



# STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

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<b>DOCKET ITEM NUMBER:</b> G-05	<b>BOARD MEETING:</b> March 29, 2016	<b>PROJECT NUMBER:</b> E-036-15
<b>EXEMPTION APPLICANT(S):</b> Loyola University Health System, Loyola University Medical Center and Trinity Health Corporation		
<b>FACILITY NAME and LOCATION:</b> Loyola University Medical Center, Maywood		

## 1. Public Act 99-0154

Public Act 99-0154 became law July 29, 2015 and is effective immediately. This Act requires that a discontinuation of a health care facility or a category of service be exempt from certificate of need.

The Act states upon a finding that an application to discontinue of a category of service is complete and provides the requested information, as specified by the State Board, an exemption shall be issued. No later than **30 days** after the issuance of the exemption, the health care facility must give written notice of the discontinuation of the category of service to the State Senator and State Representative serving the legislative district in which the health care facility is located. The Illinois Health Facility Planning Act 20 ILCS 3960/5.4) requires that a Safety Net Impact Statement be provided when the application proposes to discontinue a category of service.

**The applicants have submitted the required information per PA 99-0154; therefore PA 99-0154 requires that the State Board approve the discontinuation.**

## 2. The Transaction

The applicants (Loyola University Health System, Loyola University Medical Center (Loyola) and Trinity Health Corporation) propose to discontinue a thirty two (32) bed inpatient Comprehensive Physical Rehabilitation service at Loyola University Medical Center located at 2160 South 1<sup>st</sup> Avenue in Maywood Illinois. There is no cost to this project and the anticipated completion date is July 1, 2016.

In conjunction with this discontinuation the applicants are proposing the establishment of a twenty (20) bed comprehensive physical rehabilitation unit at Gottlieb Memorial Hospital (Gottlieb) as **Project # 15-060 – March 2016 Agenda Item H-01**. Gottlieb is owned by Trinity Health Corporation and is approximately ten (10) minutes from Loyola in the same A-6 Hospital Planning Area

## 3. Reasons for Discontinuation

The applicants stated the reason for the discontinuation is to facilitate the establishment of the Comprehensive Physical Rehabilitation category of service at Gottlieb.

According to the applicants “the discontinuation of the service at Loyola can only be understood in the context of the planned establishment of the comprehensive physical

rehabilitation service at Gottlieb.” According to the applicants “Gottlieb is an appropriate facility to accommodate the proposed Comprehensive Physical Rehabilitation service for the following reasons:

- *The proposed Comprehensive Physical Rehabilitation service will align services with other post-acute care programs now at Gottlieb. These programs include a thirty four (34) bed Transitional Care Unit, home health care, adult day care and geriatric behavioral health. Strategically this collection of programs will create a robust post-acute care continuum of clinical services that enhances Loyola’s ability for service bundling to reduce post-acute care costs, consistent with directives of the Affordable Care Act.*
- *The proposed comprehensive physical rehabilitation service at Gottlieb will consolidate those clinical services overseen by Marianjoy Medical Group. Loyola and Marianjoy entered into a collaborative agreement for medical leadership of inpatient rehabilitation in 2014. Marianjoy also oversees the Transitional Care Unit at Gottlieb Memorial Hospital.” (See Exemption Application pages 32-34 for a complete discussion)*

#### **4. Safety Net Impact Statement**

##### **The applicants stated:**

*This Safety Net Impact Statement describes how the discontinuation of the inpatient physical rehabilitation service at Loyola University Medical Center Project addresses the following areas:*

- 1. Safety net services at Loyola University Medical Center*
- 2. The capability at affiliated health care organization, Gottlieb Memorial Hospital, to provide safety net services*
- 3. Impact on the ability of other area hospitals/health care providers to provide safety net Services*
- 4. No discontinuation of any safety net services*
- 5. LUMC charity care and Medicaid volumes*
- 6. LUMC broader community benefit engagement*

##### *Safety Net Services at LUMC*

*Loyola University Medical Center, a fully accredited health care institution, continues to receive recognition for quality care. LUMC earned an "A" rating in hospital safety by the Leapfrog Group, an organization that provides the only national, public comparison of hospitals across safety, quality and efficiency of care dimensions. LUMC was one of 50 hospitals in Illinois to receive this grade in 2015.*

*Safety net services provided by LUMC include Level II Trauma Center, Loyola Access to Care clinic and Oral Health clinic. These services are considered safety net services because reimbursements for these services do not cover the cost of care provided.*

*LUMC is the only academic medical center located outside the City of Chicago and is designated by the state of Illinois as a Level I Trauma Center for both adult and pediatric patients. Additionally, the American College of Surgeons has verified LUMC's Level II Trauma Center status. The emergency department cared for and treated 43,420 in FY 2015. LUMC is an original member of the EMS network and is designated a resource hospital for region 8 that is composed of 14 hospitals. As a resource hospital LUMC provides continuing education to staff at local fire/EMS/police departments. In addition, LUMC inspects EMS ambulances, fire engines trucks as required by IDPH. Loyola University Medical Center is the only hospital outside the City of Chicago to operate a burn unit; in the City, burn units are located at Stroger Hospital and University of Chicago Hospitals and Clinics. LUMC also offers a subsidized primary care clinic for the uninsured and disadvantaged population. The Loyola Access to Care clinic is located in Maywood and services over 2,000 disadvantaged individuals annually. The Loyola Oral Health clinic provides dental care serving the community and including those who are uninsured. The dental clinic provides about 14,500 visits annually.*

*Reimbursement for the trauma care and outpatient care clinics does not cover the cost of care. The services are subsidized by other services provided at LUMC.*

*Impact of the proposed project on LUMC safety net services:*

*The discontinuation and re-location of the inpatient rehabilitation unit to Gottlieb Memorial Hospital will not impact the subsidized programs provided through LUMC or at GMH. Inpatient rehabilitation services will continue to serve patients referred for this care.*

*Safety Net Services at other area hospitals and health care providers*

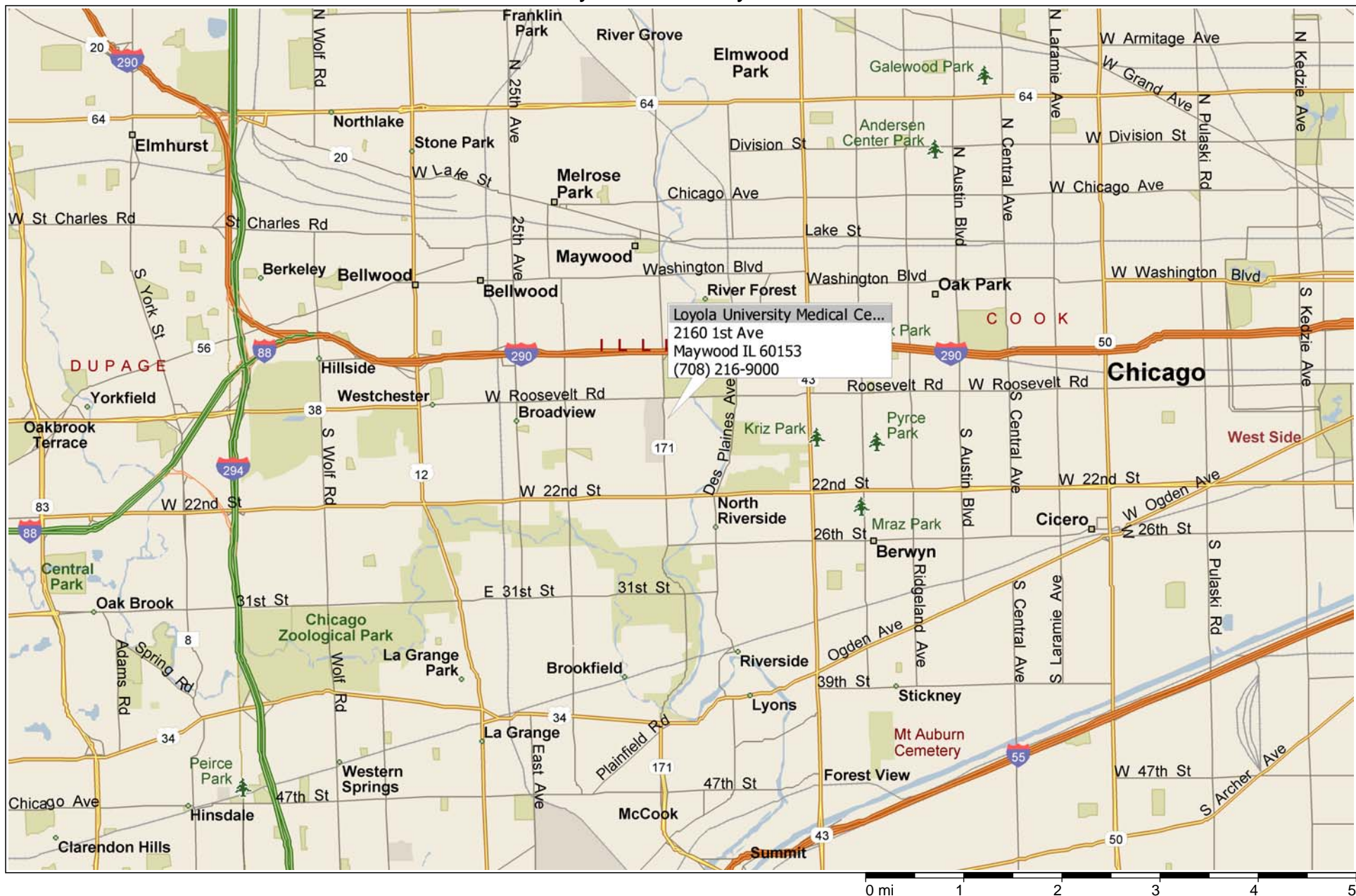
*The proposed project will not have a negative impact on essential safety net services at other health care providers in the community. This project will not impact the ability of other providers to cross-subsidize safety net services. LUMC does not plan to add any services that are not currently provided and there is no anticipated impact on area providers to continue to offer safety net services.*

*Discontinuation of Safety Net Services*

*While the relocation project involves the discontinuation of the Comprehensive Physical Rehabilitation unit at LUMC, no safety net service is discontinued, nor are any of the safety net services impaired within the LUHS system. The re-location of the rehabilitation inpatient unit will enhance the Loyola University Health System's ability to provide excellent care in a lower cost setting. The safety net programs now offered through LUMC will continue to serve the community.*

<b>TABLE ONE</b> <b>Safety Net Information per PA 96-0031</b>			
	2013	2014	2015
Net Patient Revenue	\$763,178,390	\$885,697,993	\$894,581,157
CHARITY CARE			
Charity (# of patients)			
Inpatient	577	440	231
Outpatient	1,963	1,918	2,476
Total	2,540	2,358	2,707
Charity (cost In dollars)			
Inpatient	\$8,147,389	\$7,954,908	\$7,093,770
Outpatient	\$7,535,865	\$8,320,443	\$7,237,078
Total	\$15,683,254	\$16,275,351	\$14,330,848
MEDICAID			
Medicaid (# of patients)			
Inpatient	6,146	7,355	8,026
Outpatient	31,579	39,812	45,526
Total	37,725	47,167	53,552
Medicaid (revenue)			
Inpatient	\$42,028,479	\$82,840,057	\$96,149,380
Outpatient	\$19,267,948	\$28,485,517	\$35,702,022
Total	\$61,296,427	\$111,325,574	\$131,851,402
% of Charity Care to Net Revenue	2.05%	1.84%	1.60%
% of Medicaid Revenue to Net Revenue	8.03%	12.57%	14.74%

## E-36-015 Loyola University Medical Center





Ownership, Management and General Information				Patients by Race		Patients by Ethnicity	
ADMINISTRATOR NAME:	Larry M. Goldberg			White	62.2%	Hispanic or Latino:	7.4%
ADMINSTRATOR PHONE	708-216-3215			Black	23.8%	Not Hispanic or Latino:	89.0%
OWNERSHIP:	Loyola University Health System			American Indian	0.0%	Unknown:	3.6%
OPERATOR:	Loyola University Health System			Asian	1.8%		
MANAGEMENT:	Not for Profit Corporation (Not Church-R			Hawaiian/ Pacific	0.0%	IDPH Number:	5801
CERTIFICATION:	None			Unknown	12.1%	HPA	A-06
FACILITY DESIGNATION:	General Hospital					HSA	7
ADDRESS	2160 South 1st Avenue	CITY: Maywood	COUNTY: Suburban Cook County				

Facility Utilization Data by Category of Service										
Clinical Service	Authorized CON Beds 12/31/2014	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	292	272	260	18,735	85,287	2,518	4.7	240.6	82.4	88.4
0-14 Years				4	8					
15-44 Years				4,181	15,811					
45-64 Years				7,536	34,223					
65-74 Years				3,613	19,223					
75 Years +				3,401	16,022					
Pediatric	34	34	29	2,546	6,658	1,104	3.0	21.3	62.5	62.5
Intensive Care	121	111	101	6,765	33,053	195	4.9	91.1	75.3	82.1
Direct Admission				5,288	25,375					
Transfers				1,477	7,678					
Obstetric/Gynecology	30	30	16	1,691	5,362	123	3.2	15.0	50.1	50.1
Maternity				1,691	5,362					
Clean Gynecology				0	0					
Neonatal	50	50	37	280	9,749	0	34.8	26.7	53.4	53.4
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	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Rehabilitation	32	32	28	625	7,419	0	11.9	20.3	63.5	63.5
Long-Term Acute Care	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Dedicated Observation	19					2388				
Facility Utilization	559			29,165	147,528	6,328	5.3	421.5	75.4	

(Includes ICU Direct Admissions Only)

Inpatients and Outpatients Served by Payor Source							
	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Charity Care	Totals
Inpatients	37.1%	25.2%	0.9%	32.6%	2.7%	1.5%	
	10816	7355	268	9499	787	440	29,165
Outpatients	19.0%	17.3%	2.1%	54.3%	6.5%	0.8%	
	43533	39812	4774	124615	14814	1918	229,466

Financial Year Reported:	7/1/2013 to	6/30/2014	Inpatient and Outpatient Net Revenue by Payor Source				Charity Care Expense	Total Charity Care Expense
	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Totals		
Inpatient Revenue ( \$ )	47.9%	19.1%	4.4%	28.4%	0.2%	100.0%		16,275,351
	207,186,516	82,840,057	18,895,544	123,068,268	912,501	432,902,886	7,954,908	
Outpatient Revenue ( \$ )	24.4%	6.3%	1.6%	67.5%	0.3%	100.0%		
	110,263,614	28,485,517	7,027,221	305,834,496	1,184,259	452,795,107	8,320,443	1.8%

Birthing Data			Newborn Nursery Utilization			Organ Transplantation	
Number of Total Births:	1,038		Level I	Level II	Level II+	Kidney:	70
Number of Live Births:	995		Beds	16	0	Heart:	12
Birthing Rooms:	0		Patient Days	1,115	0	Lung:	51
Labor Rooms:	7		Total Newborn Patient Days		1,266	Heart/Lung:	0
Delivery Rooms:	0					Pancreas:	0
Labor-Delivery-Recovery Rooms:	7					Liver:	40
Labor-Delivery-Recovery-Postpartum Rooms:	0					Total:	173
C-Section Rooms:	2		Inpatient Studies		1,128,818		
CSections Performed:	375		Outpatient Studies		1,284,828		
			Studies Performed Under Contract		97,125		

**Surgery and Operating Room Utilization**

<b><u>Surgical Specialty</u></b>	<b><u>Operating Rooms</u></b>				<b><u>Surgical Cases</u></b>		<b><u>Surgical Hours</u></b>			<b><u>Hours per Case</u></b>	
	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	27	27	2951	1288	13467	4644	18111	4.6	3.6
Gastroenterology	0	0	0	0	0	0	0	0	0	0.0	0.0
Neurology	0	0	0	0	982	46	5726	261	5987	5.8	5.7
OB/Gynecology	0	0	0	0	472	573	2102	2206	4308	4.5	3.8
Oral/Maxillofacial	0	0	0	0	73	121	408	573	981	5.6	4.7
Ophthalmology	0	0	0	0	13	8	55	32	87	4.2	4.0
Orthopedic	0	0	0	0	1683	374	7616	1478	9094	4.5	4.0
Otolaryngology	0	0	0	0	563	1204	2648	3991	6639	4.7	3.3
Plastic Surgery	0	0	0	0	181	220	926	831	1757	5.1	3.8
Podiatry	0	0	0	0	0	0	0	0	0	0.0	0.0
Thoracic	0	0	0	0	1275	84	7857	352	8209	6.2	4.2
Urology	0	0	0	0	744	395	3896	1266	5162	5.2	3.2
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>27</b>	<b>27</b>	<b>8937</b>	<b>4313</b>	<b>44701</b>	<b>15634</b>	<b>60335</b>	<b>5.0</b>	<b>3.6</b>

**SURGICAL RECOVERY STATIONS**

Stage 1 Recovery Stations

36

Stage 2 Recovery Stations

0

**Dedicated and Non-Dedicated Procedure Room Utilization**

<b><u>Procedure Type</u></b>	<b><u>Procedure Rooms</u></b>				<b><u>Surgical Cases</u></b>		<b><u>Surgical Hours</u></b>			<b><u>Hours per Case</u></b>	
	Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours	Inpatient	Outpatient
Gastrointestinal	0	0	6	6	2014	10070	2720	13596	16316	1.4	1.4
Laser Eye Procedures	0	0	0	0	0	0	0	0	0	0.0	0.0
Pain Management	0	4	0	4	0	810	0	470	470	0.0	0.6
Cystoscopy	0	0	0	0	0	0	0	0	0	0.0	0.0
<b><u>Multipurpose Non-Dedicated Rooms</u></b>											
	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	Yes
Level of Trauma Service	<b>Level 1</b>
	1 Adult and Pedi:
Operating Rooms Dedicated for Trauma Care	1
Number of Trauma Visits:	1,017
Patients Admitted from Trauma	778
Emergency Service Type:	Comprehensive
Number of Emergency Room Stations	31
Persons Treated by Emergency Services:	42,572
Patients Admitted from Emergency:	9,099
Total ED Visits (Emergency+Trauma):	<b>43,589</b>

**Free-Standing Emergency Center**

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

**Outpatient Service Data**

Total Outpatient Visits	<b>1,425,903</b>
Outpatient Visits at the Hospital/ Campus:	806,832
Outpatient Visits Offsite/off campus	619,071

**Cardiac Catheterization Labs**

Total Cath Labs (Dedicated+Nondedicated labs):	<b>9</b>
Cath Labs used for Angiography procedures	0
Dedicated Diagnostic Catheterization Lab	0
Dedicated Interventional Catheterization Labs	0
Dedicated EP Catheterization Labs	4

**Cardiac Catheterization Utilization**

Total Cardiac Cath Procedures:	<b>5,336</b>
Diagnostic Catheterizations (0-14)	10
Diagnostic Catheterizations (15+)	2,564
Interventional Catheterizations (0-14):	0
Interventional Catheterization (15+)	931
EP Catheterizations (15+)	1,831

**Cardiac Surgery Data**

Total Cardiac Surgery Cases:	<b>1,261</b>
Pediatric (0 - 14 Years):	0
Adult (15 Years and Older):	1,261
Coronary Artery Bypass Grafts (CABGs) performed of total Cardiac Cases :	299

**Diagnostic/Interventional Equipment****Examinations****Therapeutic Equipment****Therapies/****Owned Contract****Inpatient****Outpt****Contract****Owned Contract****Treatments**

General Radiography/Fluoroscopy	27	0	52,897	95,265	0	Lithotripsy	1	0	1
Nuclear Medicine	16	0	1,705	10,147	0	Linear Accelerator	3	0	29,823
Mammography	6	0	4	20,038	0	Image Guided Rad Therapy			8,175
Ultrasound	14	0	4,400	18,593	0	Intensity Modulated Rad Thrp			9,495
Angiography	4	0				High Dose Brachytherapy	1	0	259
Diagnostic Angiography			0	0	0	Proton Beam Therapy	0	0	0
Interventional Angiography			1,808	1,342	0	Gamma Knife	1	0	344
Positron Emission Tomography (PET)	1	1	30	1,492	225	Cyber knife	0	0	0
Computerized Axial Tomography (CAT)	8	0	10,813	26,759	0				
Magnetic Resonance Imaging	8	0	4,760	16,601	0				