

RICK JAKLE

9N874 KOSHARE CIRCLE
ELGIN, IL 60124

847-867-6419
RICKJAKLE@JAKLE.COM

May 18, 2017

Ms. Kathryn Olson, Board Chairman
Illinois Health Facilities & Services Review Board
525 West Jefferson, 2nd floor
Springfield, IL 62761

RECEIVED

MAY 30 2017

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: *Opposition to project 17-002, proposed new hospital in Crystal Lake, Illinois*

Dear Ms. Olson,

Please accept this letter stating my **opposition** to the new hospital proposed by Mercy to be located in Crystal Lake Illinois.

As you know, state CON regulations preclude new hospitals from being built with fewer than 100 beds, except in the case of an underserved area. Crystal Lake is by no means an underserved area; there are four hospitals within a short travel time. One of these is a *brand new* hospital. The area just expanded capacity by more than 100 beds with the construction of the Centegra-Huntley Hospital. Additional beds are not needed.

The proposed new hospital provides no new services and will simply replicate services already offered at nearby hospitals. Mercy asserts that the proposed Crystal Lake Hospital will provide geriatric services and chronic care clinics. These services are already provided by area hospitals. In fact, these types of outpatient services could be provided now, without a hospital, in the Mercy physician clinics.

The price tag for this hospital, \$82M plus \$24M for the adjacent medical office building, is extremely high for a 13 bed hospital, even considering an allowance for outpatient care. Most micro hospitals cost about one-third of the project cost for the micro hospital proposed by Mercy. Due to the small volume of patients served in micro hospital, some owners are finding micro hospitals to be inefficient and incur operating losses. Adding the burden of this high capital cost for the Mercy "micro" hospital will create an even greater financial challenge on operations for the proposed hospital in Crystal Lake.

As a long-time resident of the area and a past Chair and current member of the Advocate Sherman Hospital Board, I see absolutely no justification that this new hospital is needed. Thank you for the opportunity to comment on this project, 17-002. I strongly urge the Board to **deny** this project.

Sincerely,

