



HEALTH FACILITIES AND SERVICES REVIEW BOARD

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 •(217) 782-3516 FAX: (217) 785-4111

EXEMPTION NUMBER: DOCKET ITEM: BOARD MEETING: C-03 January 15, 2019 E-063-18 **EXEMPTION APPLICANT(S):** NorthShore University HealthSystem **FACILITY NAME and LOCATION:** NorthShore University HealthSystem d/b/a Highland Park

Hospital, Highland Park, Illinois

STATE BOARD STAFF REPORT DISCONTINUATION OF A CATEGORY OF SERVICE

I. **The Exemption Application**

The Applicant (NorthShore University HealthSystem) proposes the discontinuation of a 6bed pediatric category of service. The operating entity/licensee is Highland Park Hospital and owner of the site is NorhtShore University HealthSystem. A Safety Net Impact Statement and Charity Care Information have been provided as required. Impact Letters were sent to hospitals within 10-miles of Highland Park Hospital that maintain pediatric services. The expected completion date is March 31, 2019.

The exemption is before the State Board because the transaction is a discontinuation of a category of service.

II. **Background**

Highland Park Hospital is a 139-bed hospital located in Highland Park, Illinois. The Inpatient Pediatric census at the hospital has declined in recent years;

> 562 days in calendar year 2015 - 25.7% occupancy; 500 days in calendar year 2016 - 22.8% occupancy; and 433 days in calendar year 2017 – 19.8% occupancy.

The hospital stated over the past three years the pediatric unit has operated with an average daily census of 2 patients.

> 2015 - 562 days $\div 365 = 1.54$ patients $2016 - 500 \text{ days} \div 365 = 1.37 \text{ patients}$ 2017-433 days \div 365 = 1.19 patients

The Applicant (NorthShore University HealthSystem) will be combining pediatric care services at NorthShore University HealthSystem d/b/a Evanston Hospital. Evanston Hospital which according to the Applicant "will allow for improved patient care as a result of the nursing care staff's care for a greater volume of patients, resulting in an increased ability to maintain patient care skills." Medical records of past pediatric patients will be maintained by Highland Park Hospital in accordance with all regulatory requirements.

There are three hospitals within 10-miles of Highland Park Hospital; Advocate Lutheran General Hospital (15.9 miles), Advocate Condell Medical Center (12.1 miles) and NorthShore University HealthSystem d/b/a Evanston Hospital (14.4 miles) all with large pediatric units. The Applicant stated: "*The proposed discontinuation of Highland Park Hospital's pediatrics unit will have no material impact on access to care. In recent years, admissions to the hospital's pediatric units, including Evanston Hospital, Advocate Lutheran General Hospital, and Advocate Condell Medical Center, future difficulties in securing a bed in the area are anticipated to be very rare. Consistent with the nationwide trend toward the provision of services on an outpatient basis, the hospital will continue to provide routine pediatric services on an outpatient basis, including the treatment of pediatric patients in the Emergency Department."*

II. <u>Applicable Rules</u>

The Illinois Health Facilities Planning Act (20 ILCS 3960/6) states the State Board shall establish by regulation the procedures and requirements regarding issuance of exemptions. 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, <u>discontinuation of a category of service</u>, 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.

The State Board's rule (77 IAC 1130.500 & 77 ILAC 1130.525) specifies the requirements necessary for a discontinuation of a category of service exemption application to be filed with the State Board. The State Board may, by rule, delegate authority to the Chairman to grant permits or exemptions when applications meet all of the State Board's review criteria and are unopposed [20 ILCS 3960/5].

<u>The State Board Staff Notes:</u> No support or opposition letters were submitted and there was no request for a public hearing. <u>All of the requirements</u> of the State Board have been met.

STATE BOARD STAFF FINDS THE EXEMPTION FOR DISCONTINUATION OF A CATEGORY OF SERVICE IN CONFORMANCE WITH CRITERIA (77 ILAC 1130.500 & 77 ILAC 1130.525)

	Table One		
	Charity Care - NorthShore University HealthSystem by		
	Hospital Evanston Hospital		
	-		
	2015	2016	2017
Net Patient Revenue	\$493,138,242	\$511,714,578	\$511,985,214
Amount of Charity Care	\$28,014,009	\$17,340,131	\$27,759,681
Cost of Charity Care	\$7,250,834	\$6,938,078	\$6,938,078
Charity Care % of Net Rev.	1.47%	1.36%	1.36%
	Skokie Hospital		
	2015	2016	2017
Net Patient Revenue	\$202,487,834	\$212,229,891	\$213,731,078
Amount of Charity Care	\$10,194,689	\$10,359,405	\$12,102,094
Cost of Charity Care	\$2,635,857	\$2,628,896	\$3,078,132
Charity Care % of Net Rev.	1.30%	1.24%	1.44%
	Highland Park Hospital		
	2015	2016	2017
Net Patient Revenue	\$247,290,914	\$251,619,592	\$256,019,252
Amount of Charity Care	\$8,131,438	\$9,789,737	\$9,310,648
Cost of Charity Care	\$2,102,399	\$2,484,332	\$2,369,136
Charity Care % of Net Rev.	0.85%	0.99%	0.93%
		Glenbrook Hospital	
	2015	2016	2017
Net Patient Revenue	\$277,501,890	\$292,266,712	\$288,746,879
Amount of Charity Care	\$12,799,664	\$14,365,092	\$13,604,314
Cost of Charity Care	\$3,309,378	\$3,645,415	\$3,460,217
Charity Care % of Net Rev.	1.19%	1.25%	1.20%

Pell Lake Twin Lakes WALWORTH Pleasant Prairie WISCONSIN 31 19 Antioch 173 Winthrop Spring Harbor 41 Grass Alden Zion Grove Lake 83 Beach Park Lake Villa 59 131 Fox Lake Pistakee 31 Highlands Venetian Village Hills Round Lake Beach Pistakee Lake 47 Gurnee Waukegan Long Lake Gages Lake Round Lake Park 120 Park City Grayslake North Chicago Woodstock HENR 120 McHenry 12 LAKE 137 45 Libertyville Fremont Michigan Lake I Highland Park Hospital Island Lake Mundelein Center 60 777 Park Ave W 176 Lake Highland Park, IL 60035 14 Wauconda Crystal Lake Vernon Hills Lake Fox River Barrington Hawthorn Highwood Lake in Lincolnshire Grove Woods 22 S Highland Park the Hills_ Lake Zurich Long Grove Huntley Algonquin Deerfield Buffalo Grove Barrington 31 Glencoe 0 68 47 Barrington 62 Inverness Wheeling Northbrook Carpentersville_ Hills Prospect Winnetka Palatine 72 West Dundee Heights 53 ILLINOIS Sleepy 83 21 Glenview Wilmette Hollow **Arlington Heights** Hoffman Estates South Evanston Des Barrington Mount 58 Morton Grove Plaines Elgin Prospect 59 Schaumburg Niles Skokie C 0 20 Streamwood_ 294 34 Park Ridge K A N E Elk Grove 14 Lincolnwood Bartlett, Hanover Park South Elgin Village N12 - 72 Roselle Itasca Bensenville Bloomingdale Wood Dale Norridge Franklin Park Addison 64 DU P G A Carol Stream Elmwood Park St. Charles Northlake Glendale Villa 64 64 43 50 West Chicago Heights Park Geneva Maywood Chicago_ Oak Park Glen Ellyn Bellwood Lombard Batavia 53 38 Wheaton Westchester 0 mi 10 5 15 20 25

E-063-18 Highland Park Hospital - Highland Park

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