STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

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DOCKET NO:	BOARD MEETING:	PROJECT NO:	PROJECT COST:
I-02	December 16, 2014	14-040	Original: $1,442,398
FACILITY NAME: NorthPointe Health & Wellness Campus Free-Standing Emergency Center		**CITY:** Roscoe	
TYPE OF PROJECT: Substantive			**HSA:** I

PROJECT DESCRIPTION: The applicant (Beloit Health System) proposes to establish a Free-Standing Emergency Center (FSEC), in Roscoe. The cost of the project is $1,442,398. **The anticipated date of completion is December 15, 2017.**

The applicant received an Intent to Deny at the November 12, 2014 State Board Meeting. The applicant provided additional information on November 24, 2014. This information is attached to this report with the State Board Transcripts from the November 12, 2014 State Board Meeting. The State Board Staff made one change to the original State Board Staff Report. The applicants had mistakenly allocated a consulting cost to preplanning costs. This correction eliminated the finding regarding the criterion the 77 IAC 1120.140 (c) - Reasonableness of Project Costs.

EXECUTIVE SUMMARY

PROJECT DESCRIPTION:

- The applicant (Beloit Health System) proposes to establish a Free-Standing Emergency Center (FSEC) on the site of their existing Immediate Care Center, located at 5605 East Rockton Road, in Roscoe. The cost of the project is $1,442,398. **The anticipated date of completion is December 15, 2017.**
- The proposed facility will be one of six FSECs located throughout the State, and it will be located in space currently operating as a satellite facility of Beloit Memorial Hospital's Emergency Department.

WHY THE PROJECT IS BEFORE THE STATE BOARD:

- This project is before the State Board because the project proposes to establish a category of service, under criterion 77 IL Admin. Code Part 1110.3230.

PURPOSE OF THE PROJECT:

- According to the applicants the purpose of the project is to improve the delivery of healthcare in the service area, by providing 24-hour a day, 7 day a week, access to Emergency services. The applicant notes the current travel time to the nearest Emergency Department (ED), is over 15 minutes. The applicant proposes to eliminate the excessive travel for said services in the area, by accepting ambulance transports, and shortening any excessive wait times often encountered at hospital-based EDs. The proposed FSEC will continue to operate as a division of Beloit Memorial Hospital's Emergency Department (ED). The applicant notes the proposed project will provide increased access for the residents of the service area through expanded hours, and reduced ambulance transport times for emergent cases.

BACKGROUND:

- In December 2008, Beloit Health System submitted an application for project #08-103, NorthPointe Emergency Center. The project proposed to convert an existing an 8-station Immediate Care Center (ICC) to a Free Standing Emergency Center (FSEC). The 18,000 GSF facility was to be located at 5605 East Rockton Road, Roscoe, Illinois. Project cost: $262,594.
- In February 2009, the applicant withdrew project #08-103, citing the need to "safeguard our community's resources in these uncertain and challenging economic times."
- The applicant continued operations at its current location as an Immediate Care Center (ICC).

NEED FOR THE PROJECT:

- This project is a considered a necessary expansion and modernization of an existing health care facility's clinical services other than a category of service.
- The applicant cites the need for a 24-hour/7day per week, Emergency Department (ED), in the area. The ICC currently operates on a 12-hour, daily schedule.
- The applicant cites a need in the area for this facility to decrease ambulance transport times for patients with emergent medical needs. The applicant cites excessive travel times to area hospital EDs, as an imminent need for this project.

PUBLIC COMMENT:

A public hearing was held on October 22, 2014, 2010. The meeting was held at 11:30am at the Roscoe Village Hall, 10631 Main Street, Roscoe. There were 43 individuals in attendance. 19 individuals testified in support of the project and 4 individuals testified in opposition.

FINANCIAL

- The applicant is funding this project with cash and securities. The applicant provided evidence of an A– Stable rating from FitchRatings Service(application, p. 110). The applicant also supplied Audited Financial Statements (application, p. 124), supporting the applicant's attestation of financial viability.

WHAT WE FOUND:

- The applicant addressed a total of 14 criteria and did not meet the following:

State Board Standards Not Met	
Criteria	**Reasons for Non-Compliance**
1110.3230(b) – Service Accessibility	There appears to be underutilized ED categories of service in the 30-minute service area surrounding the proposed facility.
1110.3230(c) – Unnecessary Duplication/Maldistribution of Service	There are four facilities in the service area (30 minutes) that are underutilized. (See Table 5).

STATE BOARD STAFF REPORT
SUPPLEMENTAL
NorthPointe Health & Wellness Campus
Free Standing Emergency Center (FSEC)
Project #14-040

APPLICATION CHRONOLOGY	
Applicant	Beloit Health System, Inc.
Facility Name	NorthPointe Health & Wellness Campus Free-Standing Emergency Center
Location	Roscoe, Illinois
Application Received	August 22, 2014
Application Deemed Complete	August 28, 2014
Applicants' Modified the Project?	No
Applicants Received an ITD	November 12, 2014

I. The Proposed Project

The applicants are proposing to establish an eight station free standing emergency center (FSEC), in a 6,734 GSF of space in Roscoe. The proposed cost of the project is $1,442,398.

II. Summary of Findings

A. The State Agency finds the proposed project does not appear to be in conformance with the provisions of Part 1110.

B. The State Agency finds the proposed project appears to be in conformance with the provisions of Part 1120.

III. General Information

The applicant is Beloit Health System, Inc. The operating entity licensee is Beloit Health System d/b/a Beloit Memorial Hospital. The proposed project will be located at 5605 East Rockton Road, Roscoe, on the site of an existing Immediate Care Center owned and operated by the applicant.

Planning Area

The proposed project will be located in Winnebago County (HSA I) in the B-01 hospital planning area. HSA I consists of the Illinois Counties of Jo Daviess, Stephenson, Winnebago, Boone, Carroll, Ogle, DeKalb, Whiteside, and Lee. There are five general acute care hospitals, one rehabilitation hospital, and one Long Term Acute Care Hospital (LTACH) located in A-09 planning area. These hospitals are Rockford Memorial Hospital, OSF Saint Anthony Medical Center, Swedish American Hospital, Van Matre Rehabilitation Hospital, Katherine Shaw Bethea Hospital, Kindred Hospital, Sycamore, and Swedish American Medical Center.

Per 77 IAC 1110.40 this is a substantive project subject to both Parts 1110 and 1120 review. Project obligation will occur after permit issuance. The anticipated project completion date is December 15, 2017.

Summary of Support and Opposition Comments

A public hearing was held on October 22, 2014, 2010. The meeting was held at 11:30am at the Roscoe Village Hall, 10631 Main Street, Roscoe. There were 43 individuals in attendance. 19 individuals testified in support of the project and 4 individuals testified in opposition.

IV. The Proposed Project - Details

The applicant proposes to convert an existing Immediate Care Center (ICC), at its NorthPointe Health and Wellness campus in Roscoe, to a Free Standing Emergency Center (FSEC). The 6,734 GSF facility will not expand, but will remodel 1,180 GSF of this space, resulting in an 8-station facility that meets FSEC licensing criteria. The proposed project will actually be considered an establishment of a category of service (substantive), under Board rules, due the proposed establishment of an FSEC.

V. Project Costs and Sources of Funds

Table One shows the project's source and use of funds. The project is being funded in its entirety with cash and securities totaling $1,442,398. The State Agency notes the project has both clinical and non-clinical components. The applicants note there will be a minimal start-up cost of $55,000, due to the project being more of a conversion from an Immediate Care Center. These costs are not capitalized and are not listed in Table One below.

TABLE ONE Project Sources and Uses of Funds			
Use of Funds	**Clinical**	**Non -Clinical**	**Total**
Preplanning	$5,000	$5,000	$10,000
Site Survey/Soil Investigation	$2,500	$2,500	$5,000
Site Preparation	$0	$2,100	$2,100
Off Site Work	$0	$72,191	$72,191
Modernization Contracts	$219,657	$649,404	$869,061
Contingencies	$21,966	$64,940	$86,906
A & E Fees	$23,920	$70,720	$94,640
Consulting and Other Fees	$53,000	$19,500	$72,500
Movable or Other Equipment	$205,000	$0	$205,000
Other Costs to be Capitalized	$12,500	$12,500	$25,000
Totals	**$543,543**	**$898,855**	**$1,442,398**
Source of Funds			
Cash and Securities	$543,543	$898,855	$1,442,398
Total	**$543,543**	**$898,855**	**$1,442,398**

VI. Cost Space Requirements

Table Two displays the project's cost/space requirements. The State Agency notes that approximately 62.3% of the project's cost is not subject to review since they are for non-clinical service areas or for other areas for which the State Board has not established review standards.

TABLE TWO NorthPointe Health & Wellness Campus FSEC – Cost/Space Requirements Summary							
Department	**Cost ($)**	**Exist. GSF**	**Proposed GSF**	**New Const GSF**	**Remodeled GSF**	**As is GSF**	**Vacated GSF**
Clinical							
FEC	$543,543	6,734	6,734	0	1,180	5,554	0
Clinical Total	$543,543	6,734	6,734	0	1,180	5,554	0
Non Clinical							
Helipad	$68,314	0	0	0	0	0	0
Ambulance Pad	$2,096	0	0	0	0	0	0
Sidewalk Access	$1,781	0	0	0	0	0	0
Electrical Systems Upgrade	$649,404	0	0	0	0	0	0
*Other Expense	$177,260	0	0	0	0	0	0
Non Clinical Total	$898,855	0	0	0	0	0	0
Total	**$1,442,398**	**6,734**	**6,734**	**0**	1,180	5,554	0
*Attributed to Allocated Project Costs, see application, p. 43.							

VII. 1110.230 Purpose Safety Net Impact and Alternatives

A. Criterion 1110.230(b) – Purpose of the Project

The applicants shall document that the project will provide health services that improve the health care or well-being of the market area population to be served. The applicants shall define the planning area or market area, or other, per the applicants' definition.

The applicant states the proposed project will convert an existing Immediate Care Center (ICC), to a Free-Standing Emergency Center (FSEC). The proposed conversion will expand services to the region with increased access for both outpatient and ambulance traffic. In addition, decreased travel times will result for emergent care patients, and wait times that are considerably less than traditional Emergency Departments (EDs), will result. The applicant further notes the conversion to an FSEC will enhance the quality of care provided to the service area, by staffing the facility with ED trained physicians and clinicians.

B) Criterion 1110.230 (b) Safety Net Impact

The applicants stated the following "*Beloit Health System / Beloit Memorial Hospital is a safety net provider in the Southern Wisconsin, Northern Illinois state line region. The proposed project, to the degree it enhances market access by converting the NorthPointe ICC into an FSEC, will increase the System's capacity to provide essential safety net services within the region, in particular, facility-based emergency services. No significant impact on the other in-market emergency service providers is anticipated in that the projects scope is predicated on retaining existing ICC visits and converting the existing program to an FSEC on its NorthPointe Campus. Hence, no cross-substitution of safety Net services is expected. Discontinuation is not applicable to the proposed project.*"

TABLE THREE			
SAFETY NET INFORMATION			
Beloit Memorial Hospital [(1)]			
NET REVENUE	$173,906,566	$179,208,011	$182,334,188
CHARITY CARE			
	2010	2011	2012
Charity (# of self-pay patients)			
Inpatient	118	94	91
Outpatient	1,510	1,269	945
Total	1,628	1,363	1,036
Charity Costs			
Inpatient	$529,052	$474,932	$634,850
Outpatient	$6,770,073	$6,411,582	$6,592,680
Total	$7,299,125	$6,886,514	$7,227,530

TABLE THREE			
SAFETY NET INFORMATION			
Beloit Memorial Hospital [(1)]			
NET REVENUE	$173,906,566	$179,208,011	$182,334,188
% of Charity Costs to Net Revenue	4.20%	3.84%	3.96%
MEDICAID			
	2010	2011	2012
Medicaid (Patients)			
Inpatient	1,160	1,223	1,097
Outpatient	83,679	85,735	81,158
Total	84,839	86,958	82,255
Medicaid (Revenue)			
Inpatient	4,198,000	5,053,000	4,076,000
Outpatient	12,643,000	14,418,000	13,849,000
Total	16,841,000	19,471,000	17,925,000
% of Medicaid to Net Revenue	9.68%	10.87%	9.83%
(1) Information includes both Illinois and Wisconsin residents.			

C) Criterion 1110.230(c) Alternatives to the Proposed Project
The applicants shall document that the proposed project is the most effective or least costly alternative for meeting the health care needs of the population to be served by the project.

The applicants' considered the following alternatives:

1. Joint Venture/Other Resources
The applicant notes there are no other FSEC's in the service area to utilize or partner with. The applicant notes their ICC is the only healthcare facility suitable for transformation to an FSEC. The applicant identified no cost, and rejected this alternative.

2. Expand ICC Hours to a 24/7, 365 Day Operation
This alternative was rejected because while this option would improve patient access, it would do nothing for ambulance access, and the excessive travel times encountered for this population. In essence, this alternative would not serve the needs of a population that needs it most. The applicant identified no cost, and rejected this alternative.

3. Develop a New 8-Station FSEC
This alternative was rejected because it was too costly. While the construction of a separate FSEC would increase access, it would duplicate some services already offered at the ICC, and be more costly to operate. The applicant identified a cost of $4,100,000 with this project.

4. <u>Modernize the Existing ICC</u>

The applicant chose this alternative, based on the improved access to care, greater quality of medical services, and the lowest cost of all alternatives listed. The proposed project will utilize existing space, increase access, and provide a higher level of medical services to a service area lacking such services. Cost of this alternative: $1,442,398.

VIII. Section 1110.234 Project Scope and Size, Utilization and Unfinished/Shell Space

A) Criterion 1110.234 (a) - Size of Project

The applicants shall document that the amount of physical space proposed for the project is necessary and not excessive. The proposed gross square footage (GSF) cannot exceed the GSF standards of Appendix B, unless the additional GSF can be justified.

The applicant proposes to establish an 8-station FSEC in 6,734 GSF of space. The State Board standard for free standing emergency centers is 840-1170 bgsf/Treatment Station. This equates to 842 GSF per room (6,734 GSF/8 treatment room = 841.75 GSF per room). The applicants have met the requirements of this criterion.

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT APPEARS TO BE IN CONFORMANCE WITH THE PROJECT SIZE CRITERION (77 IAC 1110.234(a)).

B) Criterion 1110.234 (b) - Project Services Utilization

The applicants shall document that, in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in Appendix B."

The applicants are proposing 8 rooms to be located at the proposed FSEC site, and are projecting 14,531 emergency visits in 2017, the second year of operation. Based upon the number of projected visits the applicants can justify the 8 rooms being requested.

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT APPEARS TO BE IN CONFORMANCE WITH THE PROJECT SERVICE UTILIZATION CRITERION (77 IAC 1110.234(b)).

IX. Freestanding Emergency Center Medical Services

A) Criterion 1110.3230 (a) - Background of Applicants

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]

The applicant is Beloit Health System, Inc. located at 1969 W. Hart Road, Beloit, Wisconsin. Beloit Health System, Inc. is a fully integrated healthcare provider with facilities in the Southern Wisconsin, Northern Illinois state-line region. It is comprised of Beloit Memorial Hospital, the Beloit Clinic, several satellite clinics in the region, and also assisted living facilities in Wisconsin and Illinois. The System has a regional cancer care center located in Wisconsin. Beloit Memorial Hospital is a 256 bed facility that includes a **Dialysis Center**, **Stateline Emergency Care Center**, and **Cancer Care Center**. In December 2007, the hospital opened a $35 million new health and wellness campus in Roscoe, Illinois called **NorthPointe**. NorthPointe includes an Assisted Living Center **(NorthPointe Terrace)**, Fitness Center, Immediate Care, Spa, Physician Clinic. Laboratory and imaging services are also provided at North/Pointe.

B) Criterion 1110.3230(a)(4) - Target Utilization

The minimum operational capacity for each treatment station in an FEC is 5.5 patients per day (2,000 patient visits per year) based upon 24-hour availability."

The applicants provided a projection of 14,531 patients in FY 2017 for the 8 proposed treatment rooms; which equals 1,816 visits per room and meets the State Board's target utilization of 2,000 patients per treatment room (14,531 treatments/8 rooms = 1,816). The applicants have met the requirements of this criterion.

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT APPEARS TO BE IN CONFORMANCE WITH THE TARGET UTILIZATION CRITERION 77 IAC 1110.3230 (a)(4)

C) Criterion 1110.3230(a)(5)(6) - Licensing

All projects for an FEC must comply with the licensing requirements established in the Emergency Medical Services (EMS) Systems Act [210 ILCS 50/32.5] including the requirements that the proposed FEC is located:

- **A) in a municipality with a population of 75,000 or fewer inhabitants;"**
- **B) within 20 miles of the hospital that owns or controls the FEC; and**
- **C) within 20 miles of the Resource Hospital affiliated with the FEC as part of the EMS system (Section 32.5(a) of the Emergency Medical Services (EMS) Systems Act).**

The proposed FSEC will be located in Roscoe, A community with a population of 10,680. The applicant notes the proposed facility will also serve Rockton (population: 7,613), and South Beloit (population: 7,773). Beloit Health System, Inc. and Beloit Memorial Hospital is the controlling hospital. It is located at 1969

West Hart Road, Beloit, and is located 8.9 miles away (12 minutes). Beloit Memorial Hospital is considered an Associate Resource Hospital. Rockford Memorial Hospital is the resource hospital. Rockford Memorial Hospital is located 14.5 miles (20 minutes) from the proposed facility. The applicants have certified to the requirements of this criterion. The applicants have met the requirements of this criterion.

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT APPEARS TO BE IN CONFORMANCE WITH THE REVIEW CRITERIA CRITERION 77 IAC 1110 3230 (a)(5)(6).

Project Type	Required Review Criteria
Establishment of Service	(b)(1) − Planning Area Need – 77 Ill. Adm. Code 1100 Formula Calculation
	(b)(2) − Service to Area Residents
	(b)(3) − Service Demand for Establishment
	(b)(4) − Service Accessibility
	(c)(1) − Unnecessary Duplication of Services
	(c)(2) – Maldistribution
	(c)(3) − Impact on Other Providers
	(c)(4) − Request for Data from Other Providers
	(e) − Staffing Availability

D) Criterion 1110.3230(b)(2) – Service to Area Residents
Applicants proposing to establish or expand an FECMS category of service shall document that the primary purpose of the project will be to provide necessary health care to the residents of the geographic service area (GSA), which is defined as 30 minutes travel time from the proposed FEC site.

The applicant provided historical utilization data (application, p. 81) for the ICC, from residents of Roscoe, South Beloit, and Rockton. The applicant notes 63.2% of the entire patient base originated from these three municipalities in 2013. The applicant attests that enhanced licensure standards that will allow ambulance utilization, and extended service hours (24 hours/day, 365 days/year), will result in the proposed FSEC to reach its projected utilization standard for 2017.

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT APPEARS TO BE IN CONFORMANCE WITH THE AREA NEED CRITERION 77 IAC 1110 3230 (b)(2).

E) Criterion 1110.3230(b)(3) – Service Demand

The criterion states:

"3) Service Demand − Establishment of FECMS Category of Service

The applicant shall document that establishment of an FECMS category of service is necessary to accommodate the service demand experienced annually by the existing GSA (as defined in subsection (b)(2)) hospitals over the latest two-year period.

The applicant identified the cities of Roscoe, Rockton, South Beloit, and Beloit Wisconsin, as communities served by the ICC in the past, and projected to be served by the proposed FSEC, in the future. The applicant notes having staffed and operated its ICC in a manner consistent with FSEC licensure/compliance standards, and in essence, has operated as a "de-facto" FSEC. The applicant notes being unable to provide data alluding to 50% of the patient origin presenting to other area EDs, they have provided historical utilization data for the ICC in Table Four.

TABLE FOUR
Historical/Projected Utilization Data NorthPointe ICC/FSEC

City	Zip Code	2013 Population	2013 Visits	Service Area Percent	2017 Projected Visits
Roscoe	61073	10,680	1,921	18.0%	3,472
Rockton	61072	7,613	1,784	23.4%	2,510
South Beloit	61080	7,773	2,028	26.1%	2,766
Illinois Average		26,066	5,733	22%	8,748
Beloit, Wi.	53511	36,888	1,901	5.2%	2,900
Subtotal			7,634		11,648
All Others			1,442		2,883
Total			**9,076**		**14,531**

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT APPEARS TO BE IN CONFORMANCE WITH THE SERVICE DEMAND CRITERION 77 IAC 1110.3230(b) (3)

F) Criterion 1110.3230(b)(4) – Service Accessibility
The proposed project to establish or expand an FECMS category of service is necessary to improve access for GSA residents. The applicant shall document one of the following:

- **i) The absence of ED services within the GSA;**
- **ii) The area population and existing care system exhibit indicators of medical care problems, such as high infant mortality, or designation by the Secretary of Health and Human Services as a Health Professional Shortage Area, a Medically Underserved Area, or a Medically Underserved Population;**
- **iii) All existing emergency services within the 30-minute normal travel time meet or exceed the utilization standard specified in 77 Ill. Adm. Code 1100.**

The applicant notes there are no other FSECs in the defined 20-minute Illinois service area, nor are there any hospitals with ED services. The applicant notes the area is served by ambulance and hospital-based ED services, with the closest being an average of 21 minutes away. Board Staff identified 4 general hospitals within a 30-minute radius, and has compiled the ED utilization data for each in

Table Five below. Board Staff notes there are three full-time and one stand-by ED service, and the three full-time EDs identified are operating beneath the State Occupancy Standard. While it appears the proposed facility will fill a void in an area without Emergency services immediately available, there are underutilized facilities in the service area. The applicant has not met the requirements of this criterion.

TABLE FIVE
Hospital EDs Within 30 Minutes of NorthPointe Wellness Campus FSEC

Hospital	City	Time	Rooms/ Stations	Utilization*	Stations Justified	Standard Met?
OSF St. Anthony Medical Center	Rockford	20	24	37,398	19	No
Rockford Memorial Hospital	Rockford	23	29	49,377	25	No
Swedish American Hospital	Rockford	26	42	60,286	31	No
Swedish American Medical Center#	Belvidere	26	4	13,370	7	Yes

Data taken from 2013 IDPH Hospital Profiles
*Emergency + Trauma Visits
#Stand-By Emergency
State Utilization Standard: 2,000 visits/year = 1 Station

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT DOES NOT APPEAR TO BE IN CONFORMANCE WITH THE SERVICE ACCESSIBILITY CRITERION 77 IAC 1110.3230(b) (4).

G) Criterion 1110.3230(c) - Unnecessary Duplication/Maldistribution

1) The applicant shall document that the project will not result in an unnecessary duplication.

2) The applicant shall document that the project will not result in maldistribution of services.

3) The applicant shall document that, within 24 months after project completion, the proposed project:

A) Will not lower the utilization of other GSA providers below the utilization standards specified in 77 Ill. Adm. Code 1100; and

B) Will not lower, to a further extent, the utilization of other GSA hospitals or FECs that are currently (during the latest 12-month period) operating below the utilization standards.

4) The applicant shall document that a written request was received by all existing facilities that provide ED service located within 30 minutes travel time of the project site asking the number of treatment stations at each facility, historical ED utilization, and the anticipated impact of the proposed project upon the facility's ED utilization. The request shall include a statement that a written response be provided to the applicant no later than 15 days after receipt. Failure by an existing facility to respond to the applicant's request for information within

the prescribed 15-day response period shall constitute an assumption that the existing facility will not experience an adverse impact in utilization from the project. Copies of any correspondence received from the facilities shall be included in the application."

There are four facilities in the proposed GSA that provide ED services within 30 minutes of the proposed site per Map Quest adjusted, (See Table Five). One of the four facilities identified, one is classified as "Standby", and does not accept ED cases on a regular basis. This facility, Swedish American Medical Center, Belvidere, is the only facility of the four operating in compliance with the State utilization standard. Based on these data, a negative finding has been made for this criterion.

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT DOES NOT APPEAR TO BE IN CONFORMANCE WITH THE UNNECESSARY DUPLICATION /MALDISTRIBUTION CRITERION 77 IAC 1110.3230(c)

G) Criterion 1100.3230(e) - Staffing Availability

An applicant proposing to establish an FECMS category of service shall document that a sufficient supply of personnel will be available to staff the service.

The applicant notes the facility is an existing Immediate Care Center (ICC), already staffed with physicians and clinicians. Based on its existing staff and small turnover rate, the applicant feels this criterion is inapplicable.

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT APPEARS TO BE INAPPLICABLE WITH THE STAFFING CRITERION 77 IAC 1110.3230(e).

FINANCIAL

X. 1120.120 - Availability of Funds

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources.

The applicant is funding this project with cash and securities totaling $1,442,398. The applicant provided audited financial statements (application, p. 124), and proof of an A- Stable Bond rating from FitchRatings (application, p. 110), providing evidence that sufficient funds are available for this project.

TABLE
Beloit Memorial Health System
Audited Financial Information
2012-2013

	2013	2012
Cash	$19,767,399	$25,572,846
Current Assets	$57,312,689	$51,979,072
PPE (Net)	$114,827,401	$103,870,060
Total Assets	$240,186,423	$219,524,608
Current Liabilities	$30,487,679	$26,131,905
Long Term Debt	$73,407,183	$68,331,467
Total Liabilities	$115,380,973	$121,742,675
Net Assets	$124,805,450	$97,781,933
Operating Revenue	$196,353,211	$190,976,321
Operating Expenses	$191,049,410	$186,013,866
Operating Profit	$5,303,501	$4,962,455
Other Income	$1,837,186	$2,772,417
Excess of Revenues over Expense	$7,140,987	$7,734,872

THE STATE AGENCY FINDS THE PROPOSED PROJECT APPEARS TO BE IN CONFORMANCE WITH THE AVAILABILITY OF FUNDS CRITERION (77 IAC 1120.120 (a)).

XI. 1120.130 - Financial Viability

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

The applicants were not required to provide financial viability ratios because the project is being funded in its entirety with cash and securities. An A- Stable Bond Rating (application p. 110) and Audited financial statements (application, p. 124) were provided as required as evidence of the sufficiency of the amount of cash to fund the project. The applicants have met the requirements of this criterion.

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT APPEARS TO BE IN CONFORMANCE WITH THE FINANCIAL VIABILITY CRITERION (77 IAC 1120.130 (a)).

XII. 1120.140 - Economic Feasibility

A) Criterion 1120.140 (a) Reasonableness of Financing

This project is being funded entirely by cash and securities. There is no financing involved with this transaction.

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT APPEARS TO BE IN CONFORMANCE WITH THE REASONABLENESS OF DEBT FINANCING CRITERION (77 IAC 1120.140 (a)).

B) Criterion 1120.140 (b) - Conditions of Debt Financing

This project is being funded entirely by cash and securities. There is no financing involved with this transaction.

THE STATE AGENCY STAFF FINDS THE PROPOSED PROJECT APPEARS TO BE IN CONFORMANCE WITH THE TERMS OF DEBT FINANCING CRITERION (77 IAC 1120.140 (b)).

C) Criterion 1120.140 (c) - Reasonableness of Project and Related Costs

The applicant shall document that the estimated project costs are reasonable.

Preplanning costs – These costs total $5,000 and are 1.1% of modernization, contingencies and movable or other equipment. This appears reasonable when compared to the State Board standard of 1.8%.

Site Survey Site Preparation – These costs total $2,500 and are 1% of modernization and contingency costs. This appears reasonable when compared to the State Board standard of 5%.

Modernization Contracts – These costs total $219,657 or $186.15 per gross square feet. This appears reasonable when compared to the State Board standard of $257.14

Contingency Costs – These costs total $21,966 and are 10% of modernization costs. This appears reasonable when compared to the State Board standard of 10%-15%.

A&E Fees – These costs total $23,920 and are 9.9% of modernization and contingency costs. This appears reasonable when compared to the State Board standard of 9.92%--14.88%

Consulting and Other Fees – These costs total $40,000. The State Board does not have a standard for this cost.

Movable or Other Equipment – These costs total $205,000. The State Board does not have a standard for this cost.

Other Costs to be Capitalized – These costs total $12,500. The State Board does not have a standard for this cost.

The applicant exceeded the Preplanning costs for this project by 2.2%. A negative finding has been made for this criterion.

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT APPEARS TO BE IN CONFORMANCE WITH THE REASONABLENESS OF PROECT COSTS CRITERION (77 IAC 1120.140 (c)).

D) Criterion 1120.140 (d) - Projected Operating Costs

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 cost means the fully allocated costs of salaries, benefits and supplies for the service.

The applicants anticipate direct operating costs per patient day of $4,684.83. The State Board does not have a standard for these costs.

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT APPEARS TO BE IN CONFORMANCE WITH THE PROJECT DIRECT OPERATING COSTS CRITERION (77 IAC 1120.140 (d)).

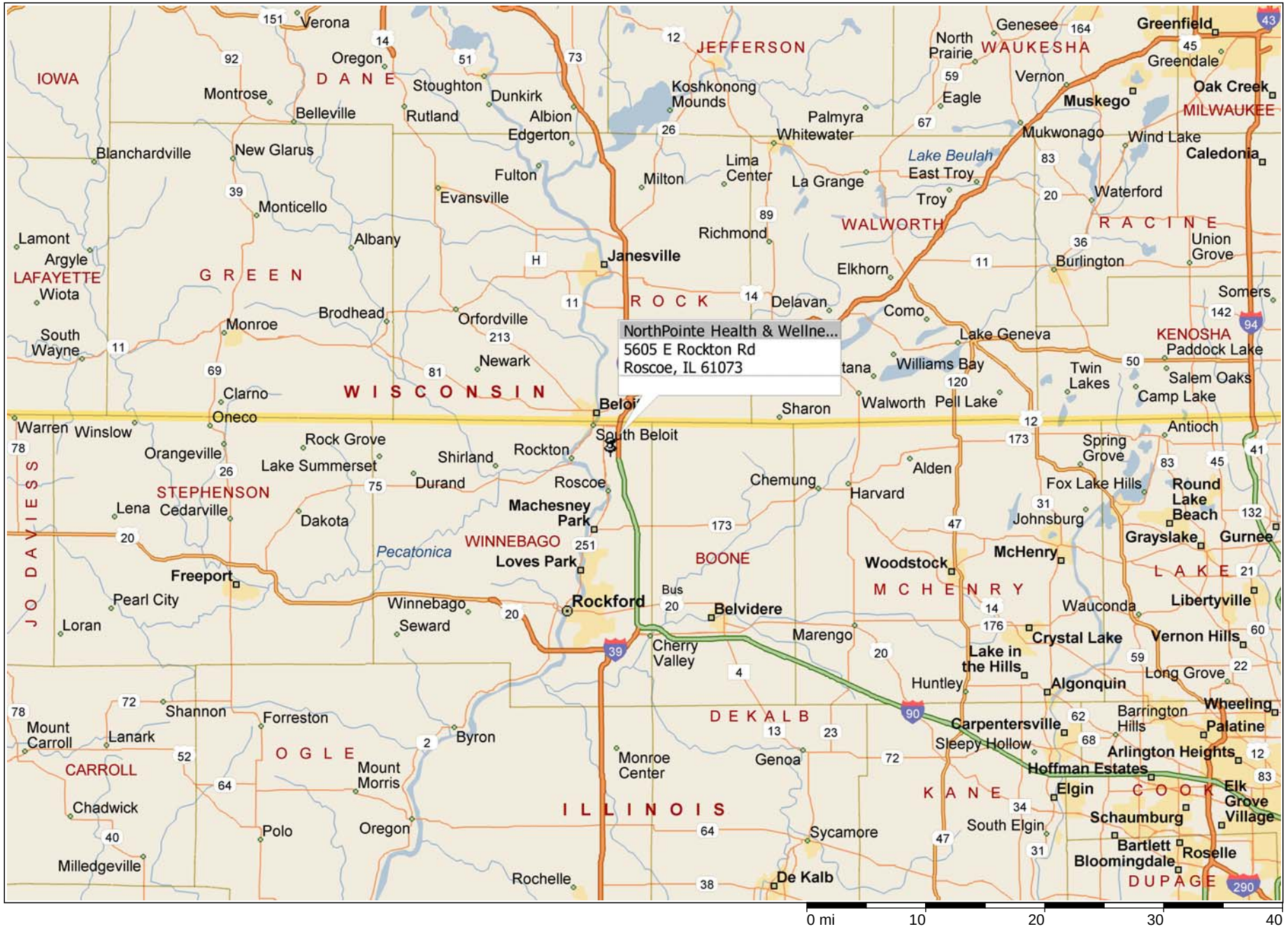
E) Criterion 1120.140 (e) - Total Effect of the Project on Capital Costs

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 applicants anticipate the total effect of the Project on Capital Costs per patient day of $3.31. The State Board does not have a standard for these costs.

THE STATE BOARD STAFF FINDS THE PROPOSED PROJECT APPEARS TO BE IN CONFORMANCE WITH THE TOTAL EFFECT OF THE PROJECT ON CAPITAL COSTS CRITERION (77 IAC 1120.140 (e)).

14-040 NorthPointe Health and Wellness Campus Free Standing Emergency Center - Roscoe



Beloit Health System

Operated by Beloit Memorial Hospital

1969 West Hart Road • Beloit, Wisconsin 53511-2230 • (608) 364-5011
www.BeloitHealthSystem.org

November 21, 2014

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

Re: Project 14-040
Clarifying Information

Dear Ms. Avery:

We look forward to again being before the Review Board at its December 16th meeting. Our project has extraordinary community support and is needed to improve local access to emergency medical services and enhance emergency care by retaining ambulance and first responders within the community during emergency situations as has been thoroughly attested to by EMS providers and patients.

Attached is clarifying information which is intended to assist the Review Board in its determination. We believe there are some misperceptions regarding our proposed FSEC and its intent. Hence, the focus of the information is to clarify both Board perceptions and the SAR noncompliance determinations.

Please do not consider this clarifying information as "additional information" in that we must appear before the Board in December in that the underlying FSEC legislation sunsets and we require a final Review Board determination by December 31, 2014. Please disregard the attachment if it delays our December appearance before the Board.
Please let me know if you have any questions. I can be reached at 608-365-5686 or by e-mail at tmckevett@beloitmemorialhospital.org.

Sincerely,

Timothy McKevett
President & CEO

Attachment: Clarifying Information

Cc: Mike Constantino
Ed Parkhurst

Clarifying Information

Project Number 14-040

NorthPointe Free Standing Emergency Center (FSEC)

Roscoe, Illinois

Beloit Health System

Beloit, Wisconsin

November, 2014

Table of Contents

NorthPointe FSEC Project 14-040
Clarifying Information
November 19, 2014

Introduction / Purpose

This submission intends to clarify certain information contained in the underlying Permit Application, Project 14-040, the resulting State Agency Report (SAR), and the perspectives voiced by the Review Board at its November 12, 2014 meeting where the proposed FSEC project received an intent-to-deny.

The document's purpose is to clarify select issues and not provide new information for the administrative record and Review Board consideration at its December 16, 2014 meeting.

Review Board Meeting

Several questions and/or perceptions were voiced at the Review Board meeting. The following intends to clarify the applicant's perspectives.

1. Safety Net

   Beloit Health System will continue to operate a NorthPointe FSEC as a satellite of Beloit Memorial Hospital's Emergency Department. As such, all patients who present themselves will be treated as is required by EMTALA legislation / regulations. The current ICC, which is proposed to be converted into an FSEC, reimbursement was comprised of 24.2% Medicaid and 3.9 % uninsured in its most recent operational year. Beloit has a charity care policy in place which will also govern FSEC operations.

2. Ambulance Transfers

   As an FSEC, the facility will be able to accept ambulance transports which are a very small percent (± 5%) of anticipated visits. Assuming a nominal range of 12 to 16 percent ambulance transports / visits to a hospital-based emergency department, emergency personnel are trained to triage patients in the field and transport patients to the most suitable emergency facility. An FSEC will be, and is required by Illinois law, by-passed by ambulances in certain patient acuity circumstances, like trauma, where an FSEC is an inappropriate care location. Ambulance transports to an FSEC account for a small portion of potential arrivals.

If a patient arrives by ambulance at an FSEC, they will be stabilized, treated, and discharged or transported by ambulance to the patient's hospital of choice if an admission is required. Such transfers are based on patient preference, not the preference of the provider (NorthPointe).

3. Charges

Current NorthPointe ICC charges approximate Beloit Memorial Hospital's Emergency Department charges. If approved, the FSEC will not have to significantly, if at all, increase charges for applicable services.

The project is not being contemplated to increase reimbursement, but to respond to community need as has been testified to.

4. Licensing

It has been implied the Beloit Health System is required to have an Illinois hospital license in order to establish an FSEC.

Beloit Memorial Hospital has provided documentation to the IHFSRB, including a legal opinion, establishing that an FSEC does not have to be owned or controlled by an Illinois licensed hospital, but simply by an Associate Hospital or Resource Hospital. Beloit is recognized as an Associate Hospital (by contract) by two Rockford-based Illinois hospitals to provide EMS-type services. This fact has been formally recognized by Review Board staff. The FSEC, if approved, would be subject to regulatory oversight as an entity licensed under the Illinois EMS Act, unlike the current NorthPointe ICC.

5. Pre-Planning Costs (Attachment 7)

The original submission misallocated a consulting contract fee to pre-planning costs. Please see the included correction. The intent is to clarify submitted information and not in any way modify the underlying CON permit application. If this proposed correction is not viewed as a clarification, please disregard the information.

Review Board Criterion and SAR Non-compliance

1. Service Accessibility (1110.3230(b) and Service Duplication (1110.3230(c)

The proposed FSEC project received two non-compliance determinations (1110.3230(b) and 1110.3230(c) based on the State Board benchmark of 2,000 average visits per emergency department station.

Project related testimony provided updated information indicating this long-standing average 2,000 visit / utilization guideline was not contemporary given various changes in emergency department utilization. Research indicates emergency department utilization varies considerably based on:

- Month of year
- Day of week
- Hour of day, and
- Daily / hourly severity of illness presented by patients seeking care.

Other variables, including the type of emergency department classification, have an impact on optimum utilization. Basic emergency departments tend to have higher visit utilization per station in that the relative severity of illness or acuity is lower so the patient time in department is lower. The more advanced trauma centers have lower utilization per station based on, in part, increased patient severity and increased diagnosis and the treatment time in an emergency department.

Using data from the Government Accounting Office, the National Center for Health Statistics, National Ambulatory Care Survey, National Emergency Department Survey, Centers for Disease Control, American Hospital Association, American Academy of Emergency Medicine (Benchmark) and various published research papers, one can model the need for emergency stations in a given market to test the 2,000 visit / station benchmark.

Based on these various sources, the local market has been conservatively modeled for Review Board consideration in order to clarify how the average 2,000 visits per station "fits" local market utilization.

Modeling Assumptions for Exhibit A (6 of 10)

1. Annual operations … 24/7/365
2. Average patient hours / ED visit … 3.2 hours (National Ambulatory Care Survey)
3. Assumed hours / ED visit (conservative) 3.0 hours (Rockford Market)
4. Visits to an ED varies by hour of day (see Exhibit A for hourly distribution visits through the day based on various studies)
5. "Peak" daily ED visits / utilization … Noon to 7:00 PM daily (8 hours)
6. "Peak" 8-hour utilization period represents 45.3% of daily total visits (calculated)
7. Assumed ED station utilization of 80% during peak periods (based on Review Board surgery utilization standard / station turnover requirements – admission / discharge)
8. Rockford Hospital 2013 ED visits (Rockford Memorial, Swedish American, and OSF) were 147,061.
9. Average daily visits approximate 403 with a peak of 484 (± 20% increase) to account for seasonal and daily variation … this is considered a conservative visit level given the wide variation in ED utilization over a given period.

Discussion

Exhibit A models the above conservative research-based assumptions for emergency department (ED) utilization. The findings and observations are:

1. Peak ED utilization occurs between noon and 7:00 PM on a daily basis.
2. Peak census approximates 87 patients occupying an ED station. (The Rockford hospital market has 95 stations.)
3. Assuming an 80% ED station utilization factor at peak census, the market need is for 109 ED stations or a deficit of 14 stations in the Rockford market.
4. Current average ED utilization for the Rockford hospitals is an 1,548 average visits / station annually.

5. Assuming 109 Emergency Department stations are required to accommodate a conservative average daily visit / census utilization peak, the average annual calculated utilization is 1,349 visits / station which is below the State Board 2,000 visit criteria.

Conclusion

Based on this conservative modeling approach, the contemporary range of the ED station utilization, as testified, appears to be valid (between 1,300 and 1,700 visits per station annually). In addition, those first responders who have testified as having experience with the Rockford ED's are supported by this macro modeling analysis in their assertions that access to ED care is compromised and there are long wait times in the Rockford hospital emergency departments.

Although the 2,000 visit per ED station is the Review Board's benchmark, the model indicates a lower standard can be considered valid.

2. Pre-Planning Costs (1120.140(c) (Attachment 7)

The original permit application submission misallocated $13,000 of clinical related consulting fees to the pre-planning category and not the consulting category. Attached are pages which correct this error. If this correction is considered a "permit modification", please disregard.

NorthPointe FSEC Project 14-040
Clarifying Information
November 19, 2014

Exhibit A
NorthPointe FSEC

Time of Day	Percent Visit Distribution		Average Hourly Visits (N = 485)	Cummulative Daily Visits	Discharges Based on 3.0 hour ALOS	Estimated Average Census	Required ED Stations @ 80 % Occupancy	
Midnight								
1:00 AM	1.8		9	9	--	--	--	
2:00 AM	2.2		11	20	--	--	--	
3:00 AM	2.7		13	33	--	--	--	
4:00 AM	1.6		8	41	9	32	40	
5:00 AM	1.6		8	49	20	29	37	
6:00 AM	1.6		8	57	33	24	30	
7:00 AM	1.6		8	65	41	24	30	
8:00 AM	2.7		13	78	49	29	37	
9:00 AM	3.2		16	94	57	37	47	
10:00 AM	4.9		24	118	65	53	67	
11:00 AM	5.4		26	144	78	66	83	
Noon	6.5		32	176	94	82	103	
1:00 PM	5.9		29	205	118	87	109	Peak
2:00 PM	5.4		26	231	144	87	109	Peak
3:00 PM	5.4		26	257	176	81	102	
4:00 PM	5.4		26	283	205	78	98	
5:00 PM	5.4		26	309	231	78	98	
6:00 PM	5.9		29	338	257	81	102	
7:00 PM	5.4	45:3%	26	364	283	81	102	
8:00 PM	5.9		29	393	309	84	105	
9:00 PM	5.4		26	419	338	81	102	
10:00 PM	5.9		29	448	364	84	105	
11:00 PM	4.9		24	472	393	79	99	
Midnight	3.8		19	491 *	419	72	90	
Total	100.5%		491 *	--	--	--	--	

* (1.4% over average daily peak census due to rounding)

This exhibit models the peak need for Emergency Department stations for the three Rockford hospitals utilizing 2013 AHQ ED visits (147,061) with an average daily peak visits approximating 484 (491 due to rounding). The distribution of visits throughout the day are based on published American Hospital Association (AHA) data and related studies. The average ALOS data is predicated on National Hospital Ambulatory Care survey data, 2011 Emergency Department survey tables.

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

Project Costs and Sources of Funds			
USE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Preplanning Costs	$18,000	$7,000	$25,000
Site Survey and Soil Investigation	2,500	2,500	5,000
Site Preparation	--	2,100	2,100
Off Site Work	--	72,191	72,191
New Construction Contracts (Bldg. Only)	--	--	0
Modernization Contracts	219,657	649,404	869,061
Contingencies	21,966	64,940	86,906
Architectural/Engineering Fees	23,920	70,720	94,640
Consulting and Other Fees	40,000	17,500	57,500
Movable or Other Equipment (not in construction contracts)	205,000	--	205,000
Bond Issuance Expense (project related)	--	--	--
Net Interest Expense During Construction (project related)	--	--	--
Fair Market Value of Leased Space or Equipment	--	--	--
Other Costs To Be Capitalized	12,500	12,500	25,000
Acquisition of Building or Other Property (excluding land)	--	--	--
TOTAL USES OF FUNDS	$543,543	$898,855	$1,442,398
SOURCE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Cash and Securities	$543,543	$898,855	$1,442,398
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	$543,543	$898,855	$1,442,398
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Note: See Attachment 7, Project Costs and Services, Itemization / Allocation for detail.

See also Attachment 7, Exhibits 1 and 2 for construction cost related information.

Attachment 7
Project Costs and Services
Itemization / Allocation

Preplanning	Clinical	Non Clinical	Total
Code / Facility Review	$ 5,000	$ 5,000	$ 10,000
Utilization Analysis	13,000	2,000	15,000
Total	$ 18,000	$ 7,000	$ 25,000
Site Survey / Soils	$ 2,500	$ 2,500	$ 5,000
Off-Site Work			
Helistop	--	$ 68,314	$ 68,314
Ambulance Pad	--	2,096	2,096
Sidewalks	--	1,781	1,781
Total	--	$ 72,191	$ 72,191
Moveable Equipment			
Omni Cell	$100,000	--	$100,000
Glidescope	25,000	--	25,000
EMS Radio	25,000	--	25,000
Peds Crash Cart	7,500	--	7,500
Airway Cart	7,500	--	7,500
Instruments	20,000	--	20,000
Call Light	20,000	--	20,000
Total	$205,000	--	$205,000
Other Costs to be Capitalized			
Permit Development	$ 10,500	$ 10,500	$ 21,000
CON Processing Fee (estimated)	2,000	2,000	4,000
Total	$ 12,500	$ 12,500	$ 25,000

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

Project Costs and Sources of Funds			
USE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Preplanning Costs	**$5,000**	**$5,000**	**$10,000**
Site Survey and Soil Investigation	2,500	2,500	5,000
Site Preparation	--	2,100	2,100
Off Site Work	--	72,191	72,191
New Construction Contracts (Bldg. Only)	--	--	0
Modernization Contracts	219,657	649,404	869,061
Contingencies	21,966	64,940	86,906
Architectural/Engineering Fees	23,920	70,720	94,640
Consulting and Other Fees	**53,000**	**19,500**	**72,500**
Movable or Other Equipment (not in construction contracts)	205,000	--	205,000
Bond Issuance Expense (project related)	--	--	--
Net Interest Expense During Construction (project related)	--	--	--
Fair Market Value of Leased Space or Equipment	--	--	--
Other Costs To Be Capitalized	12,500	12,500	25,000
Acquisition of Building or Other Property (excluding land)	--	--	--
TOTAL USES OF FUNDS	$543,543	$898,855	$1,442,398
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Note: See Attachment 7, Project Costs and Services, Itemization / Allocation for detail.

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Attachment 7
Project Costs and Services
Itemization / Allocation

Preplanning	Clinical	Non Clinical	Total
Code / Facility Review *	$ 5,000	$ 5,000	$ 10,000
Utilization Analysis **	00	00	00
Total	**$ 5,000**	**$ 5,000**	**$ 10,000**
Site Survey / Soils	$ 2,500	$ 2,500	$ 5,000
Off-Site Work			
Helistop	--	$ 68,314	$ 68,314
Ambulance Pad	--	2,096	2,096
Sidewalks	--	1,781	1,781
Total	--	$ 72,191	$ 72,191
Moveable Equipment			
Omni Cell	$100,000	--	$100,000
Glidescope	25,000	--	25,000
EMS Radio	25,000	--	25,000
Peds Crash Cart	7,500	--	7,500
Airway Cart	7,500	--	7,500
Instruments	20,000	--	20,000
Call Light	20,000	--	20,000
Total	$205,000	--	$205,000
Other Costs to be Capitalized			
Permit Development	$ 10,500	$ 10,500	$ 21,000
CON Processing Fee (estimated)	2,000	2,000	4,000
Total	$ 12,500	$ 12,500	$ 25,000

* **Preplanning costs associated with facility review / modification to meet Illinois FSEC licensing requirements.**

** **Original costs re-categorized and reallocated to consulting and other fees. This cost was associated with consulting fees expended to analyze market demand for FSEC services during the CON preparation.**

I am unable to attend this Hearing for NorthPointe for the free standing emergency treatment center. I am giving permission for the Village Clerk, Chris Marks, to read her statement regarding my recent medical emergency experience. I wish I could be here to personally share that experience with you.

Sheryl Crowley
November 5, 2014

Notarized by:

Linda M. Day
Linda Day

OFFICIAL SEAL
LINDA M DAY
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:11/02/15

A.T.S. MEDICAL SERVICES • MEDICAL STAFFING
www.atsambulance.com
PRIORITY ONE

November 11, 2014

To whom it may concern,

I would like to introduce my self. My name is Andy Schultz CEO/Founder of ATS Medical Services, Inc. We are a private ambulance provider located in Loves Park, IL. Our company also provides paramedic staffing for several Fire Protection Districts in the Northern Illinois area. I have been working in EMS as an EMT/Paramedic in the state of Illinois for 28 years. I started ATS in 2005 with the vision of improving the pre-hospital services for the community. I feel anyone associated with healthcare has an obligation to provide the service that is in the best interest of the community and patient. With that being said I want to show my support for the approval of NorthPointe immediate care to receive the CON as a Free Standing Emergency Center (FSEC).

I feel the most important need for this FSEC is to support the EMS providers in the surrounding communities. When Roscoe, Rockton and South Beloit have an ambulance transport they will typically transport these patients to one of the 3 Rockford hospitals or Beloit Memorial Hospital. Either of theses facilities are equally 15 minutes further of driving, depending on the traffic. The ability to transport a patient in less then half the time will allow these EMS providers to return to service in their community much quicker.

I feel its important to mention that frequently the 3 hospitals in Rockford have very busy emergency departments and when transporting an ambulance patient to them, you may have to wait in the hallway with this patient on your stretcher till a room becomes available. This may be 30 plus minutes sometimes. This only keeps that ambulance out of service even longer, leaving their community uncovered for medical response.

Sincerely,

Andrew T. Schultz, CCEMTP, NREMTP

CEO/Owner ATS Medical Services, Inc.

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Ph 815.963.6885 Fax 815.639.9521
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11/11/14

I believe that the State of Illinois should allow Northpoint to become a freestanding emergency care center.

It is my understanding that the State of Illinois uses a ratio of one ED bed for every 2000 annual ED patient visits to determine the number of ED beds needed in a particular area. At one point, that number may have been accurate. However, much has changed regarding the delivery of emergency medical care since that ratio was established.

Consider the following:

- Emergency visits across the country are increasing at twice the rate of the United States population (1).
- Two thirds of these ED visits occur during non-business hours (2).
- In the past decade, emergency department wait times have increased 30% (2).
- Most modern emergency departments now average 1350 to 1750 visits per ED bed, and the lower numbers are believed to be better for patient care. (3)

Therefore, the formula that is currently used underestimates the actual need for ED beds in the area, and should not be used as the sole determining factor for granting or denying this petition.

Roscoe/Rockton and the surrounding area will benefit by allowing Northpoint to function as a freestanding emergency center. It will allow the current EMS, Police, and Sheriff's organizations to better serve their communities by spending less time out of their local service area. It will offer some peace of mind to the citizens of the Roscoe/Rockton communities, and may lead to increased local population and economic growth, as having 24/7/365 access to high quality emergency care is a highly desirable attribute to any community.

Sincerely,

Shawn P. Wilson, MD

Shawn P. Wilson, MD

References:

1. Institute of Medicine report, 2006
http://iom.edu/Reports/2006/Hospital-Based-Emergency-Care-At-the-Breaking-Point.aspx

2. National Hospital Ambulatory Medical Care Survey: 2010
http://www.cdc.gov/nchs/data/ahcd/nhamcs_emergency/2010_ed_web_tables.pdf

3. The Emergency Department Benchmarking Alliance.
http://www.EDBenchmarking.org

University of Wisconsin
SCHOOL OF MEDICINE
AND PUBLIC HEALTH

Department of Emergency Medicine

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

11/11/14

Ms Avery,

Unfortunately, due to prior academic commitments, I cannot attend the Rochelle IL meeting on November 12. I would like to submit this letter to convey my opinions supporting the establishment of a 24-hour freestanding emergency department at the BMH Northpointe facility.

As a bit of background ,I am residency trained ,board-certified emergency physician who has lived in northern Boone County Illinois (approximately 6 miles from the Northpointe facility) for over 20 years. I have worked at 2 of the 3 emergency departments in Rockford Illinois as well as several area community hospitals. I have been medical director for both northern Illinois and southern Wisconsin EMS agencies. I am a clinical associate professor of emergency medicine at the University of Wisconsin as well as Chief flight physician for UW Health Med Flight.

As a result of the above I have a very good insight/understanding of the medical economics and politics of the Winnebago/Boone county region

Winnebago and Boone counties have a combined population of approximately 300,000. There are 3 large tertiary medical centers in the city of Rockford (all within a few miles of each other) with 24 hr emergency care services. There is also a 24 hr freestanding ED in Belvidere. If logically distributed, these 4 facilities would be able to provide adequate emergency care for region. Unfortunately all 4 are concentrated in a small area of the southern 1/3rd of the region. Anyone living in the northern 2/3rds of Boone or Winnebago county has a significant drive to any 24 hour emergency care facility.

The "golden hour" of trauma is a medical urban legend which has never been supported by medical research. Some patients have 10 minutes, some patients have 6 hours –

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Department of Emergency Medicine

there is nothing magic about an hour when it comes to trauma. Anyone who uses this sound byte is either trying to sell ambulances or market trauma services.

However, there are medical conditions which absolutely require emergent diagnosis and treatment. Sudden cardiac arrest, cardiac arrhythmias, acute MI, sepsis, stroke, airway obstruction/compromise – the delay of even 5 minutes to treatment can result in a significant increase in morbidity and/or mortality. Some areas of northern Boone/Winnebago county have a 35-40 minute ground transport time to emergency care. Also complicating the picture is the fact that all 3 Rockford hospitals are trauma centers and each receive their fair share of local and regional trauma. I do know from years of experience that patient flow through any emergency department often comes to a screaming halt when severely injured trauma patients arrive. This results in an increase in waiting time for the rest of the patients. Depending on the trauma volume and ED staffing, this wait can be hours.

Approximately 2 months ago I received a call from a neighbor and family friend because her 80-year-old husband had passed out in the bathroom. When I arrived to the house he was alert but had fever and chills. He had had a long history of urinary tract infections and felt that this was the case. Local EMS arrived within 10 minutes. They found him to have a temperature of 102 with a low blood pressure. He was transported to one of the Rockford area hospitals which is also a trauma center. The trip took almost 25 minutes. On arrival there he was taken to one of the ED rooms but not seen by a nurse for close to 10 minutes. She was apologetic stating that the staff was busy caring for several critical trauma patients. It was another 20 minutes before he was seen by a physician. Laboratory tests were ordered. It was almost 90 minutes before this elderly patient with obvious urosepsis received antibiotics and IV fluids. This is not even close to an acceptable treatment time for sepsis. He was subsequently admitted to the ICU but the significant delay definitive treatment no doubt had a negative impact on my neighbors recovery. If 24 hour care would has been available at Northpointe (10 minute transport time), he would have easily received treatment at least 90 minutes earlier. I realize this is a single example, but again from my 20+ year with the Rockford area emergency departments –it is a common scenario.

There is a large area of northern Boone and Winnebago counties which has a void when it comes to 24/7 emergency care. The population of this area is at an inherent disadvantage/risk because their lengthy transport time to the Rockford area EDs. There is also the issue of frequent prolonged wait times at these trauma centers/EDs. The establishment of a 24 hr, free standing emergency department in northern Winnebago

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Madison, WI 53792

University of Wisconsin
SCHOOL OF MEDICINE
AND PUBLIC HEALTH

Department of Emergency Medicine

county would, without a doubt, provide life saving, rapid access to emergency care for this underserved population.

If you any further questions for me regarding this very important health care access issue, feel free to contact me.

Sincerely,

M Abernethy

Michael Abernethy, MD FAAEM
Clinical Professor of Emergency Medicine

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S100186

ILLINOIS DEPARTMENT OF PUBLIC HEALTH
HEALTH FACILITIES AND SERVICES REVIEW BOARD
OPEN SESSION

REPORT OF PROCEEDINGS

Rochelle Municipal Airport
The Flight Deck Bar & Grill
1207 West Gurler Road
Rochelle, Illinois 61068

November 12, 2014
9:04 a.m. to 2:13 p.m.

BOARD MEMBERS PRESENT:

MS. KATHY OLSON, Chairperson;

MR. JOHN HAYES, Vice Chairman;

MR. PHILIP BRADLEY;

MR. DALE GALASSIE;

JUSTICE ALAN GREIMAN; and

MR. RICHARD SEWELL.

Reported by: Paula M. Quetsch, CSR, RPR
Notary Public, Kane County, Illinois

EX OFFICIO MEMBERS PRESENT:

MR. MATT HAMMOUDEH, IDHS; and

MR. MIKE JONES, IDHFS.

ALSO PRESENT:

MR. FRANK URSO, General Counsel;

MS. COURTNEY AVERY, Administrator;

MR. NELSON AGBODO, Health Systems Data Manager;

MS. CLAIRE BURMAN; Rules Coordinator;

MS. CATHERINE CLARKE, Board Staff;

MR. MICHAEL CONSTANTINO, IDPH Staff;

MR. BILL DART, IDPH Staff; and

MR. GEORGE ROATE, IDPH Staff.

I N D E X

I N D E X
(Continued.)

CHAIRPERSON OLSON: I'm going to call the meeting back to order.

The next order of business is Project 14-040, NorthPointe Health and Wellness Campus in Roscoe. While the Applicants approach, may I have a motion to approve Project 14-040, NorthPointe Health and Wellness Roscoe for approval of the establishment of a freestanding emergency center?

MEMBER GALASSIE: So moved.

MEMBER HAYES: Second.

(Eight witnesses duly sworn.)

CHAIRPERSON OLSON: Just remember that when you're speaking to introduce yourself for the court reporter.

Mike, State Board staff report.

MR. CONSTANTINO: Thank you, Madam Chairwoman.

The Applicant Beloit Health System is proposing to establish a freestanding emergency center in Roscoe, Illinois. The cost of the project is approximately $1 1/2 million. The anticipated date of completion December 15th, 2017.

I would like to note on page 8 of the report, that table is in error, and I put in front of you

today a corrected table. As you can see the -- corrected page 8 is what it was, the table, Table 3, which is the safety net information that they provided us originally, and then Dr. Burden had suggested that the Applicants provide three years' annual hospital profile information for Beloit, and from that information it was deemed that the information in the safety net impact table was incorrect.

CHAIRPERSON OLSON: Thank you, Mike.

MR. CONSTANTINO: One other thing. There was a public hearing on this project, and there was opposition, and we have three State findings.

CHAIRPERSON OLSON: Thank you.

MR. CONSTANTINO: Thank you.

CHAIRPERSON OLSON: Just for a point of clarification, too, on page 16, Table 5, hospital EDs within 30 minutes, the three hospitals are St. Anthony's, Rockford Memorial, and Swedish American. I didn't want to give Rockford Memorial the OSL. That could cause some difficulty.

Okay. Comments for the Board.

MR. MC KEVETT: Thank you, Madam Chairwoman. I appreciate the opportunity to sit before the Board today and express our desire for a

new project at our NorthPointe campus. My name is Tim McKevett. I'm president and CEO of the Beloit Health System. We are asking for certificate of need to convert our existing immediate care to a freestanding emergency center on our NorthPointe Health and Wellness campus.

As you can tell from earlier testimony and at the public hearing, we have very strong community support from the municipalities of Roscoe, Rockton, South Beloit, the EMS providers in that area, law enforcement, the business community, and most importantly, our patients. To the best of my recollection, the only opposition that we have is from our competition.

There are three key points to help justify this project in our community.

First is improved access to emergency care for our patients, community, and EMS providers. The project will result in a quicker response time for emergency care and will also help us expand our safety net coverage for Medicaid and the uninsured.

The second key point is the ease of conversion to a freestanding emergency center. Our current immediate care is operating at a high level of

care, basically, an extension of our emergency department. We have been serving as a de facto freestanding emergency center, but we understand we need to have a license to be able to accept ambulance transfers.

The third key point is cost effectiveness of conversion. The facility is already in place. We decided to offer a higher level of care. We have board-certified emergency room physicians in our immediate care, our nurses are the same nurses that work in our ER in Beloit, and we have support departments with a full laboratory and imaging.

The Beloit Health System has been physically in the Roscoe system since 1991. We have a primary care center there. We outgrew that center and after due consideration by this Board, we established our NorthPointe campus in 2007.

The NorthPointe campus is a comprehensive health and wellness campus that includes physician offices of primary and specialty care, diagnostic services, occupational health and physical therapy, a medically integrated wellness and fitness center, assisted living, and then the high level of emergency care.

The Beloit Health System is a not-for-profit entity that owns and operates the NorthPointe campus. It also owns and operates the Beloit Memorial Hospital which serves as an associate hospital that participates in the NorthPointe's EMS region.

44 percent of our activity, because Beloit is located directly on the state line, comes from Illinois residents. Our current NorthPointe immediate care has approximately 6700 square feet and as I mentioned is staffed by board-certified emergency room physicians and ER nurses. Our imaging does consist of a CT scanner, digital X-ray, portable X-ray, ultrasound, and MRIs, the tools that our physicians need. We have a full laboratory.

Our current hours of operation are 9:00 a.m. to 9:00 p.m. We're open 362 days a year and have approximately 9500 visits on an annual basis. 63 percent of our patients come from the primary service area of Roscoe, Rockton, and South Beloit. Another 20 percent come from Beloit, and less than 3 percent come from the Rockford area.

The scope of the proposed project involves modernizing 1,180 square feet of our existing immediate care through the freestanding emergency center

licensing requirements. No new space will be added; it's all internal renovations. We need to expand our trauma room to meet standards, create a decontamination room with an exterior exit, install a helipad, and put in emergency power. The total cost of the project is $1,443,398.

One area of noncompliance in the State agency report is the dollar amount associated with the preplanning cost. This is $9,900 above the State standard, which is only 1 percent of the total project. The reason that it's so big is the total project cost is low. So as a denominator being high, the preplanning costs being consistent, it created an overage in that area.

The project will expand our coverage for 24/7/365 and provide an on-site ambulance transfer program.

In summary, the benefits of the project include improved access to emergency care, improved quality and quicker access to expert emergency care, and you heard the EMS individuals' testimony to that. It will cut our response times and transfer times from the community to either Beloit or the Rockford hospitals in half, and every minute counts in those emergency

situations.

We understand again it is another area of noncompliance with the State agency report that the calculated excess capacity in the market based on the State standards of 2,000 visits per ER room is not met. We understand this is one factor in the Board's consideration process and that the Board has flexibility to approve FSECs and, in fact, has approved FSECs when this capacity in the market has not been met. We sincerely hope that the Board exercises its discretion with our project.

We believe that a more contemporary ER utilization standard is appropriate for the Board to consider and the benefits of the quicker ER care outweigh the standard. And to talk about that new modernization standard aspect I've asked Dr. Jack Maher, head of our emergency room, to speak to these issues.

Dr. Maher.

DR. MAHER: Good afternoon. I'm Dr. John Maher, M-a-h-e-r. I'm a board-certified emergency physician and group manager for the physician group that staffs the NorthPointe facility. I've been in practice in emergency medicine for some

30 years, and I'm here today to speak in favor of Project 14-40, the transition of NorthPointe from an immediate care facility to a freestanding emergency center.

I'd like to speak to two issues today. First, the current definition for bed capacity standard used by the State of Illinois and, second, the value of reduced transport time.

The current utilization standard used by the State is 2,000 visits per bed per year. The standard has been in use for quite some time. There currently exist some updated standards, utilization standards that propose utilization of 1,358 to 1,750 visits per station. I believe with this standard we would be complying.

We've noticed several aspects about the community, the Roscoe/Rockton community. We've noticed that patients are becoming sicker, their medical problems are becoming more complex, and that the community is growing, more patients having access to insurance or seeking access to care.

My second issue is the value of reduced transport time. For serious injury or medical conditions it is often said that time is muscle and

often specifically was talking about the heart muscle. Transport times by local EMS services to NorthPointe are approximately 7 to 8 minutes. Transport times to other Rockford area EDs can be about 15 or 20 minutes. Also, during peak volume times at the Rockford hospitals they may be near full capacity. Patients arriving during these peak times may not be evaluated immediately upon arrival. This may cause some additional delay. Also, there may be some delay in putting EMS services back in service. Lower volume facilities perhaps such as NorthPointe may not have such peak volume delays.

As previously stated, time is muscle. And specifically heart muscle it's been shown that reducing time to administering such medications as the clock-busting medications for patients of heart attacks or certain strokes can markedly improve outcome and quality of life. I've cared for patients at NorthPointe that have had these issues, and rapid transport and evaluation and therapy definitely improves their life status.

Thank you for the opportunity to speak on behalf of this project.

MR. MC KEVETT: To complete the benefits of the project, as Dr. Maher had mentioned, keeping

the EMS and the ambulances in service, you heard from the EMS providers it's important to provide community safety and greater access to emergency care; the minimal cost on the conversion because we have an infrastructure already in place.

We also will increase patient access to safety net. We hold ourselves to the EMTALA Federal standard, which means we treat everybody regardless of the ability to pay that comes into the emergency room, and we would continue that standard, of course, as we move forward if approved for the freestanding emergency center. 24 percent of our patients in our immediate care are Medicaid, and 4 percent are self-pay.

We have patient freedom of choice. If a patient comes to us and needs to be transferred, currently we are transferring to the Rockford hospitals. We'd continue to do that. This would help to lessen the impact on the Rockford hospitals.

The new facility will bring 12 new jobs to the area and 6 new construction jobs over the life of the construction project.

For these reasons and the outstanding community support and need that we see, we ask that you consider the project and approve our certificate

of need. Thank you.

CHAIRPERSON OLSON: Thank you.

Questions and comments from Board members?

(No response.)

CHAIRPERSON OLSON: I actually have a question. So you're converting your immediate care clinic to an emergency department?

MR. MC KEVETT: Correct.

CHAIRPERSON OLSON: What does this do for the cost of care of those individuals who need an immediate care clinic as opposed to an emergency department? Isn't that going to make the burden on those patients more expensive?

MR. MC KEVETT: Right now our pricing structure is actually higher than the typical convenient care because we're providing emergency room physicians. So there will be minimum increase and impact.

It's stratified over five different levels, the highest level being the most complex care down to the lowest level, which is a lower cost alternative. So it is stratified based on the level of service.

CHAIRPERSON OLSON: So anybody who shows up, if this becomes a freestanding emergency department,

will be charged according to -- there won't be an emergency department charge? If I come in because I have a child with acute strep throat, I'm not going to get an emergency department charge? I'm going to get charged what I would get charged in an immediate care clinic for a strep throat visit?

MR. MC KEVETT: Point of clarification, our current charges are probably higher than the average convenient care because we're using emergency department physicians. We will match our price structure so there will be a slight increase when and if we're approved.

The key that we've done there I think that has helped from a cost perspective is if they're seen in our immediate care and transferred up to our facility in Beloit, we don't double-charge them. We don't charge them again for that emergency room. That would just go through as a nonadditional charge. So we don't double-charge the patient.

CHAIRPERSON OLSON: Thank you. And then I also -- somebody stated earlier today -- and I hope I have the statistic right -- that one in five people that show up in an emergency room generally need to be admitted. So what does it do to the outcome of that

patient to instead of spending the extra seven minutes to go to RMH or whoever to go NorthPointe, be treated, and then have to be moved again?

DR. MAHER: I believe at Beloit our initial rate is about 9 percent. Your question is well placed.

Patients that come to the emergency department, let's say the freestanding emergency center, they would be stabilized. In other words, their treatment would be done at that facility. We may initiate IV therapy; we may initiate some medication, oxygen, do some interventions to stabilize their condition, and then they would either be directly admitted to the hospital, have to be transported by ambulance, be directly admitted to the hospital, or sometimes they would stop briefly in the emergency department before they are taken upstairs to their regular hospital bed, if that answers your question.

CHAIRPERSON OLSON: Because one of the other comments that was made at the hearing -- as you know, I was at the hearing -- was that your ambulances are tied up due to this transport, but are you not going to tie them up twice then for people to have to

be taken to NorthPointe once and then taken to Beloit after the decision is made to admit?

MR. MC KEVETT: As part of the stipulations and the regulations for the freestanding ER, we have to engage our own ambulance services. So this will be separate from the Harlem-Roscoe Fire District, the individuals you heard from today. We will have a 24/7 ambulance staffed with a paramedic at our facility for that purpose.

CHAIRPERSON OLSON: Other questions or comments?

Justice.

MEMBER GREIMAN: Yes. I think I misunderstood. You said that they previously were going to be 362 days a year, but now you're changing it to be 365 days a year; is that correct?

MR. MC KEVETT: That's correct.

MEMBER GREIMAN: You're open up all the -- what were the three days, by the way?

MR. MC KEVETT: Christmas, New Year's, and Thanksgiving.

MEMBER GREIMAN: Merry Christmas. Okay.

MEMBER HAYES: Madam Chair.

Is Beloit Memorial Hospital licensed in the

state of Illinois?

MR. MC KEVETT: Beloit Memorial Hospital is not licensed in the state of Illinois. We are an associate hospital unless we believe we met the EMS standard to be able to do a freestanding emergency room.

MEMBER HAYES: So, basically, you feel that you have met the standard to be able to operate a freestanding emergency center in Illinois even though you're not a licensed facility?

MR. MC KEVETT: That is correct. And we did have a -- we did have a -- our legal opinion on that is we did query the staff on this issue, we showed them our associate hospital agreement and our standing, and we did receive feedback back from the Board staff that we could move forward, in fact -- move forward with not a guarantee of license, move forward when we've met the requirements to be able to be a freestanding emergency center.

MEMBER HAYES: All right. Thank you.

CHAIRPERSON OLSON: Other questions or comments from Board members?

Mr. Bradley, did you have something?

MEMBER BRADLEY: No.

CHAIRPERSON OLSON: And I do believe --

I apologize, David Penn -- I don't have a motion on the floor. So may I have a motion to approve Project 14-040, NorthPointe Health and Wellness Campus for approval to establish a freestanding emergency center? May I have a motion?

Oh, we do have one?

MR. ROATE: We had a motion. Mr. Galassie made it, and Mr. Hayes seconded.

CHAIRPERSON OLSON: See, you just can't feed me.

I'll call for a roll call vote, please.

MR. ROATE: Mr. Bradley.

MEMBER BRADLEY: The staff has reviewed this and found that it does not meet the service accessibility standard, it is unnecessary duplication of service, and the reasonableness of the project cost does not comply. I think these are significant items and I vote no.

MR. ROATE: Justice Greiman.

MEMBER GREIMAN: I think that they've shown the necessity for it and the issues are difficult to service the communities, so I vote yes.

MR. ROATE: Mr. Galassie.

MEMBER GALASSIE: I'll vote no based

upon the issues noted by Member Bradley.

MR. ROATE: Mr. Hayes.

MEMBER HAYES: I'm going to vote no based on the issues described by Member Bradley.

MR. ROATE: Mr. Sewell.

MEMBER SEWELL: I vote no for reasons previously stated.

MR. ROATE: Madam Chair.

CHAIRPERSON OLSON: I vote no for the negative findings in the State Board staff report and the negative impact on other providers in the area.

MR. ROATE: 1 vote in the affirmative, 5 votes in the negative.

CHAIRPERSON OLSON: The motion fails.

MR. URSO: You'll be receiving an intent to deny. You'll have an opportunity to come before the Board, as well as to supply additional information.

MR. MC KEVETT: Thank you.

- - -

seizures.

MR. AGBODO: Two minutes.

DR. SIDDIQUI: So that's an example of a patient who takes -- eight deliveries could have been done in the same amount of time, but this patient required that level of care. This is why we strongly support the expansion and renovation of labor and delivery. Thank you.

CHAIRPERSON OLSON: Thank you, Doctor.

MS. AVERY: Next on public participation is 14-031, NorthPointe Free-Standing Emergency Center, Gary Kaatz, Jason Dotson, Sue Petty, Michael Coogan, John Bergeron.

If you have written testimony, it will help the court reporter if you can leave it on the table. Thank you.

MR. KAATZ: Madam Chair, members of the Board, good morning. I'm Gary Kaatz. I'm president and CEO of Rockford Health System. We oppose Beloit's application to establish a freestanding emergency center on its Roscoe medical campus. We agree with the Board staff report that this center is not needed and will result in an unnecessary duplication of services.

The project should be turned down for the following reasons:

No. 1, no additional emergency room stations are needed to serve our community. The three Rockford hospitals have 20 more emergency room stations than are currently needed, and Beloit Memorial Hospital itself has excess emergency room capacity.

No. 2, the project will have a negative impact on the Rockford hospitals since it will result in a significant redirection of Illinois residents to Beloit Memorial Hospital. Since approximately 1 in every 5 ER patients are either held for extended observation or admitted, those patients treated at NorthPointe's proposed freestanding emergency center would effectively be captured by the Beloit's Wisconsin hospital.

No. 3, this project will not improve access to care for financially disadvantaged residents of Winnebago County. The NorthPointe campus is located in a relatively more affluent part of our county. This project will further disadvantage Rockford hospitals through the transfer of patients with insurance coverage to Beloit Memorial Hospital.

Lastly, Beloit Health System already provides

a broad spectrum of outpatient services at its NorthPointe campus. With its pending application for an ASTC and the proposal to add a freestanding emergency center, Beloit's goal is clearly to establish a hospital without beds to serve as a feeder to its Wisconsin-based medical center.

Based on these reasons, we urge the Board to deny this application for the establishment of a freestanding emergency center on Beloit's Roscoe campus. And thank you very much for the opportunity to express our strong opposition and considering our view, thank you.

CHAIRPERSON OLSON: Next.

My name is Jason Dotson. I'm the vice president of Beloit Health System. Thank you, Madam Chairwoman and members of the Board. I'm here today to present a letter of support from Andy Schultz, ATS Medical Services.

"I feel the most important need for this FSEC is to support the EMS providers in the surrounding communities. When Roscoe, Rockton, and South Beloit have an ambulance transport, they will typically transport these patients to one of three Rockford hospitals or Beloit Memorial Hospital. Either of these

facilities are equally 15 minutes further of driving depending on the traffic. The ability to transport a patient in less than half the time will allow these EMS providers to return to service in their community much quicker.

"I feel it's important to mention that frequently the three hospitals in Rockford have very busy emergency departments, and when transporting a patient to them, you may have to wait in the hallway with this patient on your stretcher until a room becomes available. This may be 30-plus minutes sometimes. This only keeps that ambulance out of service even longer, leaving their community uncovered for medical response. Andy Schultz."

On a personal note, three weeks ago this project became more personal for me. My aunt was at home with her husband, my uncle, who was battling lung cancer. He came out of the room after Skyping with his grandchildren online gasping for air. He waited approximately 25 minutes for the ambulance to arrive to get there for his care. Sadly, because he didn't have the oxygen he needed, my uncle passed away on the way to the ambulance. I ask you to imagine your loved one coming to you at home gasping for air and waiting.

This project will provide an additional ambulance service to our community and will provide support for members of our community like Diane Richter who you heard from, and she's here in the audience today. I ask for your support and my hope is that logic will rule the day and you will see a need for Project 14-40. Thank you for your time.

CHAIRPERSON OLSON: Thank you. Sorry for your loss.

Next.

MS. PETTY: Good morning. My name is Susan Petty. I'm a trustee with the Village of Roscoe. I represent the Village Board, as well as myself.

I am here in support of the 14-40 freestanding emergency center. I feel comfortable in knowing there is a quicker ER care available to me, my constituents, and the residents of the region.

This is a much-needed safety net to our rural community. I see the facility as it is a keystone to Roscoe, Rockton, and South Beloit in emergency room care, much-needed care. Thank you for your time.

CHAIRPERSON OLSON: Thank you.

MR. BERGERON: Good morning. Deputy

Chief John Bergeron, Harlem-Roscoe Fire Department.

On behalf of the fire protection district that we serve, we are here to voice support for NorthPointe's Project 14-40 emergency room center.

Our fire district incorporates approximately 80 square miles. Over the past several years our fire protection district has seen and continues to see substantial growth. Every year this growth has increased the demand for emergency services. Today we are averaging 8 to 10 calls a day with 82 percent of those calls being medical in nature. At any given time one of our three staff ALS ambulances can be out of service on a call for two hours or more as we transport to one of the four hospitals either in Rockford or Beloit. It is not uncommon to have all three ambulances out simultaneously on calls at any given time.

The possibility of this type of facility in our district will have a direct effect in reducing transport times along with keeping ALS ambulances in our district ready to respond. We have a professional and well-established relationship with Beloit Memorial Hospital, as we do with all the Rockford hospitals in the region. Adding a facility like this in our community will make our district a safer and healthier

place to live. Thank you.

CHAIRPERSON OLSON: Thank you.

MS. AVERY: One second. What's your name?

MS. EVANS: Jamie Evans.

MS. AVERY: And you are?

MR. COOGAN: Michael Coogan.

MS. AVERY: Thank you.

MS. EVANS: My name is Jamie Evans. I'm the police chief in Roscoe. I'm here to express my support for Project 14-40.

As a mother, police chief, and cancer survivor I can tell you firsthand why I feel this emergency room would benefit our community. I'm also a patient and member of NorthPointe.

In 2006 I was diagnosed with cancer. I underwent surgery, chemotherapy, radiation, and hormone replacement therapy. As like most survivors, my road to recovery was long and met with many obstacles. One obstacle was the time it took and the toll it took to drive to treatment. Throughout the course of five months I travelled an approximate 114 miles for chemotherapy, 570 miles for radiation, and 200 miles for shots, blood draws, and visits. NorthPointe did not exist at that time, but it would

have been invaluable to me and my family if NorthPointe had an emergency room in Roscoe.

As a police chief, I can tell you that having an emergency room in our area would be a great benefit to our citizens and our police department. For the police department, having a 24/7 emergency room in our town would save our department time in transporting prisoners where we have to take people in for blood draws and for mental health reasons. Currently our officers spend an estimated one hour on transporting a prisoner the time -- not including the time it takes to sign someone in or wait for security.

As a mother I can tell you I have taken my child to an emergency room before, and the closest one to me is 17 miles away, the one that I can go to. Having NorthPointe emergency room in our area would be very beneficial, as it would take me 5 minutes to get there instead of 17 miles. Thank you.

DR. COOGAN: Good morning, my name is Michael Coogan. I'm here speaking in support of licensing NorthPointe as a freestanding emergency center.

As a board-certified emergency physician and the medical director of the NorthPointe Immediate Care

Clinic, I've seen firsthand the community's need for -- need and desire for high-quality emergency care, and I've seen our own center's ability to deliver it. With board-certified emergency physicians, we have been able to diagnose and manage cases of chest pain and heart failure, cases of pneumonia and pulmonary embolism, cases of appendicitis and diverticulitis, cases of simple dizziness and suspected stroke and cerebral hemorrhage. Members of the community come to us with a full range of medical problems now from the simplest to the most life threatening.

NorthPointe is a state-of-the-art facility that was built with the potential of becoming a freestanding emergency center in mind. The physical structure and the ancillary services necessary to operate at a level of a freestanding emergency care center are already in place. There are multiple highly-skilled motivated and caring individuals, including physicians, nurses, administration, laboratory, and X-ray staff that have already committed to this endeavor. What NorthPointe lacks is the license to operate as a freestanding emergency care.

The community will benefit by allowing NorthPointe to function as a freestanding emergency

center. We want to offer this high-quality access to ambulance delivery around the clock, not just for the hours that we're open at this time.

And allowing the ambulances to come to us, as has been pointed out several times already, will increase the access in that community. By virtue of its location, ambulance transport times to NorthPointe will be considerably shorter than taking patients to Rockford --

MR. ABOGADO: Two minutes.

DR. COOGAN: -- or to Beloit. This is obviously the potential for a life-saving, valuable center in the community.

CHAIRPERSON OLSON: Next for the same Project 14-040, Kirk Wilson and Jarod Triplett. Following that is 14-042, Tinley Park Dialysis.

MR. TRIPLETT: Good morning. My name is Jarod Triplett, and I am here to express my support for the freestanding emergency center, Project 14-40. Thank you for your time and consideration today.

While there are many advantages that can be discussed, I will keep my letter of support focused on quality. NorthPointe has always provided the highest level of care in our community. As parent of two young

children, we have made many visits to the immediate care facility. The service has always been top-notch and, more importantly, exceeded our expectations.

In August of 2010 our son was taken to NorthPointe to receive treatment for what was diagnosed as an intussusception, kinked bowel. While this diagnosis was accurate and efficiently treated and remediated, the medical staff took extra precautionary measures that led to the discovery of an unrelated malignant cancerous tumor, neuroblastoma. This proactive and early detection approach saved our son's life. At 14 months old he was able to have a surgical resection and avoid any chemotherapy or radiation treatment. Matthew's oncology team confirmed that delayed discovery even by a few days would have led to his tumor attaching to his spinal cord and would have undoubtedly created a more challenging regimen of treatments.

The NorthPointe team provided above-and-beyond, exemplary care. The team also continues to extend their compassion and concern for Matthew's well-being more than four years later. The guidance and compassion provided by the NorthPointe team instilled hope and confidence within our family

as we dealt with our son's neuroblastoma. Having a top-notch facility in our community which provides the highest quality of care has proved to be truly invaluable to our family.

It is our hope that our story can help convey the quality of the NorthPointe team and facilities. With your consideration and approval, our community looks forward to the expansion of the NorthPointe facilities and services.

Thank you for your consideration.

CHAIRPERSON OLSON: Thank you. Glad to hear Matthew is doing well.

MR. TRIPLETT: Thank you.

MR. WILSON: Good morning, Madam Chairman, members of the Board. My name is Kirk Wilson, and I'm the fire chief for the Rockton Fire Protection District in Rockton, Illinois, and I'd like to express the Fire District's support for the freestanding emergency center that is being proposed at the NorthPointe facility in Roscoe, Illinois.

I've been in the fire service for over 30 years, with 26 of those years as a full-time paramedic, and I witnessed firsthand the impact on patient outcome when ambulance transport times are

minimal.

Ambulance transport times from Rockton to an emergency room in our region can range from 15 to 20 minutes, and providing an emergency room close to our community can shorten those times, ensuring prompt emergency intervention and increasing a patient's chance of survival.

We give the patient the opportunity to choose which hospital system they would like to be transported to. However, if our paramedics and our staff recognize that the patient is suffering from a life-threatening medical crisis, we then transport that patient to the closest emergency room department.

It is the policy of the Rockton Fire Protection District as well as our EMS resource hospital to transport patients suffering from life-threatening emergencies to the closest emergency room facility. Ambulance transport times to the proposed NorthPointe emergency facility will be dramatically reduced, which may result in a more positive patient outcome.

Ambulance turnaround times or back-in-service times are a concern of mine, as well. With the ambulances transporting to a facility that is close to home can only ensure the ambulances will be back in

service and ready to answer the next emergency call.

Again, with the support of our local EMS providers, I believe that the residents of Roscoe, Rockton, and South Beloit will greatly benefit with NorthPointe providing a freestanding emergency center within our communities.

Thank you.

CHAIRPERSON OLSON: Thank you.

MR. TINCKNELL: Good morning. I'm Tim Tincknell from DaVita Health Care Partners speaking behalf of Mayor Edward Zabrocki of Tinley Park in support of Tinley Park Dialysis Project 14-014.

"I'm the mayor of the village of Tinley Park, and I'm pleased to support DaVita's proposal to establish a new 12-station dialysis facility in Tinley Park. This proposed facility will improve access to essential dialysis treatment for residents who live in my community.

"The proposed Tinley Park Dialysis will primarily serve Tinley Park and those communities within 20 minutes of Tinley Park. According to the September 30, 2014, data from the Renal Network, there are 856 dialysis patients who reside within the proposed