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# Transcript of Public Hearing

**Date:** February 22, 2018

**Case:** Project number #E-001-18

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BEFORE THE ILLINOIS HEALTH FACILITIES AND SERVICES  
REVIEW BOARD

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IN RE: :

CHANGE OF OWNERSHIP : PROJECT E-001-18

APPLICATION FOR MACNEAL :

HOSPITAL :

-----X

Public Hearing  
Berwyn, Illinois  
Thursday, February 22, 2018  
4:15 p.m.

Job No.: 176819

Pages: 1 - 33

Reported by: Tiffany M. Pietrzyk, CSR RPR CRR

1 Public Hearing, held at the location of:

2

3 BERWYN CITY OFFICES

4 6700 W. 26th Street

5 Berwyn, Illinois 60402

6 708.788.2660

7

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13 Before Tiffany M. Pietrzyk, a Certified  
14 Shorthand Reporter, Registered Professional  
15 Reporter, Certified Realtime Reporter, and a  
16 Notary Public in and for the State of Illinois.

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1 PRESENT:

2  
3 JEANNIE MITCHELL, Hearing Officer

4 ANN GUILD, Compliance Manager

5 JOEL JOHNSON, Board Member

6  
7 ON BEHALF OF LOYOLA MEDICINE:

8 EDWARD J. GREEN, ESQUIRE

9 FOLEY & LARDNER, LLP

10 321 North Clark Street

11 Suite 2800

12 Chicago, Illinois 60654

13 312.832.4375

1	C O N T E N T S	
2	PUBLIC COMMENT	PAGE
3	Scott Lennon	9
4	Jamie Kucera	10
5	Margaret Paul	12
6	Robert Bartlett	14
7	Emily Priem	16
8	Chantel Grace	17
9	Ann Igoe	19
10	Elizabeth Jiminez	23
11	Jeanine Reardon	25
12	Edward Green	27
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		

1 P R O C E E D I N G S

2 MS. MITCHELL: Good afternoon. Thank you  
3 for participating in today's public hearing for  
4 MacNeal Hospital. I am Jeannie Mitchell, General  
5 Counsel and hearing officer for the Illinois  
6 Health Facilities and Review Board. Present with  
7 me today are representatives of HFSRB, Board  
8 Member Joel Johnson and Compliance Manager Ann  
9 Guild. On behalf of HFSRB, thank you for  
10 attending.

11 As per the rules of the Illinois Health  
12 Facilities Planning Act, the previously published  
13 legal notice has been submitted to the court  
14 reporter and will be included in today's record.

15 (WHEREUPON, the following was not publicly  
16 read but is incorporated into the record.)

17 NOTICE OF PUBLIC HEARING AND OPPORTUNITY FOR  
18 WRITTEN CONSENT

19 In accordance with the requirements of the  
20 Illinois Health Facilities Planning Act and 77  
21 Illinois Adm. Code Part 1130, Notice is given of a  
22 public Hearing on an exemption application for a  
23 change of ownership (Exemption #001-18) for  
24 MacNeal Hospital, 3249 South Oak Park Avenue,

Transcript of Public Hearing  
Conducted on February 22, 2018

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1 Berwyn, Illinois. The Applicants are Gottlieb  
2 Community Health Services Corporation, Loyola  
3 University Health System, Trinity Health  
4 Corporation, VHS of Illinois, Inc. d/b/a MacNeal  
5 Hospital, and Tenet Healthcare Corporation. The  
6 transaction is an asset purchase of a health care  
7 facility resulting in a change of the current  
8 licensee. The Fair Market Value of the  
9 transaction is \$270 million. The expected  
10 completion date is March 1, 2018.

11 E-001-18 MacNeal Hospital, Berwyn  
12 The Public Hearing is to be held by the  
13 Illinois Health Facilities and Services Review  
14 Board pursuant to the Illinois Health Facilities  
15 Planning Act. The Hearing is open to the public  
16 and will afford an opportunity for parties at  
17 interest to present written and/or verbal comment  
18 relevant to the project. All allegations or  
19 assertions should be relevant to the need for the  
20 proposed project and be supported with two copies  
21 of documentation or materials that are printed or  
22 typed on paper size 8 1/2" by 11".

23 The Public Hearing will be held on  
24 Thursday, February 22, 2018, beginning at

Transcript of Public Hearing  
Conducted on February 22, 2018

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1 4:15 p.m. at the City of Berwyn City Council  
2 Chamber located at 6700 West 26th Street, Berwyn,  
3 Illinois. Sign-in for the Public Hearing will  
4 begin at 4:00 p.m. and the hearing will end at  
5 5:15 p.m.

6 For additional information contact  
7 Courtney Avery, Administrator, at 312.814.4825 or  
8 courtney.avery@illinois.gov.

9 (WHEREUPON, the following was publicly  
10 held.)

11 MS. MITCHELL: Please note that in order  
12 to ensure that the Health Facilities and Services  
13 Review Board's public hearings protect the privacy  
14 and maintain the confidentiality of an  
15 individual's health information, covered entities,  
16 as defined by the Health Insurance Portability and  
17 Accountability Act of 1996, such as hospital  
18 providers, health plans, and healthcare  
19 clearinghouses, submitting oral or written  
20 testimony that disclose protected health  
21 information of individuals shall have a valid  
22 written authorization from that individual. The  
23 authorization shall allow the covered entity to  
24 share the individual's protected health



1 information at this hearing.

2 If you have not yet registered, please see  
3 Ann Guild. You can register your appearance, just  
4 merely state that you were here, that you support  
5 the project, you oppose the project, or are not  
6 sure, or you can register to testify.

7 Those of you that have prepared your  
8 written testimony, please note that you may submit  
9 the written text will entered into today's record  
10 and made available for all HFSRB members prior to  
11 the project's consideration.

12 For those of you providing oral testimony,  
13 I ask that you please limit your testimony to  
14 three minutes. I'm not going to be as strict as  
15 we normally are because of the number of people  
16 that signed up to speak; but if anybody takes too  
17 many liberties with that, I will have to quietly  
18 and nicely, very nicely, tell you to please  
19 conclude your comments. Participants will be  
20 called in numerical order as assigned on your  
21 sign-in sheets. Prior to beginning your remarks,  
22 clearly state and spell your full name for the  
23 court reporter. If you have written copies of  
24 your remarks, please provide those to me. Are

1       there any questions regarding these instructions?

2               (No audible response.)

3               So when you're coming up to speak, you can  
4       step up here and speak. And if you have some  
5       difficulty stepping up, you can merely stand in  
6       front of the step. That would be fine too.

7               Hearing that there are no questions,  
8       today's proceedings will begin with a  
9       representative from MacNeal Hospital.

10              Can we please have Alderman Scott Lennon?  
11       I believe that's --

12              MR. LENNON: I have to be --

13              MS. MITCHELL: If you would like, you can  
14       sit down. If you want, you can stand or sit right  
15       there.

16              MR. LENNON: That's fine.

17              Good afternoon. My name is Scott Lennon,  
18       and I am Alderman of 1st Ward here in Berwyn,  
19       which includes MacNeal Hospital. I have spent  
20       many years working with MacNeal Hospital, been in  
21       meetings with them, events, supported them, and  
22       know they're a value to our community.

23              I know how important it is for our  
24       community. When it was announced the Loyola

1 planned to buy MacNeal, the reaction was  
2 overwhelmingly positive from my constituents.  
3 Loyola is known as also treating the human spirit.  
4 And when I met with them and I learned they  
5 contribute approximately \$145 million of  
6 unreimbursed care programs and activities each  
7 year to support the health of our local community,  
8 that is something that our community needs.

9 Loyola pays entry-level employees a higher  
10 hourly rate than national, state, and City of  
11 Chicago minimum wage. For the last two years,  
12 Loyola has given out merit increases to hourly  
13 employees where others have not. In an era when  
14 hospitals are fighting for patients and market  
15 share, it is an honor to have Loyola Medicine and  
16 Trinity Health willing to add MacNeal Hospital to  
17 their successful health system.

18 MS. MITCHELL: Thank you.

19 Jamie Kucera.

20 MS. KUCERA: Good afternoon Jamie Kucera,  
21 J-a-m-i-e K-u-c-e-r-a.

22 My name is Jamie Kucera, and I am the  
23 executive director and CEO of the Pav YMCA in  
24 Berwyn.

1 MacNeal Hospital has been a strong partner  
2 in our community.

3 UNIDENTIFIED: Can you speak up please?

4 MS. MITCHELL: If you could bring the  
5 microphone maybe closer to you, that may help.

6 THE WITNESS: I don't talk on the mike  
7 very often.

8 My name is Jamie Kucera, and I am the  
9 executive director and CEO of the Pav YMCA in  
10 Berwyn.

11 MacNeal Hospital has been a strong partner  
12 in our community and a strong partner with the Pav  
13 YMCA. I enthusiastically support Loyola  
14 Medicine's acquisition of MacNeal Hospital because  
15 I believe that they will provide an even stronger  
16 partnership to agencies such as mine.

17 Loyola is invested in this community and  
18 the surrounding communities because of their long  
19 tradition of treating the human spirit, just like  
20 the Y. I know firsthand Loyola's commitment to  
21 the health and well-being of their communities. I  
22 have often commented on how lucky fellow  
23 colleagues at other YMCAs were to have  
24 long-standing partnerships with Loyola in many

1 program areas of preventive health. Now, it is my  
2 hope to have that opportunity to partner with a  
3 hospital that is equally invested in our community  
4 for youth obesity, cancer survivor, and diabetes  
5 prevention programs.

6 When a community has a thriving hospital,  
7 everyone benefits, from the care the hospital  
8 provides, the jobs that it offers, and the  
9 resources that it pours into the neighborhood and  
10 residents. It is very important that MacNeal is  
11 acquired by a health system with a vested interest  
12 in this community, strong financial backing, and  
13 track record of investment in quality care.  
14 Loyola fits that mold and beyond.

15 I sincerely hope that the Illinois Health  
16 Facilities and Service Review Board approves the  
17 CEO application so that MacNeal can continue to  
18 serve our community and I have a new partner.

19 MS. MITCHELL: Thank you.

20 Margaret Paul.

21 MS. PAUL: Good afternoon. My name is  
22 Margaret Paul. I am a resident of Berwyn, and I  
23 currently sit as Berwyn City Clerk. I am here  
24 representing Berwyn United Neighborhood Lesbian

1 and Gay Organization, and formally known as  
2 BUNGALO.

3 What we are most concerned about is not  
4 Loyola in particular, but President Trump's health  
5 and human services enactments with regard to the  
6 creation of the division of conscience and  
7 religious freedom department. This department is  
8 concerning in that it may allow medical health  
9 providers and workers to determine, based upon  
10 their own moral guidance, not to treat LGBT or  
11 transgendered patients.

12 Loyola, from anecdotal information, has  
13 been very good in terms of the LGBT community;  
14 however, with regard to the wave of LGBT  
15 discrimination that is occurring now under THE  
16 Trump administration, this is a concern if a  
17 private hospital is going to be allowed to be sold  
18 to a Christian organization. We would hope that  
19 Loyola would continue its treatment of LGBT, and  
20 particularly transgendered residents, with the  
21 same kind of compassion that it has in the past.

22 I should also mention that the City of  
23 Berwyn is the fourth largest LGBTQ community in  
24 Illinois, so we have a number of residents that

1 would be utilizing MacNeal Hospital for their  
2 primary care; not only the hospital facility  
3 itself, but also the physicians and health workers  
4 that are given privileges from the hospital.

5 Also important, I think, for you to know  
6 is that our District 100 school board has a very  
7 active transgendered policy with regard to the  
8 young children that are going to school there.  
9 And so for children who are transitioning or  
10 identifying, it's important that the new hospital  
11 ownership has the same kind of compassion that  
12 MacNeal has shown to our community in the past.  
13 Thank you.

14 MS. MITCHELL: Thank you.

15 Robert Bartlett.

16 MR. BARTLETT: Good afternoon.

17 MR. JOHNSON: Good afternoon.

18 MR. BARTLETT: My name is Robert Bartlett.  
19 I teach at Morton West High School, where our  
20 vision is to provide educational experiences that  
21 challenge, engage, and empower students to be  
22 productive members of the global community. I've  
23 taught there for 25 years.

24 The sale of MacNeal Hospital and making it

1 nonprofit threatens to diminish that vision by  
2 denying our school system the vital property tax  
3 revenue currently received from MacNeal. From my  
4 calculations, the funding that my school would  
5 lose could impact seven or eight additional  
6 teachers, which is the equivalent of the entire  
7 art department across the district. This could be  
8 up to 20 teachers' aids, who are vital to helping  
9 our special needs student.

10 This scenario takes me back to 2008, when  
11 the housing market collapsed. Prior to the  
12 collapse, I had 24 kids in my classes, and our  
13 students took six academic classes. Now I have 30  
14 in a classroom, and they cut the academic classes  
15 to five. That's the qualitative impact of the  
16 recision. Losing tax revenue from MacNeal will  
17 have a qualitative impact as well.

18 Many students in this community have  
19 already been deprived of various resources and  
20 opportunities. I know students who have never  
21 been to the museums in downtown Chicago.  
22 Educational experiences broaden a child's horizon  
23 and expands their outlook on life. It gives them  
24 a chance to overcome difficulties. A child's zip



1 code should not determine their educational  
2 opportunities.

3 I'm also of the opinion that institutions  
4 in our communities should uplift our communities,  
5 not diminish them. I support the call for Loyola  
6 to be the best community partner it can be. I  
7 hope Loyola Hospital agrees to replace any lost  
8 property tax revenue and agrees with other demands  
9 in the benefits agreement with our community.  
10 Thank you.

11 MS. MITCHELL: Thank you.

12 MR. JOHNSON: Thank you.

13 MS. MITCHELL: Emily Priem. I apologize  
14 if I'm butchering your name.

15 MS. PRIEM: Hi, I'm Emily Priem. You were  
16 close. Close enough.

17 MS. MITCHELL: Thank you.

18 MS. PRIEM: I'm here as a homeowner here  
19 in Berwyn. I've lived in South Berwyn since 2015.

20 I'm concerned about the impact that the  
21 loss of property taxes from MacNeal will have on  
22 homeowners in terms of raising my property taxes  
23 and cutting my public services. In 2016, which I  
24 paid in 2017, I paid \$5,000 in property taxes.

1 I'm a single person with a 900-square foot home.  
2 That's a lot of money. And it's unfair that a  
3 company like Loyola can make over a billion  
4 dollars per year in revenue and move into our  
5 community and contribute nothing in taxes.

6 I would like to encourage Loyola to sign  
7 the community benefits agreement and agree to  
8 continue to put the same amount of taxes that  
9 MacNeal has been paying back into our communities  
10 voluntarily and help relieve some of the burden  
11 that we homeowners have when it comes to property  
12 taxes. Thank you.

13 MS. MITCHELL: Thank you.

14 MR. JOHNSON: Thank you.

15 MS. MITCHELL: Chantel Grace.

16 MS. GRACE: Hello.

17 MR. JOHNSON: Good evening.

18 MS. MITCHELL: Hello.

19 MS. GRACE: I'm Chantel Grace. I work as  
20 an environmental service worker at Gottlieb  
21 Hospital in Melrose Park, which is owned by Loyola  
22 Medicine. I clean the rooms and remove biohazard  
23 waste and stop the spread of dangerous infections.  
24 I also work at Northwestern Hospital in Chicago.

1           I'm here to tell you what kind of employer  
2   Loyola Medicine is. Loyola Gottlieb Hospital  
3   works me very hard and pays me poverty wages.  
4   Despite the fact that my work saves lives and I  
5   have almost 17 years of experience, I only get  
6   paid \$13 an hour there. Workers are constantly  
7   quitting because of the low pay. There is never  
8   enough staff; and we work very, very hard to do  
9   our best for not only ourselves, but most  
10   importantly, for the patients. And by doing this,  
11   I feel that the hospital is shortchanging the  
12   patients for a system that is making 1.3 billion a  
13   year.

14           Management also tried to intimidate  
15   workers to stop them from joining a union, even  
16   though having a union would improve care for  
17   patients.

18           I also work at Northwestern Hospital,  
19   where we have a union, and I get paid almost  
20   90 percent more than at Gottlieb to do the same  
21   exact job. I know the union makes a difference.

22           I know Loyola Medicine does not have to  
23   treat its workers and patients like this. Loyola  
24   should sign a community benefit agreement and

1 ensure hospitals -- workers like me are paid a  
2 living wage and have the right to join a union.  
3 Thank you.

4 MS. MITCHELL: Thank you.

5 MR. JOHNSON: Thank you.

6 MS. MITCHELL: Anne Igoe.

7 MS. IGOE: Good afternoon. My name is Ann  
8 Igoe, I-g, as in George, o-e. I'm going to read  
9 my statement.

10 MS. MITCHELL: Good afternoon.

11 MR. JOHNSON: Good afternoon.

12 MS. IGOE: My name is Ann Igoe; and as a  
13 representative of SEIU Healthcare Illinois and  
14 Indiana, we requested to have this hearing today.

15 We are concerned about Loyola Medicine's  
16 intent to acquire MacNeal Hospital and convert it  
17 to a nonprofit. This would deprive Berwyn and  
18 Cook County of millions in annual property tax  
19 dollars with no obligation to increase charitable  
20 spending or provide good jobs. We believe this is  
21 a bad deal for Berwyn.

22 MacNeal Hospital is an important  
23 healthcare provider and an employer that has  
24 served the Berwyn community for nearly 100 years.

1 Many had mixed feelings when the for-profit  
2 hospital chain Vanguard Health acquired MacNeal  
3 Hospital in 2000 and converted it from a nonprofit  
4 to a for-profit facility. However, both Berwyn  
5 and Cook County ultimately benefited from this  
6 amount of property tax income. The hospital  
7 became the number one property tax payer in Berwyn  
8 following its conversion to a for-profit facility.

9 MacNeal accounts for 3.74 percent of  
10 Berwyn's taxable assessed evaluation. The next  
11 highest payer accounts for 1 percent of the  
12 evaluation. According to our analysis, which we  
13 have here today and we can provide to the board,  
14 MacNeal Hospital currently pays as much as  
15 3.5 million annually in property taxes. Of this,  
16 60 percent goes to support public schools,  
17 community colleges, and public libraries.

18 In the process of Loyola Medicine  
19 acquiring MacNeal, it will be converted to a  
20 nonprofit facility. In the State of Illinois,  
21 nonprofits are exempt from paying property taxes.  
22 This loss of revenue means that Berwyn property  
23 owners have the burden of making up this loss in  
24 property taxes.

1 Illinois expects Loyola and other  
2 nonprofits to earn their tax exemptions by  
3 providing free care to the insured in needy  
4 communities. In fact, the state constitution says  
5 that a property must be used exclusively for  
6 charitable purposes in order to merit a property  
7 tax exemption. However, this is -- the Illinois  
8 Hospital Association responded and lobbied and  
9 passed a bill that allowed nonprofit hospitals to  
10 retain their property tax exempt status as long as  
11 they provided charity care equal to or in excess  
12 of its -- the value of the exemption.

13 Unfortunately, the bill broadens the definition of  
14 charity care to include Medicare and Medicare  
15 shortfalls and other noncharitable care spending.  
16 This broad definition makes it possible for every  
17 nonprofit hospital and health system operating in  
18 Illinois to remain tax exempt while providing no  
19 additional charitable spending.

20 We can see why the for-profit hospitals  
21 are leaving Illinois as a result of it's a lot  
22 easier to function in the State of Illinois and  
23 having no responsibility to provide actual  
24 charitable care. In fact, Loyola Medicine

1 contributed a meager .75 percent of its operating  
2 revenue to charity care in 2017, while enjoying  
3 this property tax exempt status. In fact, MacNeal  
4 provided a greater amount of charity care.

5 Berwyn residents can expect little or no  
6 additional spending from MacNeal under Loyola  
7 Medicine while forfeiting millions of annual tax  
8 dollars and seeing their own property taxes  
9 increase. This is not a good deal for the Berwyn  
10 community.

11 In addition to being a tax scofflaw,  
12 Loyola is also a low wage employer that neglects  
13 to provide affordable healthcare to frontline  
14 caregivers and has vigorously resisted workers'  
15 efforts to organize while receiving tens of  
16 millions of public dollars every year.

17 As stated earlier, they pay above the  
18 minimum wage. That's their claim to providing  
19 good quality jobs. We don't think that that's a  
20 good claim.

21 We call today on Loyola to provide the  
22 following in the community benefits agreement.  
23 First is to provide an annual payment in lieu of  
24 property taxes equal to or in excess of MacNeal's

1 currently property tax exemption, making sure that  
2 Berwyn does not miss out on this necessary income;  
3 that it would guarantee decent standards for  
4 MacNeal workers including a \$15 minimum wage,  
5 affordable health insurance, and the right to  
6 organize free from interference. We would ask  
7 that Loyola prioritize local hiring, both on the  
8 hospital campus and for any future construction or  
9 renovation projects; and, finally, to create a  
10 community benefit advisory board comprised of  
11 community stakeholders to help direct the  
12 hospital's charitable spending and community  
13 initiatives.

14 We feel that a community benefits  
15 agreement is the best way for Berwyn to continue  
16 to be served by MacNeal and to have a mutually  
17 beneficial relationship between Loyola Medicine  
18 and the Berwyn community. Berwyn deserves nothing  
19 less. Thank you.

20 MR. JOHNSON: Thank you.

21 MS. MITCHELL: Thank you.

22 Elizabeth Jiminez.

23 MS. JIMINEZ: My name is Elizabeth  
24 Jiminez. I'm a resident here in Berwyn.



1 I'm very concerned. I'm concerned for the  
2 property taxes that we, as residents, will  
3 probably have to pay because of the not-for-profit  
4 status that Loyola has. As a single mother of  
5 three with two children in college -- and I'm an  
6 educator. I am educated. Therefore, my salary  
7 it's not that bad. It's okay. I cannot imagine  
8 the struggles that the families here in Berwyn and  
9 my community will have to face because of the  
10 property taxes that we will be losing.

11 In addition to that, I'm also a school  
12 board member, and I'm concerned with the money  
13 that our School District 100 here in South Berwyn  
14 will be losing, which will be at least a million  
15 dollars. I am very concerned on how that is going  
16 to be.

17 So I am asking for you to please consider  
18 the community benefits agreement because it will  
19 help us for our students here in our community and  
20 we are a very low income district as it is. So,  
21 therefore, we have no other taxing body bigger  
22 than MacNeal. We count on this money to come to  
23 our schools. The owners here in Berwyn that are  
24 working two jobs so that their children can have a

1     suitable life are going to struggle. I cannot  
2     imagine how they are going to be surviving with  
3     that type of salary that they might have and  
4     having to maybe pay extra property taxes. So I  
5     please ask you to consider the community benefits  
6     agreement. Thank you.

7             MR. JOHNSON: Thank you.

8             MS. MITCHELL: Thank you.

9             Before we have the last speaker come up,  
10     is there anyone who wishes to testify who has not  
11     had an opportunity to do so?

12            Please come up.

13            MS. REARDON: Hello. My name is Jeanine  
14     Reardon, and I am the 3rd Ward Alderman here in  
15     Berwyn. I'm also an ordained minister and a  
16     hospital chaplain, and I work for not this  
17     Catholic hospital, but another Catholic hospital.  
18     And I understand how community benefit works.

19            Catholic healthcare in the United States  
20     was founded on being not just good neighbors but  
21     on being exemplary neighbors. They set the  
22     standard for how to treat people compassionately,  
23     fully, with their whole heart. The reality of  
24     healthcare in the United States is that it is a

1 cutthroat business that's constantly changing, and  
2 they have real, real needs. As an institution,  
3 I'm certain that Loyola has those needs, as does  
4 my hospital. But I want to encourage them and you  
5 to hold them to a standard that has been set and  
6 maintained in this country for a long time, not  
7 just good neighbors, but exemplary neighbors.

8 If you have the power to encourage them to  
9 create a community benefits relationship with this  
10 town, it matters to us. It matters to us that  
11 MacNeal is here providing good care to our  
12 residents. It matters. It matters that -- when  
13 we look to that good care, we continue to think  
14 what a lovely addition to our neighborhood, to our  
15 city. If you have the power to help us maintain  
16 that relationship at the highest standard, as a  
17 resident, as an Alderman, as a pastor, I ask you  
18 to do that. So thank you very much.

19 MR. JOHNSON: Thank you.

20 MS. MITCHELL: Thank you. And, Jeanine,  
21 may I please have you see Ann Guild and fill out  
22 the pink sheet?

23 MS. REARDON: Absolutely.

24 MS. MITCHELL: Thank you.

1           Is there anyone who wishes to testify  
2 before the last speaker comes up?

3           (No audible response.)

4           Okay. May I please have Ed Green?

5           MR. GREEN: Thank you. Thank you. My  
6 name is Ed Green. I am the attorney for Loyola  
7 University Health System, for Gottlieb Community  
8 Health Services; and they are the purchasers in  
9 this transaction.

10           First, I really do want to thank everyone  
11 for participating in this process because this  
12 really is the public phase of the process. And  
13 when the planning board instituted this a number  
14 of years ago, I actually think it really did help  
15 everyone to sort of see how the process works and  
16 we sort of brought it into the public realm.

17           Today, obviously, I'm in support of the  
18 transaction. I am in support of Loyola. I've  
19 been a healthcare attorney in Chicago for  
20 25 years, so I've had the opportunity to see a lot  
21 of healthcare transform, quite frankly, right  
22 before my eyes.

23           Loyola is one of the good guys. They  
24 invest in their communities. They invest in their

1 hospitals. They're part of a larger health system  
2 called Trinity, which, again, one of the largest  
3 health systems in the country. They invest in  
4 their hospitals. They are honestly one of the  
5 good guys.

6 I did want to respond to a few things  
7 because through the intricacies of the planning  
8 board application, sometimes you only have to fill  
9 in certain sections. And when you only fill in  
10 certain sections, you don't get the whole picture  
11 for what really does go on with a health system  
12 like Loyola.

13 There was reference made to charity care.  
14 And charity care is one of the sections you  
15 definitely fill in on the application, but charity  
16 care in the not-for-profit world is about  
17 one-tenth of what they truly do. So you have to  
18 look at what is called the community benefit. And  
19 in Illinois, every two years every not-for-profit,  
20 to get their property tax exemption, has to fill  
21 out an affidavit where they testify under oath the  
22 amount of community benefit that they're doing and  
23 then the community benefit has to exceed the  
24 property taxes, applying through all their

1 assessments and everything else. So by  
2 definition, the hospitals really do have to  
3 contribute to their community or they would have  
4 to start paying taxes.

5 In terms of Loyola -- and I'll enter this  
6 into the record. I found this on their web  
7 page -- in 2015, in terms of community benefit  
8 investment, \$162 million from Loyola Health System  
9 into the community benefit. What was that? It  
10 definitely included charity care, but it also  
11 includes costs that are not covered. Charity care  
12 is literally somebody comes in, they qualify under  
13 the poverty guidelines, and they don't pay for  
14 their care. But a lot of times people come in and  
15 the insurance companies or Medicaid or Medicare,  
16 they pay one-tenth or one-fifth. That is still  
17 counted -- that is not counted as charity care,  
18 but that is definitely a cost that was incurred by  
19 the hospital.

20 Payments that are just never received.  
21 The insurance company just doesn't pay. Medicaid  
22 doesn't pay. The person is not from the State of  
23 Illinois so we can't even get them to fill out  
24 their charity care application. That was roughly

1       \$107 million in 2015.

2               Other community benefits, and I think you  
3       heard from the YMCA today, that was \$26 million.  
4       That's donations to other not-for-profits,  
5       volunteer support, language assistance, health  
6       information screenings, support for health  
7       education. Loyola University is obviously -- part  
8       of their students come from Loyola University  
9       Medical Center, so they train residents. It's one  
10      of the largest residence programs. \$21 million  
11      contributed to education and research.

12              And then the other one was just subsidized  
13      services, responding to community needs. A  
14      specific need, to respond to it. So the picture  
15      really isn't really 10 million or 15 million.  
16      It's really \$162 million. So on that, I do think  
17      that Loyola, quite frankly, is a winner, not, you  
18      know, somehow trying not to do their fair share.

19              The other thing in terms of support from  
20      the schools, Loyola has an incredibly robust  
21      volunteer program, engagement program for high  
22      school kids and everyone else so they get to be  
23      part of their community. Loyola has traditionally  
24      been one of those systems that is completely part

1 of its community. I really don't expect that to  
2 change at MacNeal. And trust me, MacNeal has been  
3 an incredibly neat hospital even before Tenet  
4 bought them. They were a neat hospital before  
5 Vanguard bought them. They have always been a  
6 very neat hospital, and I don't see that changing.  
7 Every other time Loyola has been involved in  
8 stuff, it really has changed for the better.

9 In terms of services, I know somebody had  
10 talked about there would somehow be a decrease in  
11 services. Again, by definition, there will be no  
12 decreases in services. It's actually in the  
13 application where they say we will not decrease  
14 services.

15 And I think other than that, again, I  
16 would obviously encourage the board to approve the  
17 certificate of exemption application.

18 MS. MITCHELL: Thank you.

19 MR. JOHNSON: Thank you.

20 MS. MITCHELL: We have a few more minutes;  
21 so if you've already spoken, you cannot speak  
22 again. But is there anyone at this time who  
23 wishes to speak that has not spoken?

24 (No audible response.)



1           Please note that the board chair has the  
2           authority to review this project. For good cause,  
3           she can refer the project to the full board, at  
4           which case the project will be tentatively  
5           scheduled for consideration at the board's  
6           February 27, 2018, meeting. The meeting will be  
7           held at the Bolingbrook Golf Club, located at 2001  
8           Rodeo Drive, Bolingbrook, Illinois. Please refer  
9           to the HFSRB website at [www.hfsrb.illinois.gov](http://www.hfsrb.illinois.gov) for  
10          more details and possible agenda changes.

11           Are there any questions?

12           (No audible response.)

13           Hearing that there are no additional  
14          questions or comments, I deem this public hearing  
15          adjourned. Again, thank you for your  
16          participation.

17           MR. JOHNSON: Thank you.

18           (WHICH WERE all the proceedings had in the  
19          above-entitled matter.)

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CERTIFICATE OF SHORTHAND REPORTER-NOTARY PUBLIC

I, Tiffany M. Pietrzyk, CSR RPR CRR, the officer before whom the foregoing proceedings were had, do hereby certify that the foregoing transcript is a true and correct record of the proceedings; that said proceedings were taken by me stenographically and thereafter reduced to typewriting under my direction; and that I am neither counsel for, related to, nor employed by any of the parties to this case and have no interest, financial or otherwise, in its outcome.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal this 23rd day of February, 2018.

My commission expires:

Tiffany M. Pietrzyk 