



STATE OF ILLINOIS

HEALTH FACILITIES AND SERVICES REVIEW BOARD

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

DOCKET NO: H-02	BOARD MEETING: January 27, 2015	PROJECT NO: 14-052	PROJECT COST: Original: \$0
FACILITY NAME: Taylorville Memorial Hospital		CITY: Taylorville	
TYPE OF PROJECT: Substantive			HSA: III

DESCRIPTION: The applicants (Taylorville Memorial Hospital and Memorial Health System) are requesting to discontinue their 20-bed long term care category of service. There is no cost to this project. **The completion date is March 1, 2015.**

EXECUTIVE SUMMARY

PROJECT DESCRIPTION:

- The applicants (Taylorville Memorial Hospital and Memorial Health System) are requesting to discontinue their 20-bed long term care category of service. There is no cost to this project. **The completion date is March 1, 2015.**

WHY THE PROJECT IS BEFORE THE STATE BOARD:

- The project is before the State Board because the project proposes to discontinue a category of service under the jurisdiction of the State Board.

PURPOSE OF THE PROJECT:

- The purpose of the project is to discontinue a 20 bed long term care category of service because it is no longer economically feasible for the hospital, low patient census over the past 3 years, and an excess of 759 long term care beds in the HSA 3 long term care service area.

PUBLIC HEARING/COMMENT:

- A public hearing was offered on this project; however, no hearing was requested. State Board Staff have received no letters of opposition and no letters of support regarding this project.

FINANCIAL AND ECONOMIC FEASIBILITY:

- The proposed project will incur no costs.

CONCLUSION:

There is a calculated excess of 759 long term care in the HSA 3 service area. Given the current bed excess, and the low census in the long term care unit, it would appear that the proposed discontinuation is justified. **The applicants have met the requirements of (77 IAC 1110.130 (a) (b) (c) – Discontinuation**

STATE BOARD STAFF REPORT
Taylorville Memorial Hospital
PROJECT #14-052

APPLICATION CHRONOLOGY	
Applicants	Taylorville Memorial Hospital, Memorial Health System
Facility Name	Taylorville Memorial Hospital
Location	201 E. Pleasant Street, Taylorville, Illinois
Permit Holder	Taylorville Memorial Hospital
Operating Entity	Taylorville Memorial Hospital
Owner of Site	Memorial Health System
Application Received	10/16/2014
Application Deemed Complete	10/20/2014
Can Applicants Request Another Deferral?	Yes
Review Period Extended by the Board Staff?	No

I. The Proposed Project

The applicants (Taylorville Memorial Hospital, Memorial Health System) are proposing to discontinue a 20 bed long term care category of service at Taylorville Memorial Hospital. There is no cost to this project. **The anticipated project completion date is March 1, 2015.**

II. Summary of Findings

- A. The State Board Staff finds the proposed project appears to be in conformance with the provisions of Part 1110.
- B. Part 1120 is not applicable to this project because there is no cost.

III. General Information

The applicants are Memorial Health System and Taylorville Memorial Hospital. Taylorville Memorial Hospital is located at 201 E. Pleasant Street, Taylorville, Illinois in the HSA III Service Area and the Christian County Long Term Care Planning Area. The operating entity licensee is Taylorville Memorial Hospital and the owner of the site is Memorial Health System. Memorial Health System (Parent) is incorporated as a not-for-profit corporation under the laws of the state of Illinois and is a tax-exempt organization as described in Section 501(c) (3) of the Internal Revenue Code (the Code). Memorial Health System and Subsidiaries (MHS) comprise the following corporations and their subsidiaries. Memorial Health System is the sole corporate member of

- Memorial Medical Center (MMC)
 - Memorial Medical Center Foundation (MMCF)
- Memorial Physician Services (MPS)
 - HealthCare Network Properties, LLC d/b/a Memorial Properties (MP)

- Memorial Home Services NFP (MHSvs)
 - Memorial Home Services of Central Illinois, Inc. (MHSCI)
- The Abraham Lincoln Memorial Hospital (ALMH)
 - Abraham Lincoln Healthcare Foundation (ALHF)
- Mental Health Centers of Central Illinois (MHCCI)
- Memorial Health Ventures (MHV)
- Taylorville Memorial Hospital (TMH)
 - TMH Foundation, Inc. (TMHF)
- The Passavant Memorial Area Hospital

HSA III consists of the Illinois Counties of Adams, Brown, Calhoun, Cass, Christian, Greene, Hancock, Jersey, Logan, Macoupin, Mason, Menard, Montgomery, Morgan, Pike, Sangamon, Schuyler, and Scott. There is no land acquisition cost for this project. This is a substantive project subject to a Part 1110. Project obligation will occur at the time of permit issuance, and the anticipated project completion date is March 1, 2015.

IV. Project Costs and Sources of Funds

There is no cost to this project.

V. Section 1110.130 - Discontinuation

A) Criterion 1110.130 (a) - Information Requirements

The applicants are proposing to discontinue a 20 beds long term care category of service at Taylorville Memorial Hospital. The anticipated date of discontinuation is March 1, 2015. The applicants are intending to use the vacated space for administrative purpose and storage. The medical records will be maintained at the hospital

B) Criterion 1110.130 (b) - Reasons for Discontinuation

There is an excess of 759 long term care beds in the Health Service Area 3. Over the past three years the facility had an average occupancy of 57.23%.

TABLE ONE Occupancy of 20 bed long term care beds Taylorville Memorial Hospital			
	2011	2012	2013
Beds	20	20	20
Days	4,586	4,160	3,792
Occupancy	62.8%	57.0%	51.9%
ADC	12.6	11.4	10.4

According to the applicants the Long Term Care service at Taylorville Memorial Hospital is no longer economically feasible and is impairing the facility's financial viability. The annual net negative financial impact of maintaining the Long Term Care unit exceeds \$1,000,000 per year

C) Criterion 1110.130 (c) - Impact on Access

There will be no impact on access as there is an excess of 759 long term care beds in the HSA 3 service area. As noted in Table Two below there are 33 long term care facilities within 45 minutes of Taylorville Memorial Hospital. The following facilities provided letters stating that they have sufficient capacity to accommodate the needs of all or a significant portion of Taylorville Memorial Hospital's historical caseload of patients requiring long-term care services. These facilities stated they can meet this need without restriction of limitations that would preclude us from providing long-term care services to residents of the Christian County market area.

1. Taylorville Care Center
2. Heritage Health Therapy & Senior Care
3. Moweaqua Nursing & Retirement Center
4. Nokomis Rehabilitation & Health Care Center
5. Heritage Health of Springfield
6. Oak Terrace Healthcare Center
7. Regency Nursing Care Residence
8. Illinois Presbyterian Home
9. McKinley Court

TABLE TWO Facilities within 45 minutes of Taylorville Memorial Hospital				
Long Term Care Facility	Location	Minutes	Number of Beds	Occupancy
Meadow Manor Skilled Nursing & Rehab	Taylorville	3	96	82.90%
Taylorville Care Center	Taylorville	5	98	85.40%
Prairie Rose Healthcare Center	Pana	22	105	71.10%
Heritage Manor of Pana	Pana	24	151	71.00%
Nokomis Rehabilitations & Healthcare Center	Nokomis	27	92	45.80%
Moweaqua Nursing & Retirement Center	Moweaqua	27	70	80.90%
Eastern Star Home	Macon	28	44	43.20%
Fair Havens Christian Home	Decatur	31	154	97.70%
Springfield Care Center	Springfield	33	65	74.30%
St. Joseph's Home for the Aged	Springfield	34	72	93.20%
Auburn Rehabilitation & Healthcare Center	Auburn	35	70	81.90%
Imboden Creek Living Center	Decatur	35	95	89.50%
St. John's Hospital	Springfield	35	37	79.20%
St. Mary's Hospital	Decatur	36	14	71.40%
Decatur Rehab and Healthcare Center	Decatur	36	58	67.30%
Capitol Care Center	Springfield	38	251	71.10%
Heritage Health-Springfield	Springfield	38	178	90.90%

TABLE TWO
Facilities within 45 minutes of Taylorville Memorial Hospital

Long Term Care Facility	Location	Minutes	Number of Beds	Occupancy
Shelbyville Rehabilitation & Healthcare Center	Shelbyville	38	80	47.70%
Lincoln Rehabilitation Center	Decatur	39	140	80.20%
McKinley Court Care Center	Decatur	39	150	92.30%
Symphony of Decatur	Decatur	39	195	91.00%
Villa Healthcare East	Sherman	39	99	92.60%
Heartland Healthcare Center	Decatur	39	117	88.20%
Illinois Presbyterian Home	Springfield	40	15	31.60%
Decatur Manor Healthcare	Decatur	39	147	87.00%
Oak Terrace Care Center	Springfield	40	78	51.80%
Heritage Health Therapy & Senior Care	Mt. Zion	40	75	94.10%
Shelbyville Manor	Shelbyville	40	115	64.20%
Regency Nursing Care Residence	Springfield	41	95	82.00%
Bridge Care Suites	Springfield	41	75	25.40%
Concordia Village	Springfield	42	64	94.00%
Hickory Point Christian Village	Decatur	43	64	97.10%
Lewis Memorial Christian Village	Springfield	43	155	94.50%

VII. Safety Net Impact Statement

1. The project's material impact, if any, on essential safety net services in the Community. Health Safety Net Services have been define as services provided to patients who are low-income and otherwise vulnerable, including those uninsured and cover by Medicaid (Agency for Healthcare Research and Quality, Public Health Services, U. S. Department of health and Human Services. "The Safety Net Monitoring Initiative," AHRQ Pub. No.03-POII, August, 2003)

This discontinuation project will not have a material impact on essential safety net services in the community. The project will take 20 Long Term Care beds out of service in IDPH Health Service Area 3 where there is a calculated excess of 759 Long Term Beds according to the latest Inventory of Health Care Facilities and Services and Need Determinations Summary of General Long-Term Nursing Care Beds and Need by Health Service Area. Moreover, in the Christian County planning area where Taylorville Memorial Hospital is located, there is a calculated excess of 47 and in the four counties contiguous to Christian County, calculated excesses exist as follows;

Sangamon County - 43 excess LTC beds.
Montgomery County - 94 excess LTC beds.
Macon County - 79 excess LTC beds.
Shelby County - 52 excess LTC beds.

There are 33 facilities that provide Long-Term Care services located within 45 minutes travel time of Taylorville Memorial Hospital. The average daily census of the Taylorville Memorial Hospital Long -Term Care unit in Calendar Year 2012 was 11.4 patients. These 11.4 patients per day have ample access to other existing Long-Term Care beds in other 33 existing facilities located within 45 minutes travel time of Taylorville Memorial Hospital located in Christian, Sangamon, Montgomery, Macon and Shelby counties. As documented, all of the facilities that responded to the applicants request for letters describing the impact of the proposed discontinuation project on their facilities responded positively that the discontinuation would not have an adverse effect upon access to care for residents of the applicant's market area or negatively impact their facilities. All indicated that they have capacity to accept any patients referred to them in the future.

2. The project's impact on the ability of another provider of health care system to cross-subsidize safety net services.

This project will not have any impact on other providers or health care systems and, as such, it will not have any impact on other providers' or health care systems' abilities to cross-subsidize safety net services.

3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community.

This discontinuation project will not have a material impact on the remaining safety net providers in the community. The project will take 20 Long Term Care beds out of service in IDPH Health Service Area 3 where there is a calculated excess of 812 Long Term Beds according to the latest Inventory of Health Care Facilities and Services and Need Determinations Summary of General Long-Term Nursing Care Beds and Need by Health Service Area. Moreover, in the Christian County planning area where Taylorville Memorial Hospital is located, there is a calculated excess of 47 and in the four counties contiguous to Christian County, calculated excesses exist as follows

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TABLE THREE			
Safety Net Information per PA 96-0031			
CHARITY CARE	Taylorville Memorial Hospital		
	Fiscal Year	Fiscal Year	Fiscal Year
	2013	2012	2011
Net Revenue	\$33,645,277	\$32,068,604	\$32,766,661
Charity Care -# of Patients			
Inpatient	33	23	56
Outpatient	2,495	1,977	1,817
Total	2,528	2,000	1,873
Charity (cost In dollars)			
Inpatient	\$215,750	\$142,285	\$196,975
Outpatient	\$1,459,250	\$897,715	\$975,656
Total	\$1,675,000	\$1,040,000	\$1,172,631
% of Net Revenue	4.98%	3.24%	3.58%
MEDICAID			
	Fiscal Year	Fiscal Year	Fiscal Year
Medicaid (# of patients)	2013	2012	2011
Inpatient	99	122	143
Outpatient	8,048	9,537	9,881
Total	8,147	9,659	10,024
Medicaid (revenue)			
Inpatient	\$129,217	\$283,196	\$908,240
Outpatient	\$1,916,568	\$2,977,169	\$2,487,142
Total	\$2,045,785	\$3,260,365	\$3,395,382
% of Net Revenue	6.08%	10.17%	10.36%

14-052 Taylorville Memorial Hospital - Taylorville



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<u>Ownership, Management and General Information</u>				<u>Patients by Race</u>		<u>Patients by Ethnicity</u>	
ADMINISTRATOR NAME:	Dan Raab			White	99.7%	Hispanic or Latino:	0.0%
ADMINSTRATOR PHONE	217-824-1600			Black	0.1%	Not Hispanic or Latino:	100.0%
OWNERSHIP:	Taylorville Memorial Hospital			American Indian	0.0%	Unknown:	0.0%
OPERATOR:	Taylorville Memorial Hospital			Asian	0.1%		
MANAGEMENT:	Not for Profit Corporation (Not Church-R			Hawaiian/ Pacific	0.0%	IDPH Number:	5447
CERTIFICATION:	Critical Access Hospital			Unknown	0.2%	HPA	E-01
FACILITY DESIGNATION:	General Hospital					HSA	3
ADDRESS	201 East Pleasant Street	CITY: Taylorville	COUNTY: Christian County				

<u>Facility Utilization Data by Category of Service</u>										
<u>Clinical Service</u>	Authorized CON Beds 12/31/2013	Peak Beds Setup and Staffed	Peak Census	Admissions	Inpatient Days	Observation Days	Average Length of Stay	Average Daily Census	CON Occupancy Rate %	Staffed Bed Occupancy Rate %
Medical/Surgical	21	21	21	1,387	5,033	336	3.9	14.7	70.0	70.0
0-14 Years				5	7					
15-44 Years				109	241					
45-64 Years				264	812					
65-74 Years				333	1,188					
75 Years +				676	2,785					
Pediatric	1	1	1	6	10	34	7.3	0.1	12.1	12.1
Intensive Care	3	3	3	108	309	14	3.0	0.9	29.5	29.5
Direct Admission				108	309					
Transfers				0	0					
Obstetric/Gynecology	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Maternity				0	0					
Clean Gynecology				0	0					
Neonatal	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Long Term Care	20	20	17	174	3,792	0	21.8	10.4	51.9	51.9
Swing Beds			4	64	407		6.4	1.1		
Acute Mental Illness	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Rehabilitation	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Long-Term Acute Care	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Dedicated Observation	0					0				
Facility Utilization	45			1,739	9,551	384	5.7	27.2	60.5	

(Includes ICU Direct Admissions Only)

<u>Inpatients and Outpatients Served by Payor Source</u>							
	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Charity Care	Totals
Inpatients	76.4%	5.6%	0.0%	13.4%	2.8%	1.9%	
	1353	99	0	238	49	33	1,772
Outpatients	32.8%	21.0%	0.0%	31.3%	8.4%	6.5%	
	12539	8048	0	11960	3217	2495	38,259
Financial Year Reported:	10/1/2012 to	9/30/2013	<u>Inpatient and Outpatient Net Revenue by Payor Source</u>				
	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Totals	Charity Care Expense
Inpatient Revenue (\$)	78.0%	2.0%	0.0%	19.7%	0.3%	100.0%	
	5,026,329	129,217	0	1,272,813	17,082	6,445,441	489,682
Outpatient Revenue (\$)	52.5%	7.0%	0.0%	40.1%	0.4%	100.0%	
	14,272,428	1,916,568	0	10,895,314	115,526	27,199,836	1,459,250
							Total Charity Care Expense 1,948,932
							Total Charity Care as % of Net Revenue 5.8%

<u>Birth Data</u>			<u>Newborn Nursery Utilization</u>			<u>Organ Transplantation</u>	
Number of Total Births:	0		Level I	Level II	Level II+	Kidney:	0
Number of Live Births:	0		Beds	0	0	Heart:	0
Birthing Rooms:	0		Patient Days	0	0	Lung:	0
Labor Rooms:	0		Total Newborn Patient Days		0	Heart/Lung:	0
Delivery Rooms:	0					Pancreas:	0
Labor-Delivery-Recovery Rooms:	0					Liver:	0
Labor-Delivery-Recovery-Postpartum Rooms:	0		<u>Laboratory Studies</u>			Total:	0
C-Section Rooms:	0		Inpatient Studies		25,542		
CSections Performed:	0		Outpatient Studies		89,315		
			Studies Performed Under Contract		0		

Surgery and Operating Room Utilization

<u>Surgical Specialty</u>	<u>Operating Rooms</u>				<u>Surgical Cases</u>		<u>Surgical Hours</u>			<u>Hours per Case</u>	
	Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours	Inpatient	Outpatient
Cardiovascular	0	0	0	0	0	33	0	26.5	26.5	0.0	0.8
Dermatology	0	0	0	0	0	0	0	0	0	0.0	0.0
General	0	0	3	3	8	129	7.95	181.48	189.43	1.0	1.4
Gastroenterology	0	0	0	0	3	385	4.51	226.48	230.99	1.5	0.6
Neurology	0	0	0	0	0	51	0	25.5	25.5	0.0	0.5
OB/Gynecology	0	0	0	0	48	73	3.42	114.82	118.24	0.1	1.6
Oral/Maxillofacial	0	0	0	0	0	1	0	0.66	0.66	0.0	0.7
Ophthalmology	0	0	0	0	0	239	0	83	83	0.0	0.3
Orthopedic	0	0	0	0	10	21	22.78	21.53	44.31	2.3	1.0
Otolaryngology	0	0	0	0	0	25	0	19	19	0.0	0.8
Plastic Surgery	0	0	0	0	0	30	0	15.23	15.23	0.0	0.5
Podiatry	0	0	0	0	0	46	0	67.5	67.5	0.0	1.5
Thoracic	0	0	0	0	0	0	0	0	0	0.0	0.0
Urology	0	0	0	0	0	24	0	13.7	13.7	0.0	0.6
Totals	0	0	3	3	69	1057	38.66	795.4	834.06	0.6	0.8

SURGICAL RECOVERY STATIONS

Stage 1 Recovery Stations

5

Stage 2 Recovery Stations

10

Dedicated and Non-Dedicated Procedure Room Utilization

<u>Procedure Type</u>	<u>Procedure Rooms</u>				<u>Surgical Cases</u>		<u>Surgical Hours</u>			<u>Hours per Case</u>	
	Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours	Inpatient	Outpatient
Gastrointestinal	0	0	0	0	0	0	0	0	0	0.0	0.0
Laser Eye Procedures	0	0	0	0	0	0	0	0	0	0.0	0.0
Pain Management	0	0	0	0	0	0	0	0	0	0.0	0.0
Cystoscopy	0	0	0	0	0	0	0	0	0	0.0	0.0

Multipurpose Non-Dedicated Rooms

Laser Eyes	0	0	1	1	0	20	0	1	1	0.0	0.1
	0	0	0	0	0	0	0	0	0	0.0	0.0
	0	0	0	0	0	0	0	0	0	0.0	0.0

Emergency/Trauma Care

Certified Trauma Center	No
Level of Trauma Service	Level 1
	(Not Answered)
Operating Rooms Dedicated for Trauma Care	0
Number of Trauma Visits:	0
Patients Admitted from Trauma	0
Emergency Service Type:	Basic
Number of Emergency Room Stations	0
Persons Treated by Emergency Services:	13,567
Patients Admitted from Emergency:	651
Total ED Visits (Emergency+Trauma):	13,567

Free-Standing Emergency Center

Beds in Free-Standing Centers	0
Patient Visits in Free-Standing Centers	0
Hospital Admissions from Free-Standing Center	0

Outpatient Service Data

Total Outpatient Visits	35,764
Outpatient Visits at the Hospital/ Campus:	35,764
Outpatient Visits Offsite/off campus	0

Cardiac Catheterization Labs

Total Cath Labs (Dedicated+Nondedicated labs):	0
Cath Labs used for Angiography procedures	0
Dedicated Diagnostic Catheterization Lab	0
Dedicated Interventional Catheterization Labs	0
Dedicated EP Catheterization Labs	0

Cardiac Catheterization Utilization

Total Cardiac Cath Procedures:	0
Diagnostic Catheterizations (0-14)	0
Diagnostic Catheterizations (15+)	0
Interventional Catheterizations (0-14):	0
Interventional Catheterization (15+)	0
EP Catheterizations (15+)	0

Cardiac Surgery Data

Total Cardiac Surgery Cases:	0
Pediatric (0 - 14 Years):	0
Adult (15 Years and Older):	0
Coronary Artery Bypass Grafts (CABGs) performed of total Cardiac Cases :	0

Diagnostic/Interventional Equipment

<u>Examinations</u>		<u>Therapeutic Equipment</u>		<u>Therapies/</u>	
<u>Owned</u>	<u>Contract</u>	<u>Owned</u>	<u>Contract</u>	<u>Treatments</u>	

General Radiography/Fluoroscopy	3	0	1,525	7,736	0	Lithotripsy	0	0	0
Nuclear Medicine	1	0	72	563	0	Linear Accelerator	0	0	0
Mammography	1	0	2	4,437	0	Image Guided Rad Therapy			0
Ultrasound	2	0	175	2,230	0	Intensity Modulated Rad Thrp			0
Angiography	0	0				High Dose Brachytherapy	0	0	0
Diagnostic Angiography			0	0	0	Proton Beam Therapy	0	0	0
Interventional Angiography			0	0	0	Gamma Knife	0	0	0
Positron Emission Tomography (PET)	0	0	0	0	0	Cyber knife	0	0	0
Computerized Axial Tomography (CAT)	1	0	474	4,340	0				
Magnetic Resonance Imaging	1	0	118	1,424	0				