



STATE OF ILLINOIS

HEALTH FACILITIES AND SERVICES REVIEW BOARD

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DOCKET NO:	BOARD MEETING:	PROJECT NO: 15-009	PROJECT COST: Original: \$0
FACILITY NAME: Touchette Regional Hospital		CITY: Centreville	
TYPE OF PROJECT: Substantive			HSA: XI

PROJECT DESCRIPTION: The applicants (Southern Illinois Healthcare Foundation, Inc. and Touchette Regional Hospital, Inc.) are proposing the discontinuation of an 8 bed pediatric category of service at Touchette Regional Hospital in Centreville, Illinois. There is no cost to the project and the anticipated completion date is June 2, 2015.

EXECUTIVE SUMMARY

PROJECT DESCRIPTION:

- The applicants are proposing the discontinuation of an 8 pediatric category of service at Touchette Regional Hospital, Inc. at 5900 Bond Avenue, Centreville, Illinois. There is no cost to this project and the anticipated completion date is upon State Board approval.

WHY THE PROJECT IS BEFORE THE STATE BOARD:

- The project proposes a discontinuation of a category of service that requires State Board approval.

PURPOSE:

- The purpose of the project is to discontinue the 8 bed pediatric category of service at Touchette Regional Hospital, Inc., 5900 Bond Avenue, Centreville, Illinois.

OUTSTANDING CERTIFICATE OF NEED

- On September 24, 2013 the State Board approved Permit #13-036 to construct an addition to the hospital and add 18 AMI beds to an existing category of service for a total of 30 acute mental illness beds. The cost of the project is \$10,138,535. The expected completion date is December 31, 2015. As of October 2014 the permit holders had spent approximately 820,000. The method of financing remains unchanged. The financing is a Credit Agreement with JPMorgan Chase Bank for \$10,000,000.00 secured through a Guarantee Agreement by Hospital Sister Services, Inc.

CONCLUSION:

- The applicants have met all of the requirements of the State Board for the discontinuation of the pediatric category of service.

STATE BOARD STAFF REPORT
Touchette Regional Hospital, Inc.
PROJECT #15-009

APPLICATION CHRONOLOGY	
Applicants(s)	Southern Illinois Healthcare Foundation, Inc., Touchette Regional Hospital, Inc.
Facility Name	Touchette Regional Hospital, Inc.
Location	5900 Bond Avenue, Centreville, Illinois
Application Received	February 20, 2015
Application Deemed Complete	February 23, 2015
Permit Holder	Touchette Regional Hospital, Inc.
Operating Entity/Licensee	Touchette Regional Hospital, Inc.
Owner of the Site	Southern Illinois Healthcare Foundation, Inc.,
Completion Date	June 2, 2015
Review Period Extended by the State Board Staff?	No
Can the applicants request a deferral?	Yes

I. Project Description

The applicants are proposing the discontinuation of an 8 bed pediatric category of service at Touchette Regional Hospital, Inc. There is no cost to this project. The anticipated completion date is upon State Board approval.

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.

III. General Information

The applicants are Southern Illinois Healthcare Foundation, Inc. and Touchette Regional Hospital, Inc. Southern Illinois Healthcare Foundation, Inc. is located at 2041 Goose Lake Road, Sauget, Illinois and is a Federally Qualified Health Center, with 32 locations throughout Southern Illinois. The foundation is dedicated to providing comprehensive primary health care services to residents of St. Clair, Madison, Fayette, Cumberland, Effingham, Macoupin, Marion, Coles and Richland counties in Illinois. In addition to income generated from patient revenue, the foundation is partially funded by grants from the Department of Health and Human Services, Illinois Department of Health and other agencies. Effective May 1, 1993 the Foundation's Board of Directors became the sole corporate member of Touchette Regional Hospital, Inc. The Foundation and Touchette Regional Hospital, Inc. are separate legal entities, however, the Foundation's Board of Directors, as sole member, reserves certain high-level approval rights over the hospital and as a result the hospital is considered a controlled affiliate of the foundation. Touchette Regional Hospital, Inc. is 145 bed acute care hospital located at 5900 Bond

Avenue, Centreville, Illinois in Health Service Area 11 and the F-01 Hospital Planning Area.

Federally qualified health centers (FQHCs) include all organizations receiving grants under Section 330 of the Public Health Service Act (PHS). FQHCs qualify for enhanced reimbursement from Medicare and Medicaid, as well as other benefits. FQHCs must serve an underserved area or population, offer a sliding fee scale, provide comprehensive services, have an ongoing quality assurance program, and have a governing board of directors.

IV. Health Service Area

Health Service Area 11 includes the Illinois counties of Clinton, Madison, Monroe, and St. Clair. The F-01 Hospital Planning Area includes: Madison and St. Clair Counties; Monroe County Precincts 2, 3, 4, 5, 7, 10, 11, 14, 16, 17, 18, 19, 21, and 22; Clinton County Townships of Sugar Creek, Looking Glass, Germantown, Breese, St. Rose, Wheatfield, Wade, Santé Fe, Lake, Irishtown, Carlyle and Clement. There are nine additional hospitals in the HSA XI Hospital Service Area and F-01 Hospital Planning Area.

TABLE ONE				
Hospitals in the HSA XI Service Area				
Facility	City	Number of Beds	Planning Area	County
Alton Memorial Hospital	Alton	117	F-01	Madison
Anderson Hospital	Maryville	98	F-01	Madison
Gateway Regional Hospital	Granite City	166	F-01	Madison
Memorial Hospital	Belleville	175	F-01	St. Clair
Memorial Hospital-East	Shiloh	72	F-01	St. Clair
St. Anthony's Hospital	Alton	101	F-01	Madison
St. Elizabeth Hospital	Belleville	303	F-01	Madison
St. Joseph's Hospital	Highland	25	F-01	Madison
St. Joseph's Hospital	Breese	56	F-01	Clinton

V. **Criterion 1110.110–Discontinuation of Category of Service**

Touchette Regional Hospital, Inc. is proposing to discontinue an 8-bed pediatric category of service at 5900 Bond Avenue, Centreville, Illinois. The anticipated date of discontinuation is upon State Board approval. The applicants anticipate the vacated space will be used for non-clinical functions with no associated modernization cost. All paper medical records related to pediatric patients will be scanned and stored for many years. All paper records will be destroyed after 90 days. The electronic medical records will be maintained according to the Hospital's current medical records policy which will continue to meet all licensure and regulatory requirements.

The basis for discontinuation request is low volume and no need. Per the applicants *“for the last several years, almost all pediatric patients requiring inpatient care from either Touchette or Southern Illinois Healthcare Foundation, Inc. have been referred to children's hospitals and especially SSM Cardinal Glennon Children's Medical Center, St.*

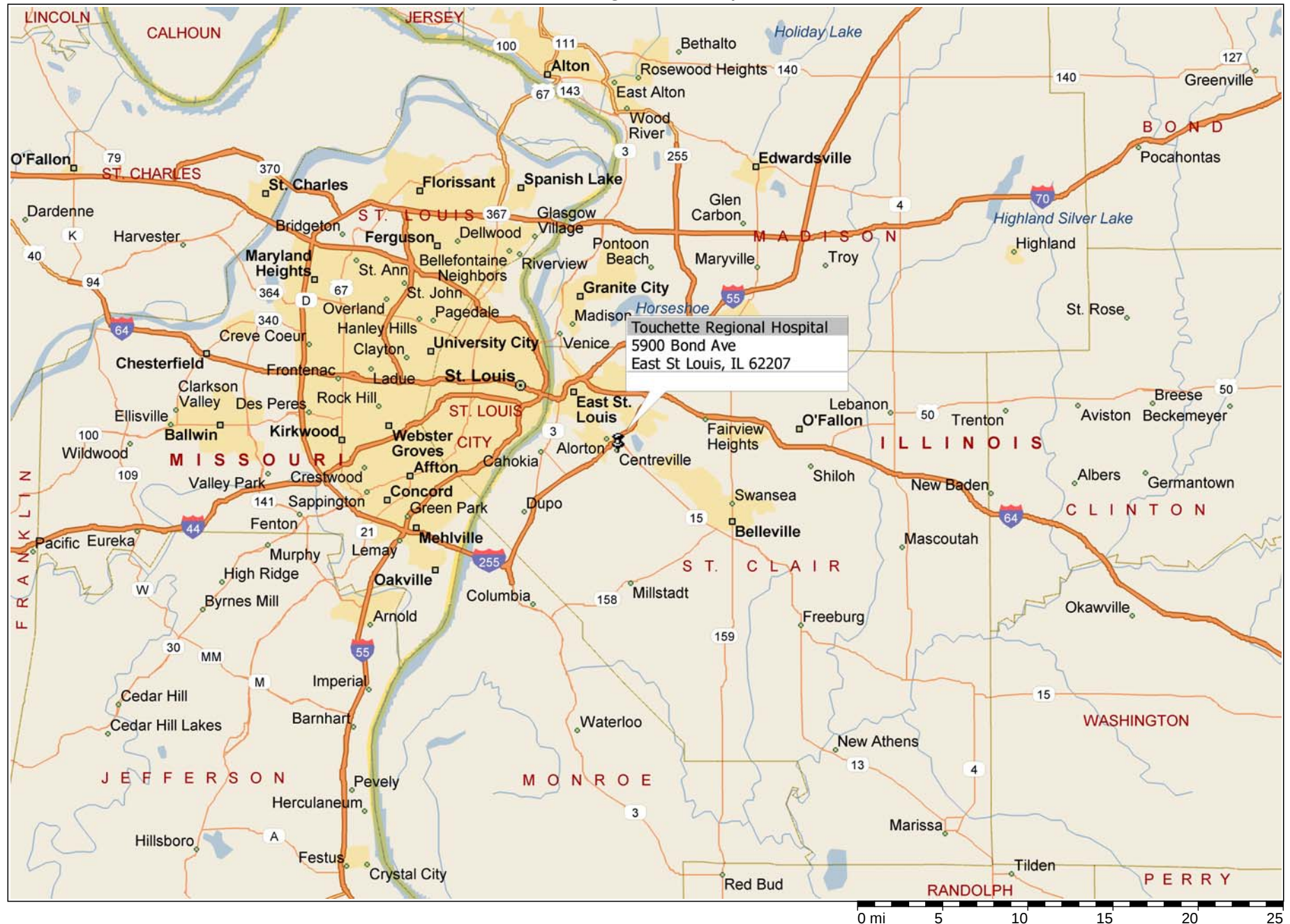
Louis Children's Hospital, and St. John's Mercy Hospital in St. Louis, Missouri. Touchette has transfer agreements with the children's hospitals in St. Louis. This shift of care to specialized children's hospitals is consistent with national experience” There are 3 existing hospitals in Illinois within 45 minutes travel time of Touchette with authorized pediatric beds that have excess capacity to serve pediatric patients. Touchette sent letters to the area hospitals with authorized pediatric beds within 45-minute travel time of Touchette requesting a statement of the impact the discontinuation would have on each respective facility. No Hospitals that have responded to date have indicated a negative impact relating to the proposed pediatric discontinuation.

VI. Criterion 1110.230 (b) – Safety Net Impact

The applicants do not believe the proposed discontinuation will have an impact on safety net services in the F-01 planning area as the applicants have not had any volume over the past two years.

TABLE TWO Safety Net Impact			
	2013	2012	2011
Net Patient Revenue	\$52,026,323	\$51,263,477	\$55,917,374
Charity Patients			
Inpatients	188	200	144
Outpatients	4,658	3,707	3,567
Total	4,846	3,907	3,711
Charity Costs			
Inpatients	\$1,046,996	\$816,118	\$1,131,473
Outpatients	\$2,172,320	\$2,825,007	\$3,203,671
Total	\$3,219,316	\$3,641,125	\$4,335,144
% of Charity Care.Net Revenue	6.19%	7.10%	7.75%
Medicaid			
Inpatients	1,252	1,235	1,200
Medicaid	17,008	23,501	16,219
Total	18,260	24,736	17,419
Medicaid Revenue			
Inpatients	\$12,845,282	\$11,706,230	\$11,178,811
Outpatients	\$25,129,292	\$24,341,582	\$24,491,007
Medicaid	\$37,974,574	\$36,047,812	\$35,669,818
% of Medicaid Revenue/Net Revenue	72.99%	70.32%	63.79%

15-009 Touchette Regional Hospital - Centreville



<u>Ownership, Management and General Information</u>			<u>Patients by Race</u>		<u>Patients by Ethnicity</u>	
ADMINISTRATOR NAME:	Tom Mikkelson		White	29.7%	Hispanic or Latino:	0.0%
ADMINSTRATOR PHONE	618-332-5400		Black	68.4%	Not Hispanic or Latino:	98.7%
OWNERSHIP:	TOUCHETTE REGIONAL HOSPITAL, INC.		American Indian	0.0%	Unknown:	1.3%
OPERATOR:	TOUCHETTE REGIONAL HOSPITAL, INC.		Asian	0.2%		
MANAGEMENT:	Not for Profit Corporation (Not Church-R		Hawaiian/ Pacific	0.0%	IDPH Number:	4523
CERTIFICATION:			Unknown	1.7%	HPA	F-01
FACILITY DESIGNATION:	General Hospital				HSA	11
ADDRESS	5900 Bond Avenue	CITY: Centreville	COUNTY:	St. Clair 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	66	26	26	1,360	4,893	190	3.7	13.9	21.1	53.6
0-14 Years				0	0					
15-44 Years				605	1,753					
45-64 Years				529	2,039					
65-74 Years				98	431					
75 Years +				128	670					
Pediatric	8	0	0	0	0	0	0.0	0.0	0.0	0.0
Intensive Care	8	6	6	240	923	0	3.8	2.5	31.6	42.1
Direct Admission				187	534					
Transfers				53	389					
Obstetric/Gynecology	33	6	6	334	879	456	4.0	3.7	11.1	61.0
Maternity				320	844					
Clean Gynecology				14	35					
Neonatal	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Long Term Care	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Swing Beds			0	0	0		0.0	0.0		
Acute Mental Illness	30	12	12	659	2,745	0	4.2	7.5	25.1	62.7
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	145			2,540	9,440	646	4.0	27.6	19.1	

(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	22.0%	49.3%	0.3%	10.0%	10.9%	7.4%	
	560	1252	7	255	278	188	2,540
Outpatients	16.7%	43.4%	1.9%	16.4%	9.6%	11.9%	
	6539	17008	761	6431	3764	4658	39,161

<u>Financial Year Reported:</u>	1/1/2012 to	12/31/2012	<u>Inpatient and Outpatient Net Revenue by Payor Source</u>					Charity Care Expense	Total Charity Care Expense
	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Totals			
Inpatient Revenue (\$)	23.8%	55.8%	0.1%	9.4%	10.8%	100.0%			3,641,125
	4,991,779	11,706,230	16,170	1,980,980	2,272,432	20,967,591	816,118		
Outpatient Revenue (\$)	7.7%	62.1%	0.4%	16.1%	13.7%	100.0%			Total Charity Care as % of Net Revenue
	3,016,470	24,341,582	166,320	6,287,441	5,360,927	39,172,740	2,825,007		6.1%

<u>Birth Data</u>			<u>Newborn Nursery Utilization</u>			<u>Organ Transplantation</u>	
Number of Total Births:	284		Level I	Level II	Level II+	Kidney:	0
Number of Live Births:	280		Beds	16	4	Heart:	0
Birth Rooms:	0		Patient Days	602	75	Lung:	0
Labor Rooms:	5		Total Newborn Patient Days		677	Heart/Lung:	0
Delivery Rooms:	1					Pancreas:	0
Labor-Delivery-Recovery Rooms:	2					Liver:	0
Labor-Delivery-Recovery-Postpartum Rooms:	0					Total:	0
C-Section Rooms:	2		Inpatient Studies		2,649		
CSections Performed:	100		Outpatient Studies		25,514		
			Studies Performed Under Contract		14,921		

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	0	0	0	0	0.0	0.0
Dermatology	0	0	0	0	0	0	0	0	0	0.0	0.0
General	0	0	2	2	61	122	97	124	221	1.6	1.0
Gastroenterology	0	0	2	2	77	341	75	228	303	1.0	0.7
Neurology	0	0	0	0	0	0	0	0	0	0.0	0.0
OB/Gynecology	0	0	1	1	159	90	210	84	294	1.3	0.9
Oral/Maxillofacial	0	0	0	0	0	119	0	152	152	0.0	1.3
Ophthalmology	0	0	0	0	0	87	0	68	68	0.0	0.8
Orthopedic	0	0	0	0	33	79	77	100	177	2.3	1.3
Otolaryngology	0	0	0	0	4	21	9	18	27	2.3	0.9
Plastic Surgery	0	0	0	0	0	0	0	0	0	0.0	0.0
Podiatry	0	0	0	0	3	14	3	11	14	1.0	0.8
Thoracic	0	0	0	0	0	0	0	0	0	0.0	0.0
Urology	0	0	0	0	11	138	11	76	87	1.0	0.6
Totals	0	0	5	5	348	1011	482	861	1343	1.4	0.9
<u>SURGICAL RECOVERY STATIONS</u>			Stage 1 Recovery Stations		0		Stage 2 Recovery Stations		0		

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
<u>Multipurpose Non-Dedicated Rooms</u>											
	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
	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	2
Number of Trauma Visits:	1,050
Patients Admitted from Trauma	0
Emergency Service Type:	Basic
Number of Emergency Room Stations	9
Persons Treated by Emergency Services:	17,607
Patients Admitted from Emergency:	1,729
Total ED Visits (Emergency+Trauma):	18,657

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	42,672
Outpatient Visits at the Hospital/ Campus:	32,882
Outpatient Visits Offsite/off campus	9,790

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**Examinations****Therapeutic Equipment****Therapies/ Treatments**

	Owned	Contract	Inpatient	Outpt	Contract		Owned	Contract	
General Radiography/Fluoroscopy	7	0	2,255	9,860	0	Lithotripsy	0	1	10
Nuclear Medicine	1	0	63	188	0	Linear Accelerator	0	0	0
Mammography	1	0	0	2,206	0	Image Guided Rad Therapy			0
Ultrasound	2	0	324	2,953	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	537	2,799	0				
Magnetic Resonance Imaging	0	1	0	0	478				