



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

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DOCKET NO: C-01	BOARD MEETING: November 14, 2017	PROJECT NO: #E-036-17	PROJECT COST: Original: \$0
FACILITY NAME: Centegra Hospital – Woodstock		CITY: Woodstock	
TYPE OF PROJECT: Exemption (substantive)			HSA: VIII

DESCRIPTION: The applicants are proposing to discontinue a sixty (60) bed medical surgical (“M/S”) category of service and a twelve (12) bed intensive care (“ICU”) category of service at Centegra Hospital – Woodstock, 3701 Doty Road, Woodstock Illinois.

I. Exemption

The applicants are proposing an exemption from the certificate of need review. The Illinois Health Facilities Planning Act directs the State Board to issue an exemption from the certificate of need review if the following are met:

*“An exemption **shall be approved** when information required by the Board by rule is submitted. Projects eligible for an exemption, rather than a permit, include, but are not limited to, change of ownership of a health care facility, **discontinuation of a category of service**, and discontinuation of a health care facility, other than a health care facility maintained by the State or any agency or department thereof or a nursing home maintained by a county.*

*Upon a finding that an application to **discontinue 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. No later than 90 days after a discontinuation of a category of service, the applicant must submit a statement to the State Board certifying that the discontinuation is complete.” (20 ILCS 3960/8.5/a-5)*

The regulations require the State Board to issue an exemption from the CON review if

- the categories of service and the number of beds that are to be discontinued are identified.
- the anticipated date of discontinuation for each identified service or for the entire facility is provided.
- the anticipated use of the physical plant and equipment after the discontinuation occurs has been provided.
- the anticipated disposition and location of all medical records pertaining to the services being discontinued, and the length of time the records will be maintained has been provided.
- the reasons for the proposed discontinuation has been provided.
- the impact on access has been provided.
- a safety net impact statement has been provided.
- an opportunity for a public hearing and written comment has been published.
- evidence of notice to the local media of the discontinuation has been provided.

II. PUBLIC HEARING/COMMENT:

A public hearing was held on this project as well as Project #E-037-17, #17-036 and #17-037 on October 2, 2017 in Woodstock, Illinois. State Board Members Ms. Maryanne Murphy and Ms. Kathy Olson represented the State Board at these four (4) hearings. Approximately two hundred forty (240) individuals registered their attendance throughout the day at these four (4) hearings. There was opposition to this project (Project #E-036-17). Mr. Dan Lawler represented the applicants. Dr. Brian Sager, Mayor of Woodstock provided opposition testimony for this project. The transcript from these four (4) hearings is at the conclusion of this report.

III. Summary of Findings

The applicants have provided all of the information required by the State Board.

IV. General Information

The applicants are Memorial Medical Center — Woodstock d/b/a Centegra Hospital — Woodstock, Centegra Health System, Northern Illinois Medical Center d/b/a Centegra Hospital – Huntley, and Northern Illinois Medical Center d/b/a Centegra Hospital – McHenry. Centegra Health System (CHS), is a not-for-profit corporation, was incorporated for charitable, educational, and scientific purposes to support health and human services by providing management assistance. Northern Illinois Medical Center (NIMC) and Memorial Medical Center (MMC) are both not-for-profit corporations. The licensee and the owner of the site is Memorial Medical Center — Woodstock d/b/a Centegra Hospital — Woodstock. The proposed discontinuation will be completed on November 14, 2017 upon approval of the State Board. The Application for Exemption for Centegra Hospital – Woodstock (#E-036-17) was called complete on August 17, 2017. There is no cost to this project.

The applicants have stated “to accommodate Centegra Hospital - Woodstock's M/S and Intensive Care patients, Centegra Hospital - McHenry and Centegra Hospital - Huntley are proposing to increase authorized bed capacities in these two (2) categories of service.

- *In a letter dated July 10, 2017 Centegra Hospital - McHenry notified the Illinois Health Facilities and Services Review Board that it would be increasing its M/S authorized bed capacity by nine (9) and its authorized Intensive Care bed capacity by nine (9) for a total increased bed capacity of eighteen (18) beds.*
- *Additionally the applicants have filed a certificate of need application to increase the intensive care beds by converting four (4) of its authorized M/S beds to ICU beds at Centegra Hospital - Huntley. (#17-037)*
- *Centegra Hospital - Woodstock submitted a Notice of Temporary Suspension for the sixty (60) bed and twelve (12) bed categories of service to the Illinois Health Facilities and Services Review Board on August 15, 2017.”*

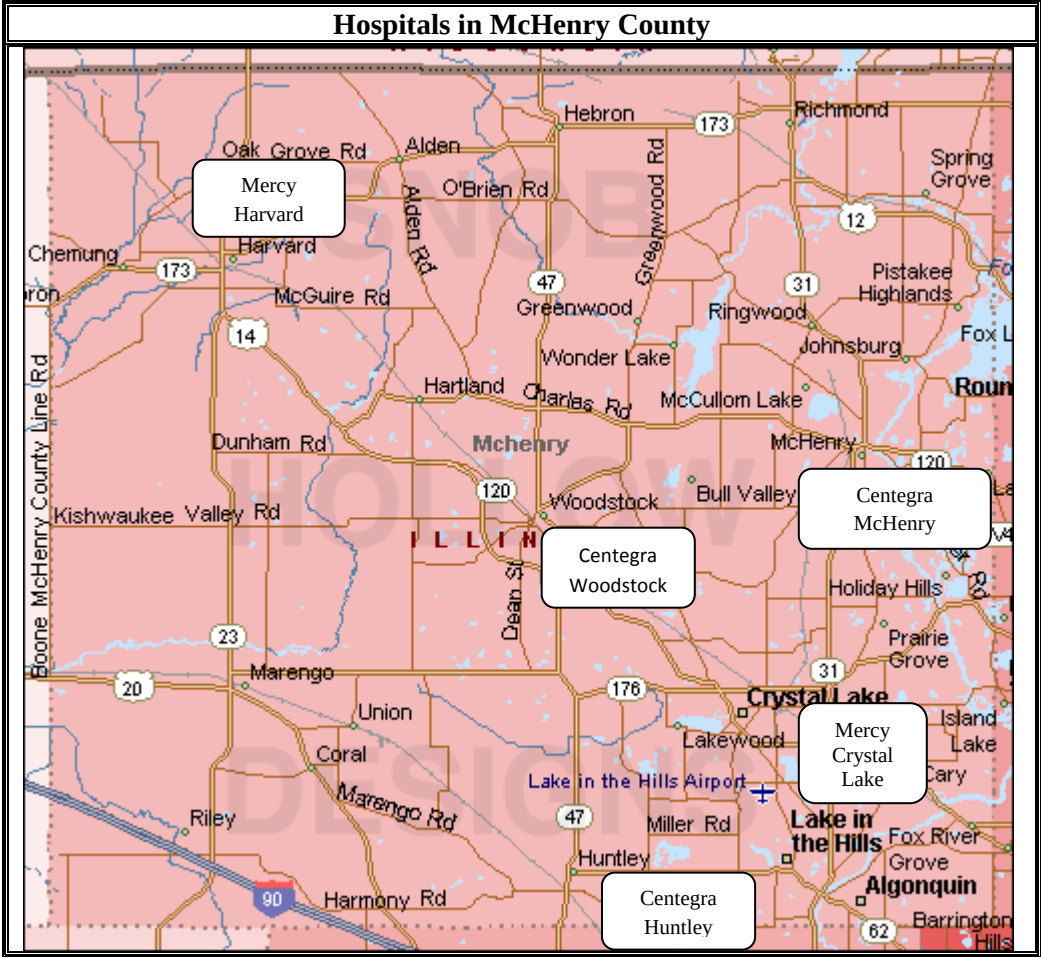
Centegra Hospital — McHenry is located 9.6 miles from Centegra Hospital - Woodstock with a travel time between them of approximately sixteen (16) minutes when adjusted for normal travel times. Centegra Hospital - Huntley is located 7.7 miles from Centegra Hospital - Woodstock with a travel time between them of approximately sixteen (16) minutes when adjusted for normal travel times. **State Board Staff Notes** the MapQuest travel times are adjusted by 1.15 times in McHenry County per 77 1100.510 (d).

V. Hospital Planning Area

Centegra Hospital-Woodstock is located in the A-10 Hospital Planning Area. The A-10 Planning Area is comprised of McHenry County. There are five (5) hospitals in the A-10 Hospital Planning Area. As of September 2017 there is an excess of fifty-eight (58) medical surgical beds, six (6) intensive care beds, nineteen (19) obstetric beds, five (5) comprehensive physical rehabilitation beds, and a need for four (4) acute mental illness beds in the A-10 Hospital Planning Area (McHenry County). The State Board is

projecting a 1.07% annual increase in the population in McHenry County over the next ten (10) years.

McHenry County Population Projection					
	Census	Estimate	Projection		
Year		7/1/2010	2015	2020	2025
Population	308,760	309,229	326,691	345,056	363,311
Source: Illinois Department of Public Health's (IDPH's) Office of Health Informatics, Illinois Center for Health Statistics. An estimate is a statistic about a whole population for a previous reference period which is based on data from a sample of the population, whereas a projection is a statistic indicating what a value would be if the assumptions about future trends hold true (often drawing upon past movements in a population as a guide for the assumptions). [Source: US Department of Commerce]					



A-10 Hospital Planning Area (McHenry County)													
Hospital	City	Health Service Area	Hospital Planning Area	County	CON Authorized 12/31/2016								
					Medical-Surgical	Intensive Care	Pediatric	Obstetrics/Gynecology	Long Term Care	Neonatal ICU	Rehab	Acute Mental Illness	Total CON Authorized Beds
Hospitals					291	53	0	31	45	0	22	34	476
Centegra Hospital - McHenry	McHenry	8	A-10	McHenry	116/73%	18/69.5%	0	23/37.8%	0	0	22/81.4%	0	179
Centegra Hospital - Woodstock	Woodstock	8	A-10	McHenry	60/59.8%	12/46.3%	0	0	0	0	0	34/70.8%	106
Centegra Hospital – Huntley ⁽¹⁾	Huntley	8	A-10	McHenry	100/13.4%	8/21.3%	0	20/9.0%	0	0	0	0	128
Mercy Harvard Memorial Hospital ⁽²⁾	Harvard	8	A-10	McHenry	15/29.1%	3/2.3%	0	0	45/56.6%	0	0	0	63
Mercy - Crystal Lake ⁽³⁾	Crystal Lake	8	A-10	McHenry	11	2	0	0	0	0	0	0	13
1. Centegra Hospital- Huntley – licensed as hospital July 2016, utilization data not for entire calendar year.													
2. Mercy Harvard Memorial Hospital approved to discontinue eleven (11) medical surgical beds and two (2) intensive care beds June 2017 as Permit #17-002.													
3. Mercy Hospital – Crystal Lake approved to establish thirteen (13) bed hospital in June 2017 as Permit #17-002.													

VI. Background of the Applicants

A) Section III – Background of the 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. To demonstrate compliance with this criterion the applicants must provide

- A) A listing of all health care facilities currently owned and/or operated by the applicant in Illinois or elsewhere, including licensing, certification and accreditation identification numbers, as applicable;
- B) A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility;
- C) Authorization permitting HFSRB and IDPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. Failure to provide the authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.
- D) An attestation that the applicants have has been no *adverse action*¹ taken against the any facility owned or operated by applicants.

The applicants have provided a list of all facilities owned/operated by the applicants including the licensing, certification and accreditation information. The applicants have attested that there has been no adverse action taken against any of the facilities owned or operated by the applicants during the three (3) years prior to filing the application. The applicants have authorized the Illinois Health Facilities and Services Review Board and the Illinois Department of Public Health to have access to any documents necessary to verify information submitted in connections the applicants' exemption. The authorization includes, but is not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. [Application for Permit #17-036 Page 77 – **Staff Note** an applicant can provide Background of the Applicants information once per year when filing multiple applications]

VII. Discontinuation

A) Criterion 1110.130 – Discontinuation

To demonstrate compliance with this criterion the applicants must document the reasons for the discontinuation and the impact of services.

The applicants are discontinuing the sixty (60) bed medical surgical and twelve (12) bed intensive care categories of service at Centegra Hospital - Woodstock. Centegra Health System will continue to provide the medical surgical and intensive care categories of service at the two (2) other hospitals it owns and operates that are located in the same county (McHenry) and the same planning area for the M/S and ICU Categories of Service as Centegra Hospital - Woodstock (Planning Area A-10): Centegra Hospital - McHenry

¹ "Adverse action is defined as a disciplinary action taken by IDPH, CMMS, or any other State or federal agency against a person or entity that owns or operates or owns and operates a licensed or Medicare or Medicaid certified healthcare facility in the State of Illinois. These actions include, but are not limited to, all Type "A" and Type "AA" violations." (77 IAC 1130.140)

and Centegra Hospital - Huntley. These three (3) hospitals have a unified medical staff, which permits members of their medical staffs to admit and treat patients at each of the three (3) hospitals, and they utilize a common medical record, which permits medical professionals to access and utilize patients' medical records at any of the hospitals.

Additionally the applicants will be discontinuing their surgery services, post anesthesia recovery unit, sterile processing and the observation unit. The anticipated date of discontinuation is upon approval of the State Board.

The applicants plan to use the vacated medical surgical space to establish a twenty-two (22) bed Comprehensive Physical Rehabilitation Category of Service in its inpatient unit as well as associated space for rehabilitation therapies (i.e. Physical Therapy, Occupational Therapy, Speech Therapy). This Comprehensive Physical Rehabilitation Category of Service will be relocated from Centegra Hospital - McHenry.

This application for a COE is being submitted simultaneously with a CON application to establish the Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital - Woodstock (#17-036) and an application for a COE to discontinue the Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital - McHenry. There are no current plans for the use of the space being vacated by the Intensive Care Category of Service.

In accordance with the Centegra Health System Records Management Policy, all patients medical records will be retained as follows: the complete health records for adult patients will be retained for 10 years in accordance with 210 ILCS 85.6.17(c); the complete health records for minors will be retained for 10 years after the patient's age of majority in accordance with 210 ILCS 85.6.17(c).

All medical records pertaining to the Medical-Surgical and Intensive Care Categories of Service are and will continue to be stored with the hospital's medical records for all Centegra Health System hospitals. Medical records from prior to April, 2012, are housed off-site at a HIPAA-compliant storage company. Medical records created since April, 2012 are maintained in an electronic format and the electronic health records are kept on secure HIPAA-compliant computer servers located off-site.

Reasons For Discontinuation

Per the applicants *“the project is being proposed as part of the implementation of a comprehensive Facilities Plan for Centegra Health System. Centegra Health System has continuously evaluated where and how it provides services to patients. The recent Facilities Plan reflects the impact of changing reimbursement rates, increasing bad debt at Centegra's facilities, and today's uncertain health care climate.”*

Centegra Health System has made the decision to shift all acute inpatient care at Centegra Hospital - Woodstock to Centegra Hospital - McHenry and Centegra Hospital - Huntley.

Impact on Access

The discontinuation of the M/S and Intensive Care Categories of Service at Centegra Hospital - Woodstock will not have an adverse effect upon access to care for residents of Planning Area A-10 for the following reasons.

- a. Centegra Hospital — McHenry notified the Illinois Health Facilities and Services Review Board and the Illinois Department of Public Health on July 10, 2017, that it will be increasing its authorized bed capacity by nine Medical/Surgical beds and nine Intensive Care beds.
- b. In order to increase access to Intensive Care services, Centegra Hospital — Huntley is submitting a CON application to redistribute 4 beds in the Medical/Surgical Category of Service at Centegra Hospital — Huntley to 4 beds in the Intensive Care Category of Service at the hospital. That CON application is being submitted simultaneously with the submission of this application for a CO

The applicants have sent letters to all hospitals within forty-five (45) minutes of Centegra Hospital – Woodstock requesting the impact the proposed discontinuation will have.

“*We are sending this notice to you because the Review Board's rules require that we do so, and I (Michael Eesley - CEO) invite your written response to me as to whether your facility has capacity available to absorb a portion or all of Centegra Hospital — Woodstock's Medical-Surgical and Intensive Care workload and whether you would be willing to accommodate any patient who wishes to use your hospital rather than Centegra Hospital — McHenry or Centegra Hospital — Huntley for this service without conditions, limitations, or discrimination. Please note that the Review Board's rules provide that the failure to respond to this request for an impact statement within 15 days following your receipt of this letter constitutes a non-rebuttable assumption that the discontinuation will not have an adverse impact upon your facility.*”

Hospitals within forty-five (45) minutes	
Facility	Minutes
Centegra Hospital - McHenry, McHenry	16
Centegra Hospital - Huntley, Huntley	16
Mercy Hospital and Medical Center, Crystal Lake	17
Mercy Harvard Hospital, Harvard	25
Advocate Good Shepherd Hospital, Barrington	28
Advocate Sherman Hospital, Elgin	35
Swedish American Medical Center-Belvidere	40
Presence Saint Joseph Hospital, Elgin	41
St. Alexius Medical Center, Hoffman Estates	43

Letters of impact were received from:

Rachel Sebastian, President Centegra Hospital - McHenry and stated in part:

“The discontinuation of Centegra Hospital - Woodstock's M/S and Intensive Care Categories of Service will not have an adverse effect on the healthcare delivery system because it will not create a demand for services that cannot be met at Centegra Hospital - McHenry. The discontinuation of the

M/S and Intensive Care Categories of Service at Centegra Hospital - Woodstock will not cause unnecessary hardship by the limitation of access to needed M/S and Intensive Care services to residents of Planning Area A-10, the planning area for M/S and Intensive Care services in which both Centegra Hospital - Woodstock and Centegra Hospital - McHenry are located because Centegra Hospital - Woodstock's M/S and Intensive Care patients will continue to receive care at Centegra Hospital - McHenry, which is located in the same planning area as Centegra Hospital-Woodstock. The proposed discontinuation of Centegra Hospital - Woodstock's M/S and Intensive Care Categories of Service will not limit the ability of low income persons, racial and ethnic minorities, women, handicapped persons, the elderly, and other underserved groups to obtain needed health care.” [Letter dated August 14, 2017 pages 100-103 of the Application for Permit]

Kumar Nathan, MD, President Centegra Hospital – Huntley stated in part:

“The purpose of this letter is to certify that, in accordance with 77 Ill. Adm. Code 1110.130(c), Centegra Hospital - Huntley will willingly assume Centegra Hospital - Woodstock's M/S and Intensive Care patients without conditions, limitations, or discrimination. Once Centegra Hospital - Woodstock's M/S and Intensive Care Categories of Service are discontinued, Centegra Hospital - Huntley will continue to provide care to the same M/S and Intensive Care patients as currently receive care in these categories of service at Centegra Hospital -Woodstock.”

Paul Van Den Heuvel, Vice President Legal Affairs & General Counsel Mercyhealth stated in part:

“In order to determine the impact of these projects, the totality of Centegra's planned changes to its McHenry County facilities should be submitted using the State's Determination of Reviewability form. The State should then determine how best the projects should be considered for CON review. This collection of projects involves substantial changes to Centegra Woodstock Hospital, has significant impact on area access (the closure of 60 medical-surgical beds changes the current computed excess of 43 medical-surgical beds in McHenry County to a potential deficit), and involves related changes at Centegra Huntley and Centegra McHenry that are interrelated and have not been disclosed. Mercyhealth highly recommends that Centegra submit a written request to the Review Board for a Declaratory Ruling regarding the applicability of the Review Board's statutes and regulations to Centegra's Woodstock closures and connected projects. In this way, Centegra can show candor to the Review Board and responsibly present all relevant information so the State, residents of McHenry County, and area providers can appropriately understand and evaluate project impacts.” [Letter dated August 9, 2017 pages 104-106 of the Application for Permit]

VIII. Safety Net Impact Statement

A) Criterion 1110.230 (b) – Safety Net Impact Statement

To demonstrate compliance with this criterion the applicants must document

- 1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.**
- 2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.**

A Safety Net Impact Statement is required to be provided for all exemptions proposing the discontinuation of categories of service and/or health care facilities. The applicants provided the following:

Appendix I
Safety Net Impact Statement

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.

This project to discontinue the 60-bed Medical/Surgical (M/S) and the 12-bed Intensive Care Categories of Service at Centegra Hospital - Woodstock will have no negative impact on essential safety net services in the community or in the planning area because Centegra Health System's other existing hospitals, Centegra Hospital - Huntley and Centegra Hospital - McHenry, which are both in the same planning area as Centegra Hospital - Woodstock, will continue to offer safety net services in the community.

Health Safety Net Services have been defined as services provided to patients who are low-income and otherwise vulnerable, including those uninsured and covered by Medicaid. (Agency for Healthcare Research and Quality, Public Health Service, U.S. Department of Health and Human Services, "The Safety Net Monitoring Initiative," AHRQ Pub. No. 03- P011, August, 2003).

This project proposes to discontinue the 60-bed M/S and the 12-bed Intensive Care Categories of Service at Centegra Hospital - Woodstock. The discontinuation of these services is part of the implementation of a comprehensive Facilities Plan for all three of Centegra Health System's hospitals. Centegra Health System has continuously evaluated where and how it provides services to patients. The recent Facilities Plan reflects the impact of changing reimbursement rates, increasing bad debt at Centegra's facilities, and today's uncertain health care climate.

Centegra Hospital - Woodstock, Centegra Hospital - Huntley and Centegra Hospital - McHenry are owned and operated by Centegra Health System and are located in the same planning area for the acute care services (Planning Area A-10).

Centegra Hospital - Woodstock and Centegra Hospital - McHenry are located 9.6 miles apart, and the travel time between them is approximately 16 minutes when adjusted for normal travel times in accordance with the CON Rules (77 Ill. Adm. Code 1100.510(d)(2)).

Centegra Hospital -Woodstock and Centegra Hospital -Huntley are located 7.7 miles apart, and the travel time between them is approximately 16 minutes when adjusted for normal travel times in accordance with the CON Rules (77 Ill. Adm. Code 1100.510(d)(2)).

Centegra Health System's hospitals have a unified medical staff, which permits members of their medical staffs to admit and treat patients at each of the three hospitals. These hospitals utilize a common medical record, which permits medical professionals to access and utilize patients' medical records at any of the hospitals.

Centegra Hospital - Huntley and Centegra Hospital - McHenry will continue to offer the M/S and Intensive Care Categories of Service after these categories of service are discontinued at Centegra Hospital - Woodstock. These hospitals are located in Planning Area A-10, and they serve the same patient population and continue to provide the same Health Safety Net Services within Planning Area as those currently provided by Centegra Hospital - Woodstock for these categories of service.

Appendix I

Safety Net Impact Statement

FY17 Patient origin for Centegra Hospital -Woodstock's Intensive Care Category of Service indicates that 93.4% of the patients resided in zip codes that are located entirely or in part within Planning Area A-10.

FY17 Patient origin for Centegra Hospital - Woodstock's M/S Category of Service indicates that 90.4% of the patients resided in zip codes that are located entirely or in part within Planning Area A-10.

There are residents of Planning Area A-10 who are low-income and otherwise vulnerable, as documented by their residing in Medically Underserved Areas and/or Populations and by Centegra Hospital - Woodstock's payer mix. The payer mix for Intensive Care and M/S patients is anticipated to remain the same when these residents are admitted to Centegra Hospital - Huntley and Centegra Hospital - McHenry.

Medically Underserved Areas and Medically Underserved Populations are designated by the federal government (Health Resources and Services Administration of the U.S. Department of Health and Human Services) based on the Index of Medical Underservice. Designated Medically Underserved Areas (MUAs) and Medically Underserved Populations (MUPs) are eligible for certification and funding under federal programs such as Community Health Center (CHC) grant funds, Federally Qualified Health Centers (FQHCs), and Rural Health Clinics (<https://bhwh.hrsa.gov/shortage-designation/muap>) (Health Resources and Services Administration, U.S. Department of Health and Human Services).

A number of census tracts in Planning Area A-10 have been designated by the Governor as having a federally-designated Medically Underserved Population, a designation that is made to document unusual local conditions and barriers to accessing personal health services. Within Planning Area A-10 (McHenry County), there are 3 census tracts that have this designation. A map identifying these census tracts can be found on Page 10 of this attachment. Centegra Health System will continue to provide essential safety net services in Planning Area A-10 for those patients requiring inpatient care in the Intensive Care and M/S Categories of Service. Centegra Hospital - Huntley and Centegra Hospital - McHenry, which are in the same planning area and same geographic service area, will have no change in providing the much needed services to patients residing in these

2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.

Centegra Hospital -Woodstock is one of five providers of the M/S Category of Service in Planning Area A-10. Of these five hospitals, three are owned and operated by Centegra Health System (Centegra Hospital - Woodstock, Centegra Hospital - Huntley and Centegra Hospital - McHenry), one is a critical access hospital (Mercy Harvard Hospital), and one is a newly-approved hospital that is projected to become operational in 2020 (Mercy Crystal Lake Hospital). Centegra Hospital - Woodstock is one of five providers of the Intensive

Appendix I
Safety Net Impact Statement

Care Category of Service in Planning Area A-10. Of these five hospitals, three are owned and operated by Centegra Health System (Centegra Hospital - Woodstock, Centegra Hospital - Huntley and Centegra Hospital - McHenry), one is a critical access hospital (Mercy Harvard Hospital), and one is a newly-approved hospital that is projected to become operational in 2020 (Mercy Crystal Lake Hospital). This project will not have an impact on the ability of another provider or health system to cross-subsidize safety net services. After these categories of service are discontinued at Centegra Hospital - Woodstock, the same safety net services will continue to be provided for M/S and Intensive Care patients at Centegra Hospital - Huntley and Centegra Hospital - McHenry as are currently provided at Centegra Hospital - Woodstock. As stated, this application is part of the implementation of a comprehensive Facilities Plan for all three of Centegra Health System's hospitals. Centegra Health System has continuously evaluated where and how it provides services to patients. The recent Facilities Plan reflects the impact of changing reimbursement rates, increasing bad debt at Centegra's facilities, and today's uncertain health care climate. As noted above in the response to Question 1, Centegra Hospital - Woodstock, as well as Centegra Hospital - Huntley and Centegra Hospital - McHenry are owned and operated by Centegra Health System. These hospitals have a unified medical staff, which permits members of their medical staffs to admit and treat patients at each of the three hospitals. These hospitals utilize a common medical record, which permits medical professionals to access and utilize patients' medical records at any of the hospitals.

3. **How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.**

This project proposes to discontinue the 60-bed M/S and the 12-bed Intensive Care Categories of Service at Centegra Hospital - Woodstock. This project will have no impact on safety net providers in the community. Centegra Hospital -Woodstock is one of five providers of the M/S Category of Service in Planning Area A-10. Of these five hospitals, three are owned and operated by Centegra Health System (Centegra Hospital - Woodstock, Centegra Hospital - Huntley and Centegra Hospital - McHenry), one is a critical access hospital (Mercy Harvard Hospital), and one is a newly-approved hospital that is projected to become operational in 2020 (Mercy Crystal Lake Hospital). Centegra Hospital -Woodstock is one of five providers of the Intensive Care Category of Service in Planning Area A-10. Of these five hospitals, three are owned and operated by Centegra Health System (Centegra Hospital - Woodstock, Centegra Hospital - Huntley and Centegra Hospital - McHenry), one is a critical access hospital (Mercy Harvard Hospital), and one is a newly-approved hospital that is projected to become operational in 2020 (Mercy Crystal Lake Hospital). Centegra Health System's other hospitals are located in the same planning area for the M/S and Intensive Care Categories of Service. Centegra Hospital - Woodstock and Centegra Hospital - McHenry are located 9.6 miles apart, and the travel time between them is approximately 16 minutes when adjusted for normal travel times in accordance with the CON Rules (77 Ill. Adm. Code 1100.510(d) (2)). Centegra Hospital -Woodstock and Centegra Hospital - Huntley are located 7.7 miles apart, and the travel time between them is approximately 16 minutes when adjusted for normal travel times in accordance with the CON Rules (77 Ill. Adm. Code 1100.510(d)(2)). Both hospitals are owned and operated by Centegra Health System, and the two hospitals have a unified medical staff with physicians holding privileges at both hospitals, so the physicians who currently admit and treat M/S and Intensive Care patients in the units at Centegra Hospital - Woodstock will continue to admit and treat M/S and Intensive Care patients at both Centegra Hospital - Huntley and Centegra Hospital - McHenry.

Appendix I
Safety Net Impact Statement

Centegra Hospital -McHenry CHARITY CARE			
	FY14	FY15	FY16
Net Patient Revenue	\$247,541,588	\$268,241,543	\$314,958,842
Amount of Charity Care (charges)	\$16,612,923	\$11,336,629	\$8,516,834
Cost of Charity Care	\$4,817,748	\$3,280,820	\$2,400,936

Centegra Hospital -Woodstock CHARITY CARE			
	FY14	FY15	FY16
Net Patient Revenue	\$130,979,938	\$123,892,358	\$130,641,946
Amount of Charity Care (charges)	\$8,897,081	\$7,292,581	\$5,655,030
Cost of Charity Care	\$2,766,992	\$2,267,993	\$1,646,558

Centegra Hospital – McHenry MEDICAID			
Medicaid(# of patients)	FY 2014	FY 2015	FY 2016
Inpatient	996	357	317
Outpatient	11,587	4,598	3,993
Total	12,583	4,955	4,310
Medicaid (revenue)			
Inpatient	\$12,673,813	\$9,043,877	\$8,392,044
Outpatient	\$6,567,812	\$5,269,774	\$6,747,810
Total	\$19,241,625	\$14,313,651	\$15,139,854

Centegra Hospital – Woodstock MEDICAID			
Medicaid(# of patients)	FY 2014	FY 2015	FY 2016
Inpatient	655	206	310
Outpatient	8,952	2,368	2,053
Total	9,607	2,574	2,363
Medicaid (revenue)			
Inpatient	\$5,527,251	\$4,065,703	\$8,082,053
Outpatient	\$4,313,244	\$1,661,784	\$4,536,983
Total	\$9,840,495	\$5,727,487	\$12,619,036

Centegra Hospital - Woodstock	
Current	Approval
<u>Categories of Service</u> •Medical Surgical (60 beds) •Intensive Care (12 beds) •Acute Mental Illness (34 beds) •Observation Unit (13 beds)	<u>Categories of Service</u> •Acute Mental Illness (34 beds) •Comprehensive Rehabilitation Service (22 Beds)
<u>Diagnostic/Interventional Equipment</u> •Thirteen (13) X-Ray Units •Two (2) Nuclear Medicine Units •One (1) Mammography Unit • Four (4) Ultrasound Units •Two (2) CAT Units •One (1) MRI Unit	<u>Diagnostic/Interventional Equipment</u> • Seven (7) X-Ray Units •Two (2) Nuclear Medicine Units •One (1) Mammography Unit •Two (2) Ultrasound Units •Two (2) CAT Units •One (1) MRI Unit
Emergency Department (Comprehensive Classification) •Eighteen (18) Stations	Emergency Department (Basic Classification) •Eighteen (18) Stations
Laboratory	Laboratory

Hospital Licensing Minimum Requirements

Governing Board (written Constitution and bylaws) Section 250.210

Board hires an Administrator

Medical Staff (written bylaws & Rules/ Regulations) Section 250.310

Medical Staff committees: P&T, IC, UR, QA, MR

Medical Staff Credentials Committee and Process

Human Resource Department with Director Section 250.410

Employee Health Program Section 250.240

Required Departments:

Laboratory – basic service must be available 24hrs a day 7 days a week, may contract the off hours and pathology and blood bank Section 250.510

Radiology- basic service must be available 24 hrs a day 7 days a week, may contract for extensive services Section 250.610

Emergency service- standby at minimum

Rehabilitation services- must have at least basic service and can be contracted Section 250.820 and 250.830 (if basic then needs to follow Section 860 and 870 for nursing training and Medical direction)

Nursing Service has to have a Director of Nursing who is fulltime
Section 250.910 Nursing personnel 24/7

Process and area for sterilization and processing of supplies (note may have some instruments which are not OR specific) Section 250.1090

Surgical services an optional Section 1210

Medical Records Department Section 250.1510

Dietary Department needs at minimum a director preferably a registered dietitian Section 250.1610 Staff on service at minimum 12 hours a day

Housekeeping department under the direction of a competent supervisor Section 250.1710

Laundry Service can be contracted Section 250.1740

Pharmacy Department under the direction of a registered pharmacist Section 250.2110

Social Services may be contracted Section 250.260

Source: Illinois Department of Public Health

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