

STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

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

DOCKET ITEM:
C-02BOARD MEETING:
March 5, 2019EXEMPTION NUMBER:
E-001-19

EXEMPTION APPLICANT(S): Vibra Hospital of Springfield, LLC, Vibra Healthcare, LLC, Vibra Healthcare II, LLC, and Hollinger Holding Company, LLC

FACILITY NAME and LOCATION: Vibra Hospital of Springfield, 701 North Walnut,

Springfield, Illinois

STATE BOARD STAFF REPORT DISCONTINUATION OF A HEALTH CARE FACILITY

I. The Exemption Application

The Applicants (Vibra Hospital of Springfield, LLC, Vibra Healthcare, LLC, Vibra Healthcare II, LLC, and Hollinger Holding Company, LLC) propose the discontinuation of a 50-bed long term acute care hospital. The owner of the site is Welltower, Inc. f/k/a HEALTH CARE REIT, INC. The expected completion date is May 4, 2019.

Long-term care hospitals (LTCHs) are certified as acute-care hospitals, but LTCHs focus on patients who, on average, stay more than 25 days. Many of the patients in LTCHs are transferred there from an intensive or critical care unit. LTCHs specialize in treating patients who may have more than one serious condition, but who may improve with time and care, and return home. LTCHs generally give services like respiratory therapy, head trauma treatment, and pain management. LTCHs are hospitals that give inpatient services to people who need a much longer stay to get well. [https://www.medicare.gov/Pubs/pdf/11347-Long-Term-Care-Hospitals.pdf]

There are currently nine LTAC hospitals in the State of Illinois including Vibra Hospital of Springfield facility.

TABLE ONE Long Term Acute Care Hospitals (State of Illinois)

Long Term Acute Care Hospitals (State of Hillions)										
Facility	City	Beds	Days	ADC	Occupancy					
Kindred Hospital (1)	Sycamore	69	14,199	38.90	56.38%					
Kindred Hospital	Peoria	50	7,604	20.83	41.67%					
Kindred Hospital-North	Chicago	133	24,507	67.14	50.48%					
Kindred Hospital -Central	Chicago	95	12,560	34.41	36.22%					
Kindred Hospital-Northlake	Chicago	94	18,761	51.40	54.68%					
Presence Holy Family Medical Center	Des Plaines	129	29,369	80.46	62.37%					
RML Specialty Hospital	Chicago	86	20,178	55.28	64.28%					
RML Specialty Hospital	Hinsdale	115	26,719	73.20	63.65%					

In March of 2018 the State Board approved a change of ownership of all the five Kindred Hospitals as part of the nationwide transaction in which Kindred Healthcare, Inc. was sold for \$4.1 billion.

The <u>exemption</u> is before the State Board because the transaction is a discontinuation of a health care facility. The reason for the discontinuation is the low census at the facility.

II. Background

On <u>August 4, 2005</u> Kindred Healthcare was approved to establish a 50-bed long term acute care hospital located at 701 North Rutledge Avenue, Springfield, Illinois at a cost of approximately \$15.5 million as Permit #15-015. On December 6, 2007, Kindred Healthcare abandoned Permit #15-015 because the cost of the project had exceeded 5% of the approved Permit Amount. During construction the Applicants had encountered a number of problems with Springfield's infrastructure requiring additional costs that were not previously identified. This increase in the permit amount required the abandonment of the permit.

On <u>August 12, 2008</u> Kindred Healthcare was approved to establish a 50-bed long term care hospital located at 701 North Rutledge Avenue, Springfield, Illinois at a cost of approximately \$24.9 million as Permit #08-014. This permit was completed December 10, 2010 at a cost of \$24.1 million.

On <u>December 1, 2013</u> Kindred Healthcare was approved for a change of ownership of Kindred Healthcare – Springfield, the 50-bed LTACH hospital in Springfield, Illinois to Vibra Healthcare at a cost of approximately \$10.5 million.

TABLE TWO Vibra Springfield LTACH Utilization 50-Beds

Year	2017	2016	2015	2014	2013
Days	8,160	8,656	9,211	7,438	2,329
ADC	22.36	23.72	25.24	20.38	6.38
Occupancy	44.71%	47.43%	50.47%	40.76%	12.76%

III. Applicable Rules

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, 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.

The State Board's rule (77 IAC 1130.500 & 77 ILAC 1130.525) specifies the requirements necessary for a discontinuation of a health care facility 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 OF HEALTH CARE FACILITY IN CONFORMANCE WITH CRITERIA 77 ILAC 1130.500 & 77 ILAC 1130.525

Hospital Profile - CY 2017 Vibra Hospital of Springfield, LLC Springfield Page 1 Ownership, Management and General Information Patients by Race Patients by Ethnicity 0.0% 0.0% ADMINISTRATOR NAME: Ann Stahel White Hispanic or Latino: ADMINSTRATOR PHONE 217-747-7613 Black 0.0% Not Hispanic or Latino: 0.0% 100.0% OWNERSHIP: Welltower, Inc. (Formerly HealthCare REIT) American Indian 0.0% Unknown: Vibra Hospital of Springfield, LLC 0.0% OPERATOR: Asian MANAGEMENT: Limited Liability Partnership Hawaiian/ Pacific 0.0% IDPH Number: 5900 **CERTIFICATION:** Long-Term Acute Care Hospital (LTACH) Unknown 100.0% **HPA** E-01 **FACILITY DESIGNATION: HSA** 3 701 North Walnut Street **ADDRESS** CITY: Springfield COUNTY: Sangamonm County Facility Utilization Data by Category of Service **Authorized** Peak Beds Average Average CON Staffed Bed Peak Inpatient Observation **CON Beds** Setup and Length Daily Occupancy Occupancy **Clinical Service** 12/31/2017 Staffed Census Census Admissions Days Days of Stay Rate % Rate % 0 0 0.0 Medical/Surgical 0 0 0 0 0.0 0.0 0.0 0 0 0-14 Years 15-44 Years 0 0 45-64 Years 0 0 65-74 Years 0 0 75 Years + 0 0 0 0 0 0 0.0 **Pediatric** 0 0 0.0 0 0 0.0 0 0 0 0 0 0.0 **Intensive Care** 0 0.0 0.0 0.0 0 Direct Admission 0 Transfers 0 0 Obstetric/Gynecology 0 0 0 0 0 0 0.0 0.0 0.0 0.0 Maternity 0 0 Clean Gynecology 0 0 Neonatal 0 0 0 0 0 0 0.0 0.0 0.0 0.0 0 0 0 **Long Term Care** 0 0 0 0.0 0.0 0.0 0.0 0 Swing Beds 0 0 0.0 0.0 **Total AMI** 0 0 0 0 0.0 0.0 0.0 Adolescent AMI 0 0 0 0 0 0.0 0.0 0.0 Adult AMI 0 0 0 0 0 0.0 0.0 0.0 0 0 0.0 Rehabilitation 0 0 0 0 0.0 0.0 0.0 50 50 335 8160 0 44.7 44.7 **Long-Term Acute Care** 32 24.4 22.4 Dedicated Observation 0 0 **Facility Utilization** 50 335 8.160 0 24.4 22.4 44.7 (Includes ICU Direct Admissions Only) **Inpatients and Outpatients Served by Payor Source** Medicare Medicaid Other Public Private Insurance Private Pay **Charity Care** Totals 67.2% 5.1% 0.0% 27.8% 0.0% 0.0% Inpatients 225 17 0 93 0 0 335 #Num! #Num! #Num! #Num! #Num! #Num! Outpatients 0 0 0 0 0 0 0 **Total Charity** Inpatient and Outpatient Net Revenue by Payor Source Financial Year Reported: 1/1/2017 to 12/31/2017 Charity Care Expense Medicare Medicaid Other Public Private Insurance Private Pay Totals Care Inpatient Expense 60.7% 3.0% 0.0% 36.3% 0.0% 100.0% Revenue (\$) **Total Charity** 0 8.876.128 439.850 0 5.298.317 836 14,615,131 Care as % of Net Revenue Outpatient #Num! #Num! #Num! #Num! #Num! #Type! Revenue (\$) 0 0 0 0 0 0 0 0.0% **Newborn Nursery Utilization Birthing Data Organ Transplantation** Number of Total Births: 0 Kidney: 0 Level I Level II Level II+ Number of Live Births: 0 Heart: 0 Beds 0 0 0 Birthing Rooms: 0 Lung: 0 Patient Days 0 0 0 Labor Rooms: 0 Heart/Lung: 0 Total Newborn Patient Days 0 0 **Delivery Rooms:** Pancreas: 0 **Laboratory Studies** Labor-Delivery-Recovery Rooms: 0 Liver: 0 Labor-Delivery-Recovery-Postpartum Rooms: 0 Inpatient Studies 0 Total: 0 C-Section Rooms: 0 **Outpatient Studies** 0 **CSections Performed:** 0 Studies Performed Under Contract 0

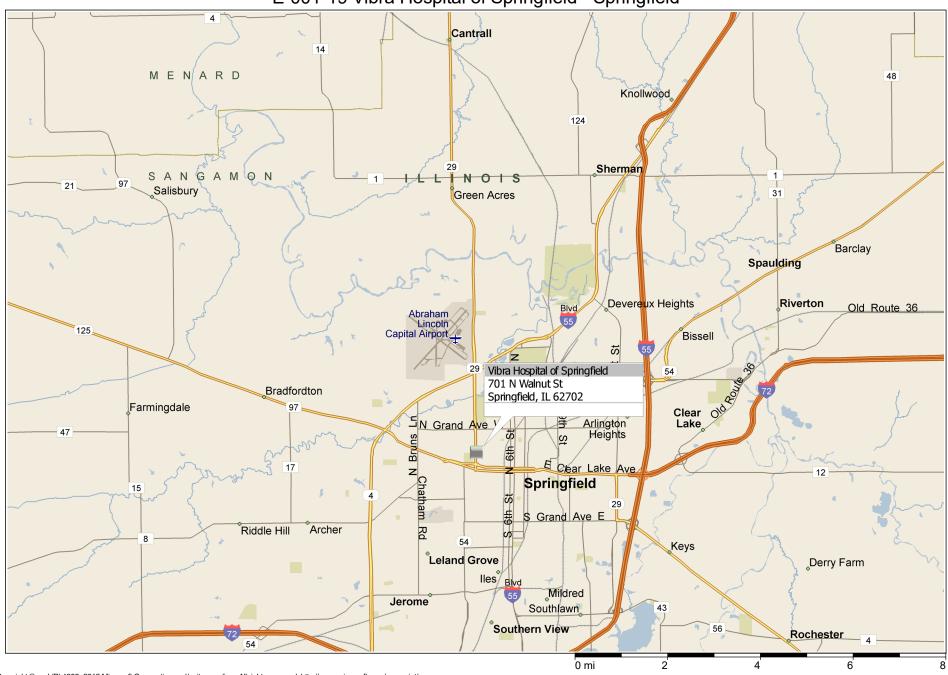
Surgery and Operating Room Utilization											
Surgical Specialty		Operating Rooms			Surgical Cases			Surgical Hour	Hours per Case		
	Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours	Inpatient	Outpatient
Cardiovascular	0	0	0	0	0	0	0	0	0	0.0	0.0
Dermatology	0	0	0	0	0	0	0	0	0	0.0	0.0
General	0	0	0	0	0	0	0	0	0	0.0	0.0
Gastroenterology	0	0	0	0	0	0	0	0	0	0.0	0.0
Neurology	0	0	0	0	0	0	0	0	0	0.0	0.0
OB/Gynecology	0	0	0	0	0	0	0	0	0	0.0	0.0
Oral/Maxillofacial	0	0	0	0	0	0	0	0	0	0.0	0.0
Ophthalmology	0	0	0	0	0	0	0	0	0	0.0	0.0
Orthopedic	0	0	0	0	0	0	0	0	0	0.0	0.0
Otolaryngology	0	0	0	0	0	0	0	0	0	0.0	0.0
Plastic Surgery	0	0	0	0	0	0	0	0	0	0.0	0.0
Podiatry	0	0	0	0	0	0	0	0	0	0.0	0.0
Thoracic	0	0	0	0	0	0	0	0	0	0.0	0.0
Urology	0	0	0	0	0	0	0	0	0	0.0	0.0
Totals	0	0	0	0	0	0	0	0	0	0.0	0.0
SURGICAL RECOVERY STATIONS Stage 1 Rec			e 1 Recov	ery Stations	0	Sta	age 2 Recove	ery Stations	0		

		[Dedicated a	nd Non	-Dedicated	Procedure R	oom Utilza	tion				
	Procedure Rooms					Surgical Cases		Surgical Hours			Hours per Case	
Procedure Type	Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours	Inpatient	Outpatient	
Gastrointestinal	0	0	0	0	0	0	0	0	0	0.0	0.0	
Laser Eye Procedures	0	0	0	0	0	0	0	0	0	0.0	0.0	
Pain Management	0	0	0	0	0	0	0	0	0	0.0	0.0	
Cystoscopy	0	0	0	0	0	0	0	0	0	0.0	0.0	
			Mu	ultipurp	ose Non-De	dicated Roo	ms_					
					0	0	0	0	0	0.0	0.0	
					0	0	0	0	0	0.0	0.0	
	٥	0	Λ	0	0	0	0	0	0	0.0	0.0	

Emergency/Trauma	<u>Care</u>		Cardiac Catheterization Labs	
Certified Trauma Center		No	Total Cath Labs (Dedicated+Nondedicated labs):	0
Level of Trauma Service	Level 1	Level 2	Cath Labs used for Angiography procedures	0
			Dedicated Diagnostic Catheterization Lab	0
Operating Rooms Dedicated for Tra	iuma Care	0	Dedicated Interventional Catheterization Labs	0
Number of Trauma Visits:		0	Dedicated EP Catheterization Labs	0
Patients Admitted from Trauma		0		
Emergency Service Type:		None	Cardiac Catheterization Utilization	
Number of Emergency Room Statio	ns	0	Total Cardiac Cath Procedures:	0
Persons Treated by Emergency Ser	rvices:	0	Diagnostic Catheterizations (0-14)	0
Patients Admitted from Emergency:		0	Diagnostic Catheterizations (15+)	0
Total ED Visits (Emergency+Traum	a):	0	Interventional Catheterizations (0-14):	0
Free-Standing Em	ergency Center		Interventional Catheterization (15+)	0
Beds in Free-Standing Centers		0	EP Catheterizations (15+)	0
Patient Visits in Free-Standing Cent	ters	0	Cardiac Surgery Data	
Hospital Admissions from Free-Star	nding Center	0	Total Cardiac Surgery Cases:	0
Outpatient Service	<u> Data</u>		Pediatric (0 - 14 Years):	0
Total Outpatient Visits		0	Adult (15 Years and Older):	0
Outpatient Visits at the Hospital/	Campus:	0	Coronary Artery Bypass Grafts (CABGs)	
Outpatient Visits Offsite/off camp	•	0	performed of total Cardiac Cases :	0

Diagnostic/Interventional Equipment		Examinations			Therapeutic Equipment			Therapies/	
	Owned Co	ntract	Inpatient	Outpt	Contract		Owned	Contract	<u>Treatments</u>
General Radiography/Fluoroscopy	2	0	1,076	0	0	Lithotripsy	(0	0
Nuclear Medicine	0	0	0	0	0	Linear Accelerator	(0	0
Mammography	0	0	0	0	0	Image Guided Rad Thera	ру		0
Ultrasound	0	1	0	0	114	Intensity Modulated Rad Thrpy		0	
Angiography	0	0				High Dose Brachytherapy	(0	0
Diagnostic Angiography			0	0	0	Proton Beam Therapy	(0	0
Interventional Angiography			0	0	0	Gamma Knife	(0	0
Positron Emission Tomography (PET)	0	0	0	0	0	Cyber knife	(0	0
Computerized Axial Tomography (CAT)	0	0	0	0	0				
Magnetic Resonance Imaging	0	0	0	0	0				

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