: ICAHN, IDPH, CMS)
- The State Board Staff finds the proposed modernization warranted, given the age of the structure and the need for the hospital’s critical access. The Applicants addressed 17 criteria and have not met the following:

Criterion	Non-Compliant
Criterion 77 Adm. Code 1110.120 (b) – Projected Utilization	The Applicant does not meet the State Board Standard for 8,000 X-rays per unit annually. The Applicant plans to replace one of its two X-ray units as part of this Project. The Applicant states that clinically, it is important to have a second X-ray unit at the hospital regardless of utilization. X-ray units are essential for a hospital, particularly in emergency/trauma situations. X-ray units can occasionally be out of service, and it is important to have redundancies.
Criterion 77 Adm. Code. 1120.140 (c) – Reasonableness of Project Costs	<u>Modernization Costs</u> are \$5,228,186 or \$712.00 per GSF. This appears High when compared to the State Board Standard of \$428.55. <u>A&E Fees</u> are \$882,225, which is 14.76% of the new construction, modernization, and contingency costs of \$10,216,898. This appears High when compared to the State Board Standard of 8.44%.



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STATE BOARD STAFF REPORT
Project #26-013
Schuyler County Hospital District
d/b/a Sarah D. Culbertson Memorial Hospital

APPLICATION SUMMARY/CHRONOLOGY	
Applicants	Schuyler County Hospital District d/b/a Sarah D. Culbertson Memorial Hospital
Facility Name	Sarah D. Culbertson Memorial Hospital
Location	238 S. Congress Street, Rushville, Illinois
Application Received	March 17, 2026
Application Deemed Complete	March 18, 2026
Review Period Ends	May 17, 2026
Permit Holder	Schuyler County Hospital District d/b/a Sarah D. Culbertson Memorial Hospital
Operating Entity	Schuyler County Hospital District d/b/a Sarah D. Culbertson Memorial Hospital
Owner of the Site	Schuyler County Hospital District d/b/a Sarah D. Culbertson Memorial Hospital
Project Completion Date	April 30, 2029
Expedited Review	No
Can Applicants Request a Deferral?	Yes

I. **The Proposed Project**

The Applicant (Schuyler County Hospital District d/b/a Sarah D. Culbertson Memorial Hospital) is proposing a modernization project consisting of replacing aging mechanical equipment, (ii) constructing a 12,645 square-foot addition to consist of two operating rooms to replace the current one operating room and one procedure room, a new laboratory and main entry, and (iii) renovation of the emergency department. The estimated cost of the project is \$26,460,706 with an estimated completion date of April 30, 2029.

II. **Summary of Findings**

- A. The State Board Staff finds the proposed project is **not** in conformance with the provisions of Part 1110.
- B. The State Board Staff finds the proposed project is **not** in conformance with the provisions for Part 1120.

III. **General Information**

The Applicant is Schuyler County Hospital District d/b/a Sarah D. Culbertson Memorial Hospital, which operates an 11-bed Critical Access Hospital that primarily provides inpatient and outpatient healthcare services to patients in Rushville, Illinois, and surrounding communities. Financial commitment will occur after project approval. This non-substantive project is subject to a Part 1110 and Part 1120 review.

IV. Health Service Area

Sarah D. Culbertson Memorial Hospital is in Health Service Area (“HSA”) III and the E-01 Hospital Planning Area. HSA III includes the Illinois Counties of Adams, Brown, Calhoun, Cass, Christian, Greene, Hancock, Jersey, Logan, Macoupin, Mason, Menard, Montgomery, Morgan, Pike, Sangamon, Schuyler, and Scott. The E-01 Hospital Planning Area includes the counties of Logan, Menard, Mason, Sangamon, Christian, and Cass Counties; Brown County Townships of Ripley, Cooperstown, and Versailles; Schuyler County Townships of Littleton, Oakland, Buena Vista, Rushville, Browning, Hickory, Woodstock, Bainbridge, and Frederick. There are seven acute care hospitals in the E-01 Hospital Planning Area (See Table One). Table Two documents population estimates for 2025 and the 2030 population projection for the E-01 Hospital Planning Area.

TABLE ONE			
Acute Care Hospitals in the E-01 Hospital Planning Area			
Hospital	City	Beds	Type ⁽¹⁾
Lincoln Memorial Hospital	Lincoln	25	CAH
Mason District Hospital	Havana	25	CAH
Pana Community Hospital	Pana	20	CAH
Sarah D. Culbertson Memorial Hospital	Rushville	11	CAH
Springfield Memorial Hospital	Springfield	500	Acute Care
St. John's Hospital	Springfield	442	Acute Care
Taylorville Memorial Hospital	Taylorville	25	CAH
1. CAH- Critical Access Hospital			

TABLE TWO			
E-01 Planning Area Population Estimate and Projection			
Geography	2025	2030	% Change
Sangamon County	193,500	191,200	-1.19%
Christian County	31,800	30,900	-2.83%
Logan County	27,400	26,600	-2.92%
Mason County	12,400	11,800	-4.84%
Cass County	11,900	11,400	-4.20%
Menard County	11,800	11,500	-2.54%
Townships			
Rushville	2,340	2,280	-2.56%
Buena Vista	1,850	1,800	-2.70%
Versailles	650	635	-2.31%
Bainbridge	560	545	-2.68%
Browning	340	330	-2.94%
Littleton	315	305	-3.17%
Oakland	300	290	-3.33%
Cooperstown	273	268	-1.83%
Woodstock	210	205	-2.38%

TABLE TWO				
E-01 Planning Area Population Estimate and Projection				
Geography	2025	2030	% Change	
Hickory	115	110	-4.35%	
Frederick	105	100	-4.76%	
Ripley	68	65	-4.41%	
Total	295,926	290,333	-1.89%	
Source: IDPH				

V. Hospital

Table Three depicts the utilization at Sarah Culbertson Hospital in 2025.^{3,4} In 2025, the payer mix was approximately 45.4% Medicare, 20.8% Medicaid, 1.7% other public, 29.6% Private Insurance, 2.3% Self-Pay, and 1% Charity Care. The Hospital has been approved for the swing bed program.

TABLE THREE							
Sarah Culbertson Hospital							
2025							
	Beds	ADM	Days	OB Days	ALOS	ADC	Occ
Medical Surgical	11	90	465	254	7.98	2	18.2%
Total	11	90	465	254	7.98	2	18.2%

VI. Project Details

This \$26.4 million modernization project is part of a phased Master Facility Plan for Sarah D. Culbertson Memorial Hospital. The plan aimed to modernize the facility's aging infrastructure to support outpatient healthcare better and incorporate lessons from the pandemic. The hospital expanded its Specialty Clinic and Infusion Center to five clinical pods to host visiting regional specialists. The hospital has been converting its traditional patient wings into private rooms. This shift reduces the facility from 22 multi-patient beds to 12 entirely private and semi-private rooms, each equipped with individual, dignified bathroom and shower facilities for better infection control. The hospital will demolish its original 100-year-old structure to create a clean footprint. A 12,645-square-foot expansion will add two brand-new operating suites with dedicated pre- and post-op areas. The Emergency Department will receive a separate, overhauled entrance. The laboratory, pharmacy, and imaging units will relocate to centrally optimized configurations. According to the Applicant, this project aims to upgrade infrastructure dating back more than 70 years.

³ A Critical Access Hospital (CAH) is a small, rural hospital, often located a significant distance from other hospitals, that provides a limited range of inpatient and outpatient services to rural communities. These hospitals are designated by the Centers for Medicare and Medicaid Services (CMS) to ensure access to healthcare in underserved areas and receive special funding and reimbursement arrangements (Source: CMS).

⁴ A swing bed unit is a designated unit within a small, rural, or critical access hospital that allows patients to transition from acute care to skilled nursing facility (SNF) care, without being transferred to another facility. This Medicare-funded program provides extended hospital-based care for patients who no longer require acute care but need additional recovery time or rehabilitation services. (Source: CMS).

The core focus is to modernize and expand existing surgical services to accommodate specialized procedures. Multiple clinical and non-clinical spaces will be redesigned to optimize patient flow and meet modern provider needs. Comprehensive upgrades will be made to the facility's underlying mechanical, environmental, and support systems. The hospital's main clinical wing was built in 1952. The structure limits the deployment of advanced medical technology and modern care delivery. Because there is no other hospital in proximity, Schuyler County residents currently drive over an hour for essential surgeries. The upgrade allows regional partners, such as the Quincy Medical Group, to continue supplying specialized physicians to the rural community without space constraints.

Master Facility Plan

The Applicant hired Stroudwater Consultants to conduct a master facility plan for facility-wide renovations, restructuring, and upgrades.⁵ The list of facility improvements proved extensive and not financially feasible for a 22-bed Critical Access Hospital to initiate. The full plan would risk the financial stability of the Schuyler County Hospital District. The approved plan is a phased renovation, as listed below.

Phase 1 West Wing Renovation

- Five Outpatient Specialty Clinic care areas
- Expansion of Cardiac-Rehab Cancer Center with private and semi-private treatment rooms
- Dedicated Patient Access Area and Waiting Room

Phase 2 Laboratory Services, Main Entrance, and Patient Access

- Centrally locates and expands Laboratory Services
- Creating a new main entrance to the hospital
- Renovates the main waiting room; creates a new Patient Access Area

Phase 3 Emergency Department Expansion

- Creates a dedicated Trauma Room that can handle isolation patients
- Expands our treatment rooms from four to five
- Creates a centrally located nursing station
- Gives us the capability of having negative-pressure rooms

Phase 4 Imaging Centralization

- Allows all testing for imaging to be completed within the Imaging Department. Currently, Imaging has testing sites located throughout the hospital.

Phase 5 Patient Wing

- Renovates nine patient rooms so that each room has its own toilet, sink, and shower
- Decreases patient beds from 22 to 12 by creating six private patient rooms and three semi-private patient rooms
- Establishes a dedicated staff lounge and staff training area

4. **Stroudwater Associates** is a healthcare consulting firm with nearly four decades of experience dedicated to supporting, sustaining, and amplifying the impact of rural and community healthcare systems across the United States. The firm places a strong, strategic emphasis on Critical Access Hospitals and rural and community hospitals, helping them navigate the financial, operational, and regulatory challenges unique to rural healthcare delivery. Founded in 1985 and headquartered in Portland, Maine, with additional offices in Atlanta, Georgia, and Franklin, Tennessee, Stroudwater delivers strategic, operational, financial, clinical, and analytical solutions to healthcare organizations across more than 40 states each year. Its extensive service offerings include rural affiliations and partnerships, cost report optimization, swing bed optimization, survey readiness, revenue cycle optimization, price transparency initiatives, provider compensation strategies, strategic planning, facility master planning, and much more. <https://www.stroudwater.com/stroudwater-associates-company-profile>

Phase 6 Surgical Services Expansion

- Build two new Surgical suites and one scope room
- Establishes a four-bed PACU unit; creates six pre-procedure patient bays
- Centrally located nursing desk

Source: ICAHN

VI. Project Uses and Sources of Funds

The Applicants are funding this project with a \$20,000,000 mortgage and other sources totaling \$6.5 million.

TABLE FOUR Project Uses and Sources of Funds				
Use of Funds	Clinical	Non-Clinical	Total	% of Total Cost
Preplanning Costs	\$159,712	\$136,051	\$295,763	1.12%
Site Survey and Soil Investigation	\$19,386	\$16,514	\$35,900	0.14%
Site Preparation	\$492,912	\$419,888	\$912,800	3.45%
New Construction	\$4,351,121	\$3,706,510	\$8,057,631	30.45%
Modernization	\$5,228,186	\$4,453,640	\$9,681,826	36.59%
Contingencies	\$749,239	\$638,241	\$1,387,480	5.24%
A&E Fees	\$882,225	\$751,525	\$1,633,750	6.17%
Consulting and Other Fees	\$251,345	\$214,109	\$465,454	1.76%
Movable or Other Equipment	\$1,751,212	\$53,187	\$1,804,399	6.82%
Net Interest Expense	\$170,100	\$144,900	\$315,000	1.19%
Other Costs to be Capitalized	\$1,052,960	\$817,744	\$1,870,704	7.07%
Total	\$15,108,398	\$11,352,308	\$26,460,706	100.00%
Source of Funds	Clinical	Nin-Clinical	Total	% of Total Cost
Mortgage			\$20,000,000	75.58%
Other Funds and Sources			\$6,460,706	24.42%
			\$26,460,706	100.00%

VII. **Background of the Applicant, Purpose of Project, Safety Net Impact Statement, and Alternatives**

Criterion 1110.110 (a) – Background of the Applicants

Criterion 1110.110 (b) – Purpose of the Project

Criterion 1110.110 (c) – Safety Net Impact Statement

Criterion 1110.110 (d) – Alternatives to the Proposed Project

A) **Background of Applicant**

An Applicant must demonstrate that it is fit, willing, and able, and *has the qualifications, background, and character to adequately provide a proper standard of health care service for the community.* [20 ILCS 3960/6] In evaluating the qualifications, background and character of the applicant, HFSRB shall consider whether adverse action has been taken against the applicant,

including corporate officers or directors, LLC members, partners, and owners of at least 5% of the proposed health care facility, or against any health care facility owned or operated by the applicant, directly or indirectly, within 3 years preceding the filing of the application.

The Applicants attest there has been no “adverse action” (as that term is defined in Section 1130.140 of the Illinois Health Facilities and Services Review Board (HFSRB) rules) against any Illinois health care facility owned and/or operated by the Applicants, during the three years immediately before the filing of this application. The Applicants authorized the HFSRB and the Illinois Department of Public Health to access information that may be required to verify any documentation or information submitted in response to the requirements of this subsection or to obtain any documentation or information that the HFSRB or the Illinois Department of Public Health finds pertinent to this subsection. The Applicants have demonstrated *qualifications, background, character, and financial resources to provide adequate service for the community*.

B) Purpose of the Project

The applicant shall document that the project will provide health services that improve the healthcare or well-being of the population to be served in the market area. The applicant shall define the planning area, market area, or other area as the applicant deems appropriate.

The purpose of the project is to maintain access to care near patients' homes and to ensure that access continues. The Applicant states that critical access hospitals operate with much lower volumes than more urban hospitals. Critical access hospitals rely on an enhanced Medicare reimbursement structure to be financially sustainable. The Applicant notes that the Medicare structure is quickly shifting from a fee-for-service model to a managed care model through programs such as Medicare Advantage plans. CMS has set a goal of moving the majority of seniors into managed care by 2030. The Applicant believes the challenge for a critical access hospital is that Medicare Advantage patients are treated as commercial payers, which diminishes Medicare reimbursement. Recent changes in federal policy will increase financial strain on rural hospitals. These changes require hospitals such as the Applicant to adapt to continue meeting the needs of rural communities.

The Applicant stated the Hospital engaged Stroudwater Associates to assist in planning for the future. Stroudwater Associates confirmed that many patients were traveling well over 50 miles for outpatient procedures. This problem, patients traveling over 50 miles, was due to the antiquated perception of the Applicants' surgical facilities. Working with major local physician groups, particularly Springfield Clinic and Quincy Medical Group, the Applicants stated they have developed a structure that better allows patients to have their procedures performed locally. The Applicant believes that, with a modern surgical suite featuring two operating rooms rather than one operating room and one procedure room, the Applicant can schedule surgeons or other specialists to perform multiple procedures on a given day on a rotating schedule. (See Application for Permit pages 72-74)

C) Safety Net Impact Statement

All health care facilities, except skilled and intermediate long-term care facilities licensed under the Nursing Home Care Act, shall provide a safety net impact statement, which shall be filed with an application for a substantive project (see Section 1110.40). Safety net services are provided by healthcare providers or organizations that serve individuals facing barriers to mainstream care, including those who lack insurance,

cannot pay, have special needs, belong to an ethnic or cultural minority, or live in geographic isolation. [20 ILCS 3960/5.4]

This project is a non-substantive project. Non-substantive projects do not require a Safety Net Impact Statement.

D) Alternatives to the Proposed Project

The applicant shall document that the proposed project is the most effective or least costly alternative for meeting the health care needs of the population it will serve.

The Applicants considered five alternatives to the proposed project

1. Do Nothing
2. Build a Replacement Hospital on another site – \$55.7million
3. Construct a Replacement Hospital on the current site - \$74.3 million
4. Pursue a Larger Project – \$32.4 million
5. Pursuing a Smaller Project - \$20.5 million

The Applicant considered maintaining the existing facilities, mechanical infrastructure, and surgical setups without capital investment. This was rejected because the hospital's infrastructure was old, including the primary building, which dates to 1921. The Applicant realized that doing nothing and not upgrading would leave the facility with deteriorating mechanical systems, severe space limitations in the emergency department, and outdated operating spaces that did not meet modern rural clinical standards. The Applicant also considered building a replacement hospital, a larger project, and a smaller project. These were rejected as either too expensive or failing to address the problems identified by the Applicant as necessary.

The proposed project, the Applicant believed, balanced fiscal responsibility with necessary quality upgrades by focusing exclusively on three primary components:

- Demolishing the obsolete 1921 structure to erect a 12,645-square-foot addition featuring two new operating rooms (replacing a single aging OR and procedure room), a modernized laboratory, and a fresh main entryway.
- Completing a targeted renovation of the Emergency Department, alongside selective updates for Imaging, Pharmacy, and administrative suites.
- Overhauling aging mechanical equipment, removing asbestos, and retrofitting code-compliant fire suppression systems.

The Applicant believes that by choosing this option, the hospital minimizes long-term technology and debt risks while maximizing patient access and safety. (See Application for Permit pages 109-112)

VIII. Project Scope and Utilization

- A) 77 Ill. Adm. Code 1110.120 (a) – Size of the Project
- B) 77 Ill. Adm. Code 1110.120 (b) – Projected Utilization

A) Project Size

The applicant shall document that the physical space proposed for the project is necessary and appropriate.

The areas in the Hospital with an identified space standard in the State Board’s rules are as follows: General Radiology, Mammography, Ultrasound, CT Scan, Nuclear Medicine, Emergency Department, Surgical Operating Suite (including Sterile Processing), Post-Anesthesia Recovery Phase I, and Post-Anesthesia Recovery Phase II.

The Applicant states that the amount of proposed space is necessary and not excessive. The Applicant states the new areas developed in this Project have all been designed to be smaller than the maximums allowed in the State’s standards. The Applicant states that the space needs for proposed additions and renovations incorporate the State’s Hospital Licensing Act, as well as developing healthcare standards and accessibility requirements of the Illinois Accessibility Code and ICC A117.1⁶

The State Board Staff review of the proposed gross square footage meets all of the size standards established by the State Board. (See page at the end of this report for Size of the Project)

B) Projected Utilization

The applicant shall document that, by the end of the second year of operation, the annual utilization of the clinical service areas or equipment shall meet or exceed the utilization standards specified in Appendix B.

1. Surgery

The Applicant states that it does not currently have the volume to meet the state standard of 1,500 hours or 80% utilization and will not do so upon project completion. As part of this CON process, the Applicant reviewed the utilization of approximately 50 Critical Access Hospitals in Illinois. The Applicant notes that no critical access hospital meets this standard in either 2023 or 2024.

TABLE FIVE Surgery Utilization			
Years	Cases	Hours	Utilization
2022	253	408	10.88%
2023	419	639	17.04%
2024	495	708	18.88%
2031		1,141	30.43%

⁶ The Illinois Accessibility Code serves as both a **scoping and technical code**. It dictates *which* buildings must be accessible and *how many* accessible features they must have. Conversely, the [ICC A117.1 standard](#) is strictly a **technical guide**. It only provides the exact geometric dimensions and design mechanics (e.g., how wide a doorway must be). (Source: Capital Development Board)

2. General Radiology/X-Ray

The Hospital currently has one CT scanner, one mammography machine, one fluoroscopy unit, one ultrasound unit, one contracted MRI, and two x-ray machines. There will be no change in the number of imaging equipment as a result of this Project.

The Applicant plans to replace one of its two X-ray units as part of this Project. That unit is quite old and lacks digital capabilities. The state utilization standard is 8,000 X-rays per unit. The Applicant states that clinically, it is important to have a second X-ray unit at the hospital regardless of utilization. X-ray units are essential for a hospital, particularly in emergency/trauma situations. X-ray units can occasionally be out of service, and it is important to have redundancies.

TABLE SIX			
General Radiology			
Years	X-Rays	Standard	Utilization
2022	3,885	8,000	48.56%
2023	3,537	8,000	44.21%
2024	3,480	8,000	43.50%
2031	3,476	8,000	43.45%

IX. Criterion 1110.270 Clinical Service Areas Other Than Categories of Services

A. Deteriorated Facilities

The proposed project will result in the replacement of equipment or facilities that have deteriorated and need replacement. Documentation shall include, but is not limited to: historical utilization data, downtime or time spent out of service due to operational failures, upkeep and annual maintenance costs, and licensure or fire code deficiency citations involving the proposed project.

The Applicant states that the Project has several components, including (i) replacing aging infrastructure and mechanical equipment, (ii) removing the obsolete 1920 original building to allow construction of a 12,645 sf South Addition (including Basement) to accommodate a new Surgery department, and (iii) replacing the existing laboratory. The Project also includes a proposed 1,355-sf East Addition to provide a new main entry and additional renovations (clinical and non-clinical) to improve Imaging, Pharmacy, Emergency, Administrative, and public areas. To make way for the proposed South Addition, the outdated 1920 building that houses the Pharmacy, Cashier, Clinic space, and administrative functions will be demolished. To complement the new additions, the Hospital plans to renovate the 1952 and 1978 additions. These improvements include adding sprinklers and fire suppression and performing asbestos abatement throughout the 1952 and 1978 portions of the building.

1. Surgical Suite Replacement/Expansion

The Applicant states that the present operating room was constructed as part of the 1952 addition and is too small to meet the current IDPH standards. This operating room is insufficiently sized for the volume and complexity of surgical cases, particularly orthopedic cases. It lacks adequate space to accommodate the increasing size of the

equipment and technology being used. With only a single operating room, the existing department lacks redundancy and efficiency for setup/clean up between cases.

2. Laboratory

The Applicant states that the current Laboratory department is very difficult for outpatients to access for phlebotomy and has inadequate space to accommodate current and future equipment needs. The proposed laboratory is 45% larger than the existing one to accommodate updated laboratory equipment, functional support spaces, and ADA compliance. The proposed location of the new department provides convenient access to Phlebotomy near the main outpatient entrance.

3. Pharmacy

The Applicant states the current pharmacy department is located within the 1920 building, which will be demolished. The Applicant states that the proposed pharmacy is 20% larger than the existing one, allowing it to maintain the same functionality while providing additional space for equipment and clearances.

4. Renovations and Modernization

The Applicant states that the eastern portion of the existing 1952 building houses public toilet rooms, outpatient clinic functions, and waiting space, which will be converted into reconfigured waiting and reception space, a consultation room, a chapel, and an ultrasound space.

The Applicant states that the western portion of the existing 1952 building houses ultrasound, IT, and the surgery department space. These areas will be repurposed to accommodate public toilets, expanded IT, Mail Room, Storage, Conference room, administrative functions, and Pharmacy. There will also be a dedicated entrance and waiting suite associated with the prison population's use. The northern portion of the 1978 addition will have former Laboratory space repurposed to expand the Emergency Department. Portions of the existing Imaging department will be relocated into portions of the 1952 addition to accommodate the expansion needed for the Emergency Department and development of a new, properly sized CT Scan room.

5. Non-clinical space

The Applicant states the administrative space is currently located in the 1920 building, which will be demolished, and will be relocated to the western portion of the 1952 building. The Project will include the removal and replacement of the Hospital's existing elevator, which is at end-of-life condition, is of inadequate size for freight/deliveries, and is in an undesirable location. This original hydraulic elevator was installed as part of the 1952 building and had outdated electronics, almost obsolete repair parts, and frequent hydraulic leaks. The Project also includes providing an egress stair to access the basement expansion and replacing the existing non-code-compliant stairs. In addition, hazardous materials

(primarily asbestos) will also be removed throughout the hospital. The Project includes the replacement of existing HVAC equipment. Thirteen electric panels need to have feeders, breakers, and panels replaced. Most of these panels were installed in 1952, with old breaker and feeder wiring. These panels are functional, but so old that replacement parts must be purchased for repairs. The Nurse Call system 1 needs to be upgraded for redundancy and UPS. The Project includes replacement and/or addition of plumbing, medical gas, and fire protection equipment. The domestic water tank and associated piping are 25+ years old and need replacement. Fire sprinkler systems will be added throughout the hospital, including previously unprotected spaces in the basement and on the main level.

B. Necessary Expansion

The proposed project must expand diagnostic treatment, ancillary training, or other support services to meet patient service demands. Documentation shall include, but is not limited to, historical utilization data, evidence of changes in industry standards, changes in the scope of services offered, and licensure or fire code deficiency citations involving the proposed project.

Based on the information submitted and reviewed by the State Board Staff, it appears that the proposed modernization expansion is warranted and, should the State Board approve this project, will reduce the need for patients to travel to larger facilities for these procedures, improving access to care within the community.

C. Utilization - Service or Facility

Projects involving the modernization of a service or facility shall meet or exceed the utilization standards for the service, as specified in Appendix B. **The number of key rooms being modernized shall not exceed the number justified by historical utilization rates for each of the last two years unless additional key rooms can be justified per subsection (c)(2) (Necessary Expansion).**

The Table below shows that the Applicants have historically not met the State Board Standard of 80% or 1,500 hours per room and attest that the Hospital will not reach target occupancy by 2029, two years after project completion. The Applicants believe they have met the Necessary Expansion Criterion by stating that two operating rooms are necessary because one would be insufficient to accommodate more than one concurrent emergency or to provide needed redundancy. Recruiting surgeons to use the hospital would be challenging without a second operating room. Hillsboro Health employs no surgeons. Most surgeons do not live in Hillsboro and schedule days to come to the hospital to perform procedures. Requiring a surgeon to be idle while an operating room was being prepared would likely dissuade a physician from coming to the hospital and, consequently, require most patients to travel over 50 miles for surgery.

X. FINANCIAL AND ECONOMIC FEASIBILITY

A) Criterion 1120.120 – Availability of Funds

The Applicants are funding this project with a \$20,000,000 mortgage and other sources totaling \$6.5 million.

TABLE SEVEN			
Medicare Cost Report			
Year	2022	2023	2024
Total Patient Revenue	\$40,279,759	\$55,363,480	\$55,326,311
Contractual allowances	\$17,648,012	\$29,385,787	\$28,432,329
Net Patient Revenue	\$22,631,747	\$25,977,693	\$26,893,982
Operating Expenses	\$21,959,194	\$26,845,994	\$25,294,388
Net Income from service to patients	\$672,553	-\$868,302	\$2,803,349
Other Income	\$7,585,364	\$2,034,422	\$4,402,943
Other Expense	\$13,662	\$0	\$0
Net Income	\$8,244,255	\$1,166,170	\$4,402,943

TABLE EIGHT			
Sarah D. Culbertson Memorial Hospital			
Audited Financial Statement			
February 29, 2024			
	2022	2023	2024
Cash	\$21,295,818	\$20,013,522	\$20,101,524
Current Assets	\$29,837,969	\$26,267,614	\$27,029,413
Total Assets *	\$48,939,350	\$41,813,628	\$48,277,898
Current Liabilities	\$5,228,278	\$1,745,473	\$2,507,445
Total Liabilities	\$6,700,489	\$6,498,667	\$7,972,441
Net Position	\$35,888,549	\$38,004,669	\$42,406,958
Net Patient Revenue	\$26,815,911	\$26,927,693	\$26,893,982
Other	\$1,234,104	\$1,057,019	\$1,524,140
Operating Expenses	\$21,962,999	\$27,984,712	\$25,295,042
Income from Operations	\$6,087,016	\$1,138,717	\$3,123,080
Nonoperating Revenue	\$2,444,732	\$932,063	\$1,220,324
Excess of Revenue over expenses	\$8,531,748	\$2,070,780	\$4,343,404
Increase in Net Position	\$8,713,251	\$2,116,120	\$4,402,289
Operating Margin	22.70%	4.23%	11.61%
Net Margin	31.82%	7.69%	16.15%

*Deferred Outflows are not included in Total Assets: they act like assets but are not assets. Assets have present service capacity (items the hospital can use right now to provide care, such as medical equipment or cash). Deferred outflows have no present service capacity; they are simply expenses that have already occurred or been committed but cannot be recognized in the income statement until a future year. They are always debits. They increase the overall "asset side" of the accounting equation, matching future expenses to the specific years they are intended to affect. They smooth out volatility. Healthcare districts use them to prevent massive, one-time market shocks or long-term financial changes from completely skewing a single year's operating expenses. (GASB 63) Example Pensions

B) Criterion 1120.130 – Financial Viability

The Applicants do not qualify for the financial waiver and have provided the Hospital's financial viability ratios. As shown in the table below, the Applicants have met all the State Board's standards for the presented ratios.

<u>State Standard</u>	<u>Standard</u>	<u>Hospital</u>
Current Ratio:	≥2	10.11
Net Margin Percentage:	≥3.0	9.64
Long-Term Debt to Capitalization:	≤50%	28.04%
Projected Debt Service Coverage:	≥2.5	3.95
Days Cash-on-Hand:	≥75 days	644.79
Cushion Ratio:	≥7	32.54

1. Current Ratio = Current Assets/Current Liabilities

2. Net Margin Percentage = (Net Income/Net Operating Revenues) X 100

3. Long-Term Debt to Capitalization = (Long-Term Debt/Long-Term Debt plus Net Assets) X 100

4. Projected Debt Service Coverage = Net Income plus (Depreciation plus Interest plus Amortization)/Principal Payments plus Interest Expense for the Year of Maximum Debt Service after Project Completion

5. Days-Cash-on-Hand = (Cash plus Investments plus Board Designated Funds)/(Operating Expense less Depreciation Expense)/365 days

6. Cushion Ratio = (Cash plus Investments plus Board Designated Funds)/(Principal Payments plus Interest Expense) for the year of maximum debt service after project completion

C) Criterion 1120.140 (a) – Reasonableness of Financing Arrangements

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

- 1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts, and funded depreciation; or
- 2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
 - A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
 - B) Borrowing is less costly than liquidating existing investments, and the existing investments being retained may be converted to cash or used to retire debt within 60 days.

The Applicants provided the required attestation, signed by the hospital's Chief Financial Officer, on page 151 of the Application for Permit. Based upon the attestation letter, the Applicants have successfully addressed this criterion.

D) Criterion 1120.140 (b) – Conditions of Debt Financing

Applicants with projects involving debt financing shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

- 1) That the selected form of debt financing for the project will be at the lowest net cost available;
- 2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs, and other factors.
- 3) That the project involves (in total or part) the leasing of equipment or facilities, and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

The Applicants provided the required attestation, signed by the hospital's Chief Financial Officer, on page 151 of the Application for Permit. The Applicants attest that the debt financing conditions are reasonable and that the selected form will be available at the lowest net cost. Based upon the attestation letter, the Applicants have successfully addressed this criterion. Loan terms are on pages 152-156 of the Application for Permit.

E) Criterion 1120.140 (c) – Reasonableness of Project Costs

Preplanning Costs are \$159,712, which is 1.02% of the new construction, modernization, contingency, and movable equipment costs of \$15,681,640. This appears reasonable when compared to the State Board standard of 1.8%.

Site Survey, Soil Investigation, and Site Preparation Costs are \$512,298, or 5% of the new construction, modernization, and contingency costs of \$10,072,219. This appears reasonable when compared to the State Board Standard of 5%.

New Construction Costs are \$4,351,121 or \$482.59 per square foot. This appears reasonable when compared to the State Board Standard of \$608.40 per GSF.

Modernization Costs are \$5,228,186 or \$712.00 per GSF. This appears High when compared to the State Board Standard of \$428.55.

Contingency Costs are \$749,239, which is 7.82% of the new construction and modernization costs. This appears reasonable when compared to the State Board Standard of 10-15%.

A&E Fees are \$882,225, which is 14.76% of the new construction, modernization, and contingency costs of \$10,216,898. This appears High when compared to the State Board Standard of 8.44%.

The State Board does not have a standard for these costs:

Consulting and Other Fees	\$251,345
Movable or Other Equipment	\$1,751,212
Net Interest Expense	\$170,100
Other Costs to be Capitalized	\$1,052,960

F) Criterion 1120.140 (d) – Projected Operating Cost

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization, but no more than two years following project completion. Direct costs refer to the fully allocated salaries, benefits, and supplies required to provide the service.

The Direct Operating Costs per Equivalent Patient Day are \$1,292. The State Board does not have a standard for this criterion.

G) Criterion 1120.140 (e) – Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization, but no more than two years following project completion.

The Total Effect of the Project on Capital Costs per Equivalent Patient Day is \$1,982. The State Board does not have a standard for this criterion.

EXPLANATION OF COSTS (Provided by the Applicants)

Schuyler County Hospital District d/b/a Sarah D. Culbertson Memorial Hospital Surgery Addition and Renovations

Upon review of the current Project design, we find that the Project exceeds State Standards for Project Costs for New Construction and Modernization. The following are examples of the circumstances and existing facility conditions that contribute to increased costs:

- The original 1920s-era portion of the hospital building will be demolished to make space for the new Surgery, Recovery, and Lab addition with a partial basement. The addition's footprint is approximately 6,650 gsf larger than the existing space and will require additional fill and earthwork to bring the new floor slab up to a grade that matches the existing building.
- Additionally, the portion of the building exposed after demolition will require a temporary weather enclosure and safety measures while the new utilities, foundations, and other infrastructure are being installed.
- Because the hospital has little space to relocate services temporarily, there are additional costs associated with keeping departments operational by building temporary containment around work zones during four (4) phases of construction, extending the schedule to 108 weeks.
- Approximately 26,450 gsf of this project, not currently protected by a fire sprinkler system, will be retrofitted for full building coverage. This includes work in existing spaces not identified for modernization.
- Replacing boilers, water heaters, condensing units, and other building systems equipment within the existing building while keeping departments operational will require temporary measures to ensure limited interruptions.
- This rural community location adds distance for resources, manpower, and trucking. Most qualified bidders will come from Springfield, Quincy, Galesburg, Peoria, and possibly others. These cities are 57 to 73 miles away, respectively.
- O'Shea Builders will be constructing the Project pursuant to a Guaranteed Maximum Price (GMP) construction contract based on competitive bids procured through advertising. Though this further helps ensure the hospital obtains the best value, we recognize that market inflation and regional cost escalation, including the impact of tariffs on supplies and construction materials, also contribute to higher costs.

O'Shea Builders, Inc.

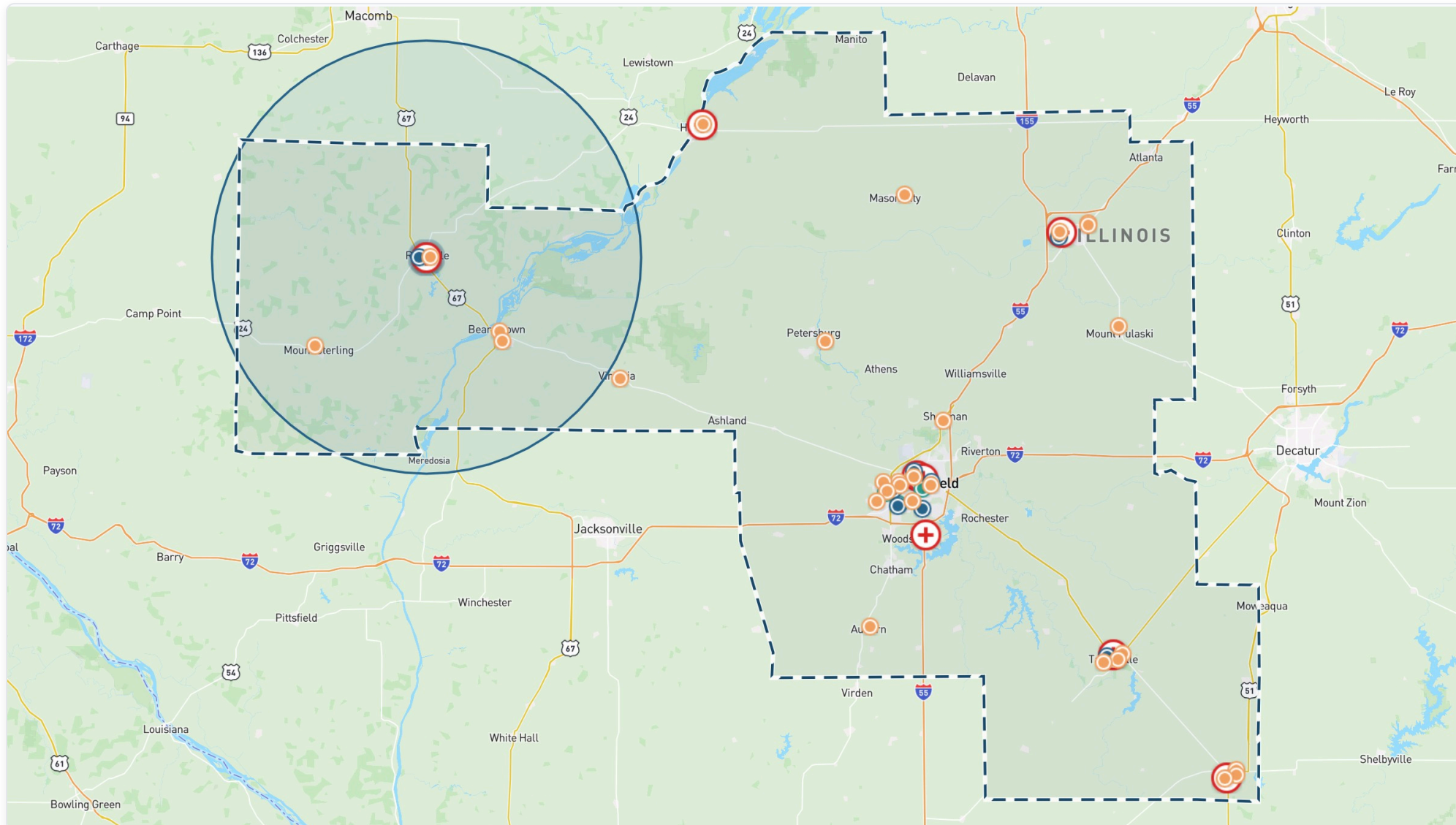


CON Radius & HPA Analysis Report

Geographic inventory of hospital, ASTC, long-term care, ESRD facilities — statutory radius and Health Planning Area shown together

Sarah D. Culbertson Memorial Hospital | Major Modernization Project

CENTER POINT	COUNTY	CLASSIFICATION	STATUTORY RADIUS	HPA	HSA
40.1181°N, 90.5643°W	Schuyler	Rural County (21-mile radius)	21 miles	E-01	3 - Springfield



Supply Comparison — Radius vs HPA

Schuyler County · Springfield Metro

HSA **3 · Springfield** | HPA **E-01** | RADIUS **21 miles** | DATA YEAR **2024**

HOSPITALS

	RADIUS	HPA
Facilities	1	8
Total beds	22	1,158
M-S	22	705
ICU	0	128
OB / GYN	0	59
Pediatric	0	39
NICU	0	56
AMI	0	141
Rehab	0	30

ASTCS

	RADIUS	HPA
Facilities	0	3
Class C cases	0	14,769
Submissions on file	0	3

ESRD

	RADIUS	HPA
Facilities	1	8
Authorized stations	8	99
CMS-certified	8	99
In-center treatments	210	13,828
Year-end patients	0	266

LONG-TERM CARE

	RADIUS	HPA
Facilities	4	27
Licensed beds	274	1,331
Beds set-up	274	1,259
Beds occupied	211	916
Occupancy	77.0%	72.8%

Radius: totals from facilities within the 21-mile statutory radius around the center point. **HPA:** totals from every active facility whose Health Planning Area is E-01, regardless of distance. **Source:** 2024 HFSRB annual surveys.

Demographic Profile — Radius · HPA · Illinois · USA

Schuyler County · Springfield Metro · ACS 2020–2024 5-year estimates

HSA 3 · Springfield | HPA E-01 | RADIUS 21 miles | SOURCE ACS 5-year

STATUTORY RADIUS (21 MI)
Area-weighted tract interpolation

29,185 ± 747
Population **HIGH RELIABILITY**

HEALTH PLANNING AREA E-01
County sum + partial-county interpolation

300,131 ± 4,208
Population **HIGH RELIABILITY**

Benchmarks — Illinois: 12,694,798 · United States: 334,922,499 (official published ACS statewide / national aggregates, same vintage)

POPULATION & AGE				
	RADIUS	HPA	ILLINOIS	USA
Total population	29,185	300,131	12,694,798	334,922,499
Median age†	42.7	42.0	39.0	38.9
Under 18	21.1%	21.3%	21.8%	22.0%
Age 65+	19.7%	19.8%	17.0%	17.2%
Age 75+	7.8%	8.2%	7.0%	7.0%
Female	46.2%	51.0%	50.6%	50.5%

RACE & ETHNICITY				
	RADIUS	HPA	ILLINOIS	USA
White alone	81.2%	82.1%	61.0%	61.0%
Black alone	6.5%	9.3%	13.6%	12.2%
Asian alone	0.7%	1.7%	6.0%	6.0%
AIAN / NHPI / Other	5.5%	1.5%	8.6%	8.2%
Two or more races	6.2%	5.5%	10.9%	12.6%
Hispanic / Latino	12.1%	3.8%	18.8%	19.3%

INCOME & POVERTY				
	RADIUS	HPA	ILLINOIS	USA
Median household income†	\$65,211	\$76,107	\$83,390	\$80,734
Per-capita income	\$31,807	\$41,084	\$46,406	\$44,673
Below poverty	13.4%	12.7%	11.8%	12.5%
Age 65+ below poverty	12.5%	8.8%	11.3%	11.9%

HEALTH COVERAGE				
	RADIUS	HPA	ILLINOIS	USA
Uninsured (all ages)	7.7%	3.8%	6.9%	8.4%
Uninsured under 19	6.3%	1.7%	3.3%	5.5%
Uninsured 65+	0.5%	0.3%	0.9%	0.8%

DISABILITY & ACCESS				
	RADIUS	HPA	ILLINOIS	USA
With a disability	17.1%	14.3%	12.1%	13.3%
Disability, age 65+	33.9%	31.8%	31.5%	32.9%
Households w/o vehicle	5.6%	7.1%	11.0%	8.4%
Limited-English households	3.8%	0.7%	4.4%	4.3%

HOUSEHOLDS & EDUCATION				
	RADIUS	HPA	ILLINOIS	USA
Households	11,451	128,426	5,036,449	129,227,496
Avg. household size	2.29	2.26	2.46	2.53
Renter-occupied	23.2%	27.4%	32.9%	34.8%
Median home value†	\$119,114	\$169,622	\$263,300	\$332,700
High school grad+	86.8%	93.3%	90.5%	89.6%
Bachelor's+	18.6%	30.7%	37.8%	35.7%

Radius / HPA = ACS 2020–2024 5-year, area-weighted census-tract interpolation; **Illinois / USA** = exact published ACS aggregates. † Radius/HPA medians are weighted approximations (tract medians can't be re-summed); IL/USA medians are exact. Percentages recomputed from aggregated counts; scope reliability = combined population MOE (90% CI).



Facility Inventory

Hospitals and ambulatory surgical treatment centers within 21 miles of Schuyler County — 8 Hospitals, 3 ASTCs

COUNTY **Schuyler** | HSA **3·Springfield** | HPA **E-01** | RADIUS **21 miles** | DATA YEAR **2024**

#	TYPE	FACILITY NAME	CITY	DIST	M-S	ICU	OB	PED	NICU	AMI	REH	TOTAL
1	HOSP	Sarah D. Culbertson Memorial Hospital	Rushville	0.0	22	—	—	—	—	—	—	22
2	HOSP	Mason District Hospital	Havana	29.8	25	—	—	—	—	—	—	25
3	ASTC	Orthopaedic Surgery Center of Illinois	Springfield	50.5	—	—	—	—	—	—	—	—
4	ASTC	St. John's Surgery Suites Montvale	Springfield	52.2	—	—	—	—	—	—	—	—
5	HOSP	Memorial Medical Center - DBA Springfield Memorial Hospital	Springfield	52.6	334	64	21	7	—	44	30	500
6	HOSP	St. John's Hospital	Springfield	53.2	252	64	38	32	56	—	—	442
7	ASTC	Springfield Clinic, LLP	Springfield	53.6	—	—	—	—	—	—	—	—
8	HOSP	Springfield Hospital Inc - DBA Lincoln Prairie Behavioral Health Center	Springfield	56.0	—	—	—	—	—	97	—	97
9	HOSP	The Abraham Lincoln Memorial Hospital - DBA Lincoln Memorial Hospital	Lincoln	62.1	25	—	—	—	—	—	—	25
10	HOSP	Taylorville Memorial Hospital	Taylorville	77.8	25	—	—	—	—	—	—	25
11	HOSP	Pana Community Hospital	Pana	93.7	22	—	—	—	—	—	—	22
Total — 8 Hospitals, 3 ASTCs					705	128	59	39	56	141	30	1,158



Bed Utilization Analysis

Authorized capacity compared to State Health Plan need formulas for the Health Planning Area and Health Service Area.

COUNTY **Schuyler** | HSA **3·Springfield** | HPA **E-01** | RADIUS **21 miles** | DATA YEAR **2024**

HEALTH PLANNING AREA · HPA E-01

Springfield Metro

BED CATEGORY	AUTHORIZED	NEED	GAP	% OF NEED
Med-Surg/Pediatric	744	481	+263	154.7%
Obstetrics	59	28	+31	210.7%
Intensive Care Unit	128	144	(16)	88.9%
Total	931	653	+278	142.6%

HEALTH SERVICE AREA · HSA 3

Springfield

BED CATEGORY	AUTHORIZED	NEED	GAP	% OF NEED
Rehabilitation	48	35	+13	137.1%
Acute Mental Illness	182	136	+46	133.8%
Total	230	171	+59	134.5%

Statutory radius: Per 77 Ill. Adm. Code 1100, radius follows county classification — 10 miles (Cook, DuPage, Kane, Lake, Will), 17 miles (mid-size), 21 miles (rural). **Gap analysis:** Positive values indicate surplus; parentheses indicate shortage. Need calculated per State Health Plan formulas. **Source:** 2024 Annual Hospital Survey responses submitted to HFSRB.

Surgical Volume Analysis

Combined hospital and ASTC operating-room volume within 21 miles of Schuyler County.

COUNTY **Schuyler** | HSA **3·Springfield** | HPA **E-01** | RADIUS **21 miles** | DATA YEAR **2025**

108,008

TOTAL SURGICAL CASES

7

HOSPITALS

3

ASTCS

93,239

HOSPITAL CASES

14,769

ASTC CASES

VOLUME BY SURGICAL SPECIALTY

Within 21-mile radius of Schuyler County

SURGICAL SPECIALTY	HOSPITALS	ASTCS	TOTAL CASES
Orthopedic	21,485	4,879	26,364
General	18,904	1,217	20,121
Urology	8,258	675	8,933
Cardiovascular	8,627	0	8,627
Ophthalmology	4,559	3,926	8,485
Otolaryngology	7,559	655	8,214
Plastic Surgery	6,165	583	6,748
OB/GYN	5,793	415	6,208
Neurosurgery	4,872	0	4,872
Thoracic	2,929	0	2,929
Podiatry	2,242	190	2,432
Gastroenterology	1,719	276	1,995
Pain Management	0	1,950	1,950
Oral/Maxillofacial	129	0	129
Neurological	0	3	3
Total	93,239	14,769	108,008

TOP FACILITIES BY VOLUME

Ranked by total surgical cases (2025)

#	FACILITY	TYPE	CASES
1	Memorial Medical Center - DBA Springfield Memorial Hospital	HOSP	51,171
2	St. John's Hospital	HOSP	38,606
3	Springfield Clinic, LLP	ASTC	10,602
4	Orthopaedic Surgery Center of Illinois	ASTC	2,887
5	Taylorville Memorial Hospital	HOSP	1,767
6	St. John's Surgery Suites Montvale	ASTC	1,280
7	Pana Community Hospital	HOSP	760
8	The Abraham Lincoln Memorial Hospital - DBA Lincoln Memorial Hospital	HOSP	535
9	Mason District Hospital	HOSP	270
10	Sarah D. Culbertson Memorial Hospital	HOSP	130

Hospital cases: combined inpatient and outpatient surgical cases from the 2025 Hospital Annual Survey (hospitals without a 2025 submission show their most recent prior-year volume). **ASTC cases:** Class C operating-room cases (general/regional anesthesia) from the 2024 ASTC Annual Survey. **Specialties:** 14 standard surgical specialty categories tracked by HFSRB for both facility types.

ESRD Facility Inventory

Dialysis facilities within 21 miles of Schuyler County — 8 facilities.

COUNTY **Schuyler**

HSA **3·Springfield**

HPA **E-01**

RADIUS **21 miles**

DATA YEAR **2024**

8
ESRD FACILITIES

99
AUTHORIZED STATIONS

99
CMS-CERTIFIED

13,828
IN-CENTER TREATMENTS

266
YEAR-END PATIENTS

#	FACILITY NAME	CITY	DIST	AUTH STNS	CMS CERT	IN-CTR TX	EOY PTS
1	Rushville Dialysis	RUSHVILLE	0.7	8	8	210	—
2	Centre West Springfield	SPRINGFIELD	51.0	16	16	7,864	54
3	Springfield Central Dialysis	SPRINGFIELD	52.1	24	24	210	68
4	Springfield Montvale Dialysis	SPRINGFIELD	52.2	17	17	210	28
5	FMC Springfield - East	SPRINGFIELD	54.1	10	10	5,124	37
6	Springfield South	SPRINGFIELD	54.4	12	12	210	45
7	Lincoln Dialysis	LINCOLN	61.8	—	—	—	—
8	Taylorville Dialysis	TAYLORVILLE	77.4	12	12	—	34
Total — 8 facilities				99	99	13,828	266

Stations: authorized and CMS-certified counts are taken from the most recent measurement in the survey year (end-of-year preferred). **Treatments:** in-center treatments are the annual total; year-end patients is the 12/31 census. **Source:** 2024 ESRD Facility Annual Survey. **Suppressed columns:** set-up & staffed stations, isolation stations, nocturnal shift — no values reported across this result set.



Long-Term Care Facility Inventory

Nursing and long-term care facilities within 21 miles of Schuyler County — 28 facilities.

COUNTY **Schuyler** | HSA **3·Springfield** | HPA **E-01** | RADIUS **21 miles** | DATA YEAR **2024**

28

LTC FACILITIES

1,411

LICENSED BEDS

1,339

BEDS SET UP

975

BEDS OCCUPIED

72.8%

OCCUPANCY

1,048

RESIDENTS (12/31)

#	FACILITY NAME	CITY	DIST	LIC.	SET UP	OCC.	%	GEN. NURSING	ICF/DD	RESID.
1	RUSHVILLE NURSING & REHAB CTR	RUSHVILLE	0.4	99	99	68	68.7%	99	—	68
2	BEARDSTOWN TERRACE	BEARDSTOWN	10.2	16	16	15	93.8%	—	16	15
3	BEARDSTOWN HEALTH & REHAB CTR	BEARDSTOWN	11.0	79	79	69	87.3%	79	—	69
4	MT STERLING HLTH AND REHAB CTR	MT STERLING	13.9	80	80	59	73.8%	80	—	59
5	Cass County Senior Living & Rehabilitation LLC	VIRGINIA	22.3	—	—	—	—	—	—	—
6	Arcadia Care Havana	HAVANA	30.0	98	98	—	0.0%	98	—	40
7	SUNNY ACRES NURSING HOME	PETERSBURG	39.9	—	—	—	—	—	—	—
8	MASON CITY AREA NURSING HOME	MASON CITY	47.1	—	—	—	—	—	—	—
9	Arc at Sangamon Valley	SPRINGFIELD	49.9	171	161	88	54.7%	171	—	88
10	CONCORDIA VILLAGE CARE CENTER	SPRINGFIELD	50.1	62	52	48	92.3%	62	—	48
11	Springfield Suites Rehab and Nursing	SPRINGFIELD	50.6	75	75	60	80.0%	75	—	60
12	REGENCY CARE	SPRINGFIELD	51.2	—	—	—	—	—	—	—
13	ILLINOIS PRESBYTERIAN HOME	SPRINGFIELD	51.4	15	8	7	87.5%	15	—	42
14	Arcadia Care On the Hill	SPRINGFIELD	52.3	—	—	—	—	—	—	—
15	VILLA HEALTH CARE EAST	SHERMAN	53.0	—	—	—	—	—	—	—
16	GLENWOOD TERRACE-SPRINGFIELD	SPRINGFIELD	53.2	16	16	14	87.5%	—	16	14
17	AVENUES AT SPRINGFIELD	SPRINGFIELD	54.2	65	65	63	96.9%	65	—	63
18	ARCADIA CARE AUBURN	AUBURN	56.6	70	65	55	84.6%	70	—	55
19	ST CLARA'S REHAB & SENIOR CARE	LINCOLN	61.9	—	—	—	—	—	—	—
20	LINCOLN VILLAGE HEALTHCARE	LINCOLN	64.7	—	—	—	—	—	—	—
21	LINCOLN TERRACE	LINCOLN	64.7	16	16	9	56.3%	—	16	9
22	H & J VONDERLIETH LVG CTR, THE	MOUNT PULASKI	68.0	90	62	55	88.7%	90	—	55
23	TAYLORVILLE CARE CENTER	TAYLORVILLE	77.4	98	98	68	69.4%	98	—	68
24	TAYLORVILLE TERRACE	TAYLORVILLE	78.5	16	16	14	87.5%	—	16	14
25	TAYLORVILLE SKLD NUR & REHAB	TAYLORVILLE	78.5	96	86	80	93.0%	96	—	80
26	Rose Garden of Pana	PANA	93.6	105	103	84	81.6%	105	—	84
27	PARK PLACE	PANA	94.1	16	16	15	93.8%	—	16	13
28	PANA HEALTH AND REHAB CENTER	PANA	94.4	128	128	104	81.3%	128	—	104
Total — 28 facilities				1,411	1,339	975	72.8%	1331	80	1,048

Bed counts: licensed, set-up, and occupied beds are summed across all reported levels of care. Occupancy uses set-up beds as the denominator when available, otherwise licensed beds. **Source:** 2024 LTC Annual Survey. Em-dash indicates no submission on file. **Suppressed columns:** facility type, nursing-sheltered beds, skilled beds for residents under 22 — no values reported across this result set.

ILLINOIS HOUSE OF REPRESENTATIVES

DISTRICT OFFICES:

3601 E Lake Centre Drive
Suite 200
Quincy, IL 62305
217-223-0833

325 W State Street
Suite 102
Jacksonville, IL 62650
217-223-0833



SPRINGFIELD OFFICE:

222-N Stratton Building
Springfield, IL 62706
217-782-8096

KYLE A. MOORE

STATE REPRESENTATIVE • 99th DISTRICT

April 30, 2026

Ms. Debra Savage, Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Support for Sarah D. Culbertson Memorial Hospital, Project No. 26-013

Dear Members of the Illinois Health Facilities and Services Review Board:

I am writing in full support of Sarah D. Culbertson Memorial Hospital's proposal to modernize its Surgical Department and to make other important infrastructure improvements. As the State Representative for the 99th District, I am deeply committed to advancing access to high-quality healthcare for all residents of Western Illinois.

The current primary clinical area of the hospital building was constructed in 1952, over 70 years ago, and is in need of improvements to meet modern standards. There is no other hospital geographically close for Schuyler County residents. Patients needing to access care would need to travel considerable distances to another hospital. SDCMH works collaboratively with other Western Illinois hospitals who share the challenges of rural health. I am pleased that this project has support from many of these hospitals and physician groups.

Rural communities across the U.S. experience persistent medical underservice, documented by federal Health Professional Shortage Area (HPSA) and Medically Underserved Area (MUA) designations. The environmental and geographic traits that define the SDCMH market area encompass vast agricultural landscapes and long travel distances between towns, creating natural barriers to timely healthcare access.

This Project would provide several benefits to Western Illinois and Schuyler County in particular. It would allow the hospital to remain a viable health care provider for the future as it would support high quality surgical services for the area. It will also be a tool to recruit more physician services and increase access to healthcare in the region.

I respectfully urge the Illinois Health Facilities and Services Review Board to approve this project. Thank you for your consideration and for your ongoing dedication to supporting community health across the state.

Sincerely,

A handwritten signature in black ink that reads "Kyle A. Moore". The signature is written in a cursive, flowing style.

Kyle A. Moore



March 1, 2026

Ms. Debra Savage, Chairwoman
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Support for Sarah D. Culbertson Memorial Hospital Certificate of Need

Dear Chairwoman Savage:

I am writing on behalf of Memorial Hospital to express our support for the proposed renovation project for Sarah D. Culbertson Memorial Hospital (SDCMH). As a fellow rural healthcare provider serving Western Illinois, we recognize the importance of maintaining strong, accessible hospital services for the communities we collectively serve.

Providing healthcare in rural areas is increasingly challenging. Hospitals across our region face similar pressures related to aging infrastructure, workforce limitations, and rising demand for services. We believe collaboration among rural healthcare organizations – rather than competition – is essential to ensuring residents continue to receive timely, high-quality care close to home.

SDCMH's existing facilities, many of which were constructed more than fifty years ago, understandably struggle to meet the demands of modern healthcare delivery. Limitations related to building size, layout, and infrastructure can restrict service expansion and hinder the efficient delivery of care.

The proposed renovation project will allow SDCMH to modernize its facilities, support advancements in medical technology, and expand the availability of procedures offered locally. This investment is particularly important as the population ages and as patients increasingly seek care that is accessible within their own communities. Reducing the need for lengthy travel outside the region helps remove barriers to care and supports better health outcomes.

Approval of this Certificate of Need will help ensure that Schuyler County residents and surrounding communities continue to have access to comprehensive healthcare services close to home. Memorial Hospital respectfully urges the Illinois Health Facilities and Services Review Board to approve this important project.

Sincerely,

Ada Bair
Chief Executive Officer
Memorial Hospital Association



February 24, 2026

Ms. Debra Savage, Chairwoman
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Support for Sarah D. Culbertson Memorial Hospital CON

Dear Chairwoman Savage:

We are writing to express our support for the proposed renovation project for Sarah D. Culbertson Memorial Hospital ("SDCMH").

Like SDCMH, McDonough District Hospital (MDH) has long served the health needs of Western Illinois. As a rural hospital, MDH is also committed to providing high-quality care close to home. Although we operate without the breadth of resources available to larger urban systems, we care for patients with the same complex medical needs and health concerns, providing access to that care 24 hours a day, 365 days a year. By strengthening our capabilities, we help ensure that patients in our region can continue receiving safe, compassionate, and comprehensive care without being forced to travel long distances for services that should be accessible locally.

SDCMH's facilities, most of which were built over 50 years ago, struggle to meet the demands of modern medicine. The existing size and structure limit the scope of services available and hinder the delivery of efficient, high-quality care.

The new facility will allow SDCMH to keep pace with advancements in medical technology while expanding the range of procedures that can be offered locally. This is especially important as the population ages and the need for accessible, nearby healthcare is growing more urgent. Many residents currently face the burden of traveling over an hour outside their region for necessary procedures; an unnecessary hardship that can delay care and worsen outcomes.

Approving this project will ensure that Schuyler County residents, and surrounding communities, can continue to receive timely, comprehensive care close to home.

We respectfully urge you to support and approve this important project.

Sincerely,



William Murdock, President and Chief Executive Officer
McDonough District Hospital

Your Community Healthcare Partner

Growing Our Legacy One Patient At A Time



February 24, 2026

Ms. Debra Savage, Chairwoman
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Support for Sarah D. Culbertson Memorial Hospital CON

Dear Chairwoman Savage:

I am writing on behalf of QMG physicians to express our support for the proposed renovation project for Sarah D. Culbertson Memorial Hospital ("SDCMH").

Like SDCMH, our organization has long served the health needs of Western Illinois. Founded in 1937, Quincy Medical Group (QMG) is a physician-owned, multi-specialty clinic rooted in the tri-state region it proudly serves. Bringing together more than 190 physicians and advanced practice providers across 35 medical and surgical specialties, QMG serves nearly half a million residents within a 75-mile radius spanning Illinois, Iowa, and Missouri. Approaching 90 years later, the organization remains dedicated to strengthening the health of the communities it calls home.

Providing health care in rural areas is challenging and likely to become more so. We are proud that Western Illinois hospitals and QMG providers work collaboratively, rather than competitively, to meet our residents' health care needs. SDCMH's facilities, most of which were built over 50 years ago, struggle to meet the demands of modern medicine. The existing size and structure limit the scope of services available and hinder the delivery of efficient, high-quality care. In true partnership QMG surgeons have been serving Rushville area patients (onsite) for years and helping to grow the need for surgical expansion.

The new facility will allow SDCMH to keep pace with advancements in medical technology while expanding the range of procedures that can be offered locally. This is especially important as the population ages and the need for accessible, nearby healthcare is growing more urgent. Many residents currently face the burden of traveling over an hour outside their region for necessary procedures; an unnecessary hardship that can delay care and worsen outcomes.

Approving this project will ensure that Schuyler County residents, and surrounding communities, can continue to receive timely, comprehensive care close to home.

QMG respectfully urges you to support and approve this important project.

Sincerely,

Carol Brockmiller
President
Quincy Medical Group, IL
cbrockmiller@quincymedgroup.com

February 25, 2026

Ms. Debra Savage, Chairwoman

Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Support for Sarah D. Culbertson Memorial Hospital CON

Dear Chairwoman Savage:

I am writing to express my support for the proposed renovation project for Sarah D. Culbertson Memorial Hospital ("SDCMH").

Like SDCMH, our hospital has long served the health needs of Western Illinois. Blessing Hospital is a 347-bed, not-for-profit acute-care hospital. Blessing Hospital is part of the Blessing Health System and serves as a major regional healthcare provider. The hospital emphasizes compassionate, high-quality care, supported by advanced medical technology and modern facilities. It is fully accredited by DNV-GL Healthcare, reflecting its commitment to safety and quality.

Providing health care in rural areas is challenging and likely to become more so. I am proud that Western Illinois hospitals and health care providers try to work collaboratively, rather than competitively, to meet our residents' health care needs.

SDCMH's facilities, most of which were built over 50 years ago, struggle to meet the demands of modern medicine. The existing size and structure limit the scope of services available and hinder the delivery of efficient, high-quality care.

The new facility will allow SDCMH to keep pace with advancements in medical technology while expanding the range of procedures that can be offered locally. This is especially important as the population ages and the need for accessible, nearby healthcare is growing more urgent. Many residents currently face the burden of traveling over an hour outside their region for necessary procedures; an unnecessary hardship that can delay care and worsen outcomes.

Approving this project will ensure that Schuyler County residents, and surrounding communities, can continue to receive timely, comprehensive care close to home.

I respectfully urge you to support and approve this important project.

Sincerely,



Tim Tranor, DNP, MBA, RN
EVP/Chief Operating Officer