



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

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

DOCKET NO: H-02	BOARD MEETING: September 22, 2020	PROJECT NO: 20-017	PROJECT COST:
FACILITY NAME: Metroeast Endoscopic Surgery Center		CITY: Fairview Heights	Original: \$180,000
TYPE OF PROJECT: Non-Substantive			HSA: XI

PROJECT DESCRIPTION: The Applicant (Metroeast Endoscopic Surgery Center, LLC) proposes to add orthopedic surgery services to its current ambulatory surgical treatment center (ASTC) located in Fairview Heights, Illinois. The reported project costs are \$180,000. The expected completion date is March 31, 2021.

EXECUTIVE SUMMARY

PROJECT DESCRIPTION:

- The Applicant (Metroeast Endoscopic Surgery Center, LLC) proposes to add orthopedic surgery services to its current ambulatory surgical treatment center (ASTC) located in Fairview Heights, Illinois. The reported project costs are \$180,000. The expected completion date is March 31, 2021.
- The Applicant has been approved to provide gastroenterology, general surgery, ophthalmology, OB/GYN, pain management, and podiatry, surgical services. Below are the top 5 volume procedures performed at the facility.

	# of Procedures	Procedure Code	Description	ASTC Fee*	HOPD Fee*	% difference
1	2,000	45380	Colonoscopy	\$507	\$1,004	-49.50%
2	1,147	43239	Esophagogastroduodenoscopy	\$397	\$785	-49.43%
3	500	66984	Cataract Removal	\$1,012	\$2,021	-49.93%
4	103	46930	Hemorrhoid Surgery	\$154	\$1,004	-84.66%
5	81	43259	Endoscopic Ultrasound	\$663	\$1,557	-57.42%

*Medicare payment amounts adjusted for local market.

WHY THE PROJECT IS BEFORE THE STATE BOARD:

- The project is before the State Board because the project proposes a substantial change in scope as defined at 20 ILCS 3960/5.

PUBLIC HEARING/COMMENT:

- A public hearing was offered but none was requested. Letters of support and opposition were submitted and are included at the end of this report.

SUMMARY:

- The State Board does not have a need methodology to add surgical specialties to an existing ASTC. To add surgical services to an existing ASTC the Applicant must demonstrate the referring physicians have been providing care to the residents of the 17-mile GSA (service to area residents), the referring physicians will refer patients to the ASTC (demand), and that historical referrals are from a licensed health care facility. Additionally, the proposed surgical services to be added will improve service accessibility and will not result in an unnecessary duplication of service.
- **Referral Letters:** As of the date of this report the State Board Staff does not have a referral letter from one of the physicians the Applicant states will be credentialed at the facility (Dr. Bradley). Additionally, the second physician's referrals have been questioned by the two hospitals in which the physician's surgical procedures were performed (Dr. Ungacta).
- There are 8 ASTCs and 6 hospitals within the 17-mile GSA. Of the 8 ASTCs only one surgery center has been approved for orthopedic surgical services in this 17-mile radius. That Surgery Center (Anderson Surgery Center) was approved as Permit #18-031 and is not operational. The six hospitals within the 17-mile GSA all provide orthopedic surgical services. These six hospitals have 52 operating rooms and in 2018 these 52 rooms were operating at 60% utilization.
- The Applicant argues that the cost of the procedures proposed to be performed at an ASTC are less than the cost of these procedures performed at a hospital outpatient department.

However, any savings from lower reimbursements for surgical services at an ASTC need to be compared against the fixed costs that remain at the hospital. It is not clear how much impact the shifting of revenue from one cost center (hospital) to another cost center (ASTC) on the overall cost to health care delivery.

- The Applicant has addressed a total 15 criteria and have not met the following.

State Board Standards Not Met	
Criteria	Reasons for Non-Compliance
77 ILAC 1110.235 (c) (2) (B) – Service to Residents in the GSA	All the historical referrals of the referring physician were outside the 17-mile GSA. The residents of the service area will not be served with the addition of the specialty. (See page 10 of report)
77 ILAC 1110.235 (c) (6) – Service Accessibility	The Applicant was unable to meet one of the four conditions required by this criterion (see pages 11-13 of this report)
77 ILAC 1110.235 (c)(7) – Unnecessary Duplication/Maldistribution	There is existing capacity in the 17-mile GSA that can accommodate the workload identified by this Application. Additionally, the proposed referrals to the surgery center from HSHS St. Joseph’s Hospital Highland will reduce the hours in the hospital surgery department by 23%. (See page 14)

STATE BOARD STAFF REPORT
Project #20-017
Metroeast Endoscopic Surgery Center

APPLICATION/SUMMARY CHRONOLOGY	
Applicant(s)	Metroeast Endoscopic Surgery Center, LLC
Facility Name	Metroeast Endoscopic Surgery Center
Location	5023 North Illinois Street, Fairview Heights, Illinois
Permit Holder	Metroeast Endoscopic Surgery Center, LLC
Operating Entity/Licensee	Metroeast Endoscopic Surgery Center, LLC
Owner of Site	Ahmed Investments, LLC
Gross Square Feet	2,642 GSF
Application Received	April 13, 2020
Application Deemed Complete	April 17, 2020
Financial Commitment Date	June 30, 2021
Anticipated Completion Date	March 31, 2021
Review Period Ends	June 16, 2020
Review Period Extended by the State Board Staff?	No
Can the Applicant request a deferral?	Yes

I. Project Description

The Applicant (Metroeast Endoscopic Surgery Center, LLC) proposes to add orthopedic surgery services to its current ambulatory surgical treatment center (ASTC) located in Fairview Heights, Illinois. The reported project costs are \$180,000. The expected completion date is March 31, 2021.

II. Summary of Findings

- A. State Board Staff finds the proposed project is **not** in conformance with all relevant provisions of Part 1110 (77 ILAC 1110).
- B. State Board Staff finds the proposed project is in conformance with all relevant provision of Part 1120 (77 ILAC 1120).

III. General Information

Metroeast Endoscopic Surgery Center, LLC was organized as a Limited Liability Company (LLC) in November of 2011, and is wholly owned by Dr. Shakeel Ahmed, M.D. Financial commitment will occur after permit approval. The proposed project is a non-substantive project subject to a Part 1110 and Part 1120 review. Financial commitment will occur after permit issuance. Non-substantive projects are all projects not considered substantive projects.

Substantive projects include no more than the following:

1. Projects to construct a new or replacement facility located on a new site; or a replacement facility located on the same site as the original facility and the costs of the replacement facility exceed the capital expenditure minimum.
2. Projects proposing a new service or discontinuation of a service, which shall be reviewed by the Board within 60 days.
3. Projects proposing a change in the bed capacity of a health care facility by an increase in the total number of beds or by a redistribution of beds among various categories of service or by a relocation of beds from one facility to another by more than 20 beds or more than 10% of total bed capacity, as defined by the State Board in the Inventory, whichever is less, over a 2-year period. [20 ILCS 3960/12]

IV. Health Service Area

The ASTC is in the HSA XI Health Service Area. HSA XI includes the Illinois counties of Clinton, Madison, Monroe, and St. Clair. The ASTC is in St. Clair County. The State Board is projecting an increase in the population of 1% in the HSA XI Service Area for the period 2017-2022. The geographical service area for a project located in St. Clair county is a 17-mile radius from the proposed site. The population is estimated to be approximately 482,000 within this 17-miles radius.

V. Project Uses and Sources of Funds

The Applicant is proposing adding orthopedic surgical services, and reports project-related costs totaling \$180,000 for Movable Equipment. This capital expense will be funded with cash.

VI. Background of the Applicant

A) Criterion 1110.110(a) – Background of the Applicant

The Applicant provided the required authorization allowing the State Board and IDPH access to all information to verify information in the application for permit. The Applicant attest that no adverse actions have been taken against any facility owned and/or operated by the Applicant during the three (3) years prior to the filing of this application. The certificate of Good Standing has been provided for the Applicant as required. An Illinois Certificate of Good Standing is evidence that an Illinois business franchise (i.e. Illinois Corporation, LLC or LP) is in existence, is authorized to transact business in the state of Illinois and complies with all state of Illinois business requirements and therefore is in "Good Standing" in the State of Illinois

VI. Purpose of Project, Safety Net Impact Statement and Alternatives

A) Criterion 1110.110 (b) Purpose of the Project

The Applicant states: The purpose of this project is to improve access and quality of care and to reduce costs for residents of the geographic service area (GSA). With the relocation of St. Elizabeth's Hospital from Belleville to O'Fallon (Project #14-043) and The Memorial Network shifting services from Memorial Hospital Belleville to Memorial Hospital East in Shiloh (Project #16-018), residents of Fairview Heights and Belleville need additional services to be provided locally to fill the void left by these departures. It is well known that many patients travel to St. Louis for specialty care and advanced care, including podiatry, pain management, ophthalmology and orthopedic surgical services. MESC hopes to be able to serve these residents in their communities rather than having them travel outside of Illinois to obtain healthcare. (Application for Permit page 55-57)

B) Criterion 1110.110 (c) - Safety Net Impact Statement

This project is a non-substantive project and a safety net impact statement is not required for non-substantive projects. Charity care information is required, and the Applicant supplied the required data for Metroeast Endoscopy Surgery Center, LLC (see Table One).

TABLE ONE
Charity Care
Metroeast Endoscopy Surgery Center, LLC

Year	2016	2017	2018	2019
Net Patient Revenue	\$2,178,073	\$3,971,552	\$2,343,762	\$2,039,513
Amount of Charity Care (charges)	\$9,850	\$16,500	\$0	\$0
Cost of Charity Care	\$0	\$0	\$0	\$0
Ratio (charity care to net patient revenue) ⁽¹⁾	0.00%	0.00%	0.00%	0.00%

1. Ratio is calculated as the cost of charity care to net patient revenue.

TABLE TWO
2019 Revenue and Patients by Payor Source

	Revenue	% of Total Revenue	Patients	% of Total Patients
Medicaid	\$196,125	9.62%	718	19.61%
Medicare	\$386,205	18.94%	1,183	32.31%
Other Public	\$119,345	5.85%	229	6.26%
Insurance	\$1,316,938	64.57%	1,501	41.00%
Private Pay	\$20,900	1.02%	30	0.82%
Charity Care	\$0	0.00%	0	0.00%
Total	\$2,039,513	100.00%	3,661	100.00%

C) Criterion 1110.110 (d) - Alternatives to the Project

The Applicant stated the following.

Do Nothing

This alternative would maintain the status quo, which is to have patients undergo procedures in the hospital setting and/or travel to Missouri to obtain care. It would not improve access to high-quality, lower cost ASTC care as described throughout this application. Furthermore, doing nothing would not improve access to safety net services for residents of the GSA or increase utilization at Metroeast Endoscopic Surgery Center (MESC). For these reasons, this alternative was rejected.

Add surgical specialties at MESC (Proposed). (\$180,000)

To improve access for Fairview Heights area residents to orthopedic surgery services in the ASTC setting, the Applicant decided to add this surgical specialty to its existing multi-specialty ASTC. After weighing this option against others, it was determined that this alternative would provide the greatest benefit in terms of increased utilization and increased access to health care services. (Application for Permit page 64)

VIII. Project Scope and Size, Utilization and Assurances

A) Criterion 1110.120 (a) - Size of Project

No new construction is being proposed in this project. The current facility has 2 operating rooms and 4 recovery stations in 2,642 GSF of space.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION SIZE OF PROJECT (77 ILAC 1110.120 (a))

B) Criterion 1110.120(b) – Projected Utilization

The State Board does not have a specific utilization standard to add a specialty to an existing ASTC. The utilization standard for an ASTC is 1,500 hours per operating/procedure room. The Applicant had 1,382 hours of endoscopic procedures in 2018, slightly below the standard of 1,500 hours per procedure room. In 2019 the Applicant had 3,651 cases for a total of 1,340.25 hours of surgery at the facility.

Surgical Specialty	Cases	Hours
General Surgery	6	4.25
Gastroenterology	3,645	1,336
Obstetrics/Gynecology	0	0
Ophthalmology	0	0
Pain Management	0	0
Plastic Surgery	10	9
Podiatric Surgery	0	0

Below are the five highest projected orthopedics surgeries to be performed at the ASTC.

Code	Description	ASTC	Hospital OP	Difference
29827	Rotator Cuff	\$2,557	\$5,357	-\$2,800
29807	Labral/Slap Repair	\$2,557	\$5,357	-\$2,800
29881	Partial Meniscectomy	\$1,173	\$2,451	-\$1,278
29879	Chondroplasty	\$1,173	\$2,451	-\$1,278
64712	Carpal Tunnel	\$727	\$1,539	-\$812

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION PROJECTED UTILIZATION (77 ILAC 1110.120(b))

C) Criterion 1110.120(e) – Assurances

The Applicant provided the necessary attestation at page 83 of the Application for Permit. The Applicants have successfully addressed this criterion.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION ASSURANCES (77 ILAC 1110.120(e))

VIII. Non-Hospital Based Ambulatory Surgical Treatment Center Services

A) Criterion 1110.235(a) - 77 Ill. Adm. Code 1100 (Formula Calculation)

No formula need determination for the number of ASTCs and the number of surgical/treatment rooms in a geographic service area has been established. Need shall be established pursuant to the applicable review criteria of this Part 1110.

B) Criterion 1110.235(c) (2) (B) (i) & (ii) - Service to Geographic Service Area Residents

The Geographic Service Area for the facility located in Fairview Heights, Illinois is 17 miles in all directions per 77 ILAC 1100.510(d). The Applicant supplied a patient/zip code list containing 152 zip codes and 3,782 patients (2018 information). The Applicants also supplied a zip code listing for the 17-mile service area, identifying 43 zip codes, and a population of 481,577 residents (see project file). A comparative analysis between the zip code listings shows that of the 3,782-patient served by the Endoscopy Center 2,401 patients (64%) resided in 13 zip codes. from within the prescribed service area.

However, not one of the referring physician’s historical referrals in which zip code information was provided resided within the 17-mile GSA. It does not appear that the proposed orthopedic services will be providing services to the residents in the 17-mile GSA

TABLE FIVE
Referring Physician’s Historical Referrals

Patient by Zip Code	# of Patients	City	Miles to Fairview Heights
62249	108	Highland	28.6
62230	64	Highland	28.6
62293	45	Trenton	21.3
62246	28	Greenville	62
62216	18	Aviston	25.5
62231	18	Carlyle	39.1
62245	14	Germantown	32.2
62275	12	Pocahontas	39.1
	103	Other	
Total	410		

STATE BOARD STAFF FINDS THE PROPOSED PROJECT NOT IN CONFORMANCE WITH CRITERION SERVICE TO GEOGRAPHIC SERVICE AREA RESIDENTS (77 ILAC 110.235(c) (2) (B) (i) & (ii))

C) Criterion 1110.235(c)(3)(A) & (B) - Service Demand – Establishment of an ASTC Facility or Additional ASTC Service

The Applicants provided one referral letter from Dr. Ungacta. Dr. Ungacta proposes to refer 221 patients to the ASTC for a total of 330 hours. As the State Board defines service demand, the referring physician must provide the number of historical referrals by zip code of the patient’s residence and the name of the licensed health care facility that these referrals were made. Additionally, the physician is to identify the projected number of referrals to the proposed ASTC that would have been made to these licensed health care facilities. The Applicant provided this information and has addressed this criterion.

TABLE SIX
Dr. Ungacta Referrals

	Specialty	Historical	Proposed	Time Per Procedure (Hours)	Total Hours
Dr. Ungacta	Ortho	410	221	1.49	330
Total		410	221		330

TABLE SEVEN
Historical Referrals to Licensed Health Care Facilities and Proposed Referrals
(8/1/2018-8/30/2019)

Facility	Type	City	Historical Referral (4)	Proposed Referrals to ASTC (5)	% of Cases performed at Hospital moved to ASTC $5 \div 4$
HSHS St Joseph Hospital	CAH	Highland	372	200	53.76%
HSHS St Joseph Breese	Acute	Breese	36	20	55.5%
HSHS Holy Family	Acute	Greenville	2	1	50%
Total			410	221	53.9%

CAH - Critical Access Hospital
Acute – Acute care Hospital

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION SERVICE DEMAND (77 ILAC 110.235 (c) (3) (A) & (B))

D) Criterion 1110.235(c)(5)(A) & (B) - Treatment Room Need Assessment

The Applicant currently has two operating rooms, two Stage One, and four Stage Two recovery stations. The table below shows the historical utilization at the facility for the period 2015-2018. Based upon the historical and projected utilization data, the Applicant can justify the two operating rooms.

Year	2015	2016	2017	2018	2021
Hours	1,198	1,610	1,542	1,381	1,711 (Proj.)
1,381 Actual Hours + 330 Projected hours = 1,711 Hours					

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION TREATMENT ROOM NEED ASSESSMENT (77 ILAC 1110.235(c) (3) (A) & (B))

E) Criterion 1110.235 (c) (6) – Service Accessibility

The Applicant was not able to meet one of the four conditions listed below.

- A) There are no other IDPH-licensed ASTCs within the identified GSA of the proposed project;
- B) The other IDPH-licensed ASTC and hospital surgical/treatment rooms used for those ASTC services proposed by the project within the identified GSA are utilized at or above the utilization level specified in 77 Ill. Adm. Code 1100;
- C) The ASTC services or specific types of procedures or operations that are components of an ASTC service are not currently available in the GSA or that existing underutilized services in the GSA have restrictive admission policies;
- D) The proposed project is a cooperative venture sponsored by 2 or more persons, at least one of which operates an existing hospital.

1. There 8 ASTCs and 6 hospitals within the 17-mile GSA.
2. One ASTC (Anderson Surgery Center¹) in this 17-mile GSA has been approved to provide the surgical specialty being proposed (orthopedic surgery) by the Applicant to be added. The remaining ASTCs have not been approved to provide all the specialties being proposed. All these surgical specialties are available at the six hospitals in the 17-mile GSA.
3. The services proposed to be added by the Applicant are available in the 17-mile GSA.
4. The proposed project is not a cooperative venture.

¹ Anderson Surgery Center approved as Permit #18-031 in December 2018 is not operational.

**TABLE NINE
ASTCs within the 17-Mile GSA**

ASTC	City	Miles	Specialty	Rooms	2018 hours	Met Standard
Metroeast Endoscopy Surgery Center	Fairview Heights	0	Gastro, general surgery, plastic surgery and GYN	2	1,382	No
Illinois Eye Surgeons Cataract Surgery	Belleville	1	Ophthalmology	4	1,872	No
Bel-Clair Ambulatory Surgical Center	Belleville	4.8	Gastro	2	986	No
Skin Cancer Surgery Center ⁽¹⁾	O'Fallon	4.9	General	0	0	NA
Physician's Surgical Center ⁽²⁾	O'Fallon	5.7	Gastro	2	1,093	No
Novamed Eye Surgery Center of Maryville	Maryville	11.8	Ophthalmology	1	973	Yes
Anderson Surgery Center ⁽¹⁾	Edwardsville	16.5	General, Gastro, Obstetrics, Ophthalmology, Oral, Otolaryngology, Pain Management, Plastic, Podiatric and Urologic Surgery	3	0	NA
The Hope Clinic for Women	Granite City	16.7	OB/GYN	2	942	No

1. Surgery Center approved as Permit #18-031 not yet operational.
2. Approved to relocate to O'Fallon, Illinois Permit #19-025

**TABLE TEN
Hospitals within the 17-mile GSA**

Hospital	City	Miles	Operating/Procedure Rooms	2018 hours	Met Standard
Memorial Hospital	Belleville	4	33	16,839	No
Memorial Hospital - East	Shilo	5.2	6	3,882	No
HSHS St Elizabeth's Hospital	O'Fallon	5.8	14	14,943	No
Touchette Regional Hospital	Centreville	9.3	6	940	No
Anderson Hospital	Maryville	12.3	12	10,633	No
Gateway Regional Medical Center	Granite City	16.8	10	5,380	No
Total Operating/Procedure Rooms			81		

STATE BOARD STAFF FINDS THE PROPOSED PROJECT NOT IN CONFORMANCE WITH CRITETION SERVICE ACCESSIBILITY (77 ILAC 1110.235 (c) (6))

F) Criterion 1110.235 (c) (7) – Unnecessary Duplication/Maldistribution

Maldistribution

There is a total of 97 operating/procedure rooms in the 17-mile GSA. There are approximately 481,577 residents (2017 population estimate-American Community Survey) in the 17-mile GSA. The ratio of operating/procedure rooms per 1,000 population is .2014 within this GSA [97 operating/procedure rooms ÷ (481,577/1,000 or 481.5) = .2014].

The State of Illinois population is 12,802,000 (2017 IDPH projected) and 2,712 operating procedure rooms (2018 data). The ratio of operating/procedure rooms per 1,000 population in the State of Illinois is .2118 To have a surplus of operating/procedure rooms within the 10-mile GSA the ratio of population to operating/procedure rooms must be 1.5 times the State of Illinois ratio or .3177 operating/procedure rooms per 1,000 population. There is a not a surplus of operating/procedure rooms in the 17-mile GSA.

Hospitals and ASTCs within the Proposed GSA

There are eight ASTCs and six hospitals within the 10-mile GSA. (see Table above). As stated one ASTC (Anderson Surgery Center) has been approved to provide the surgical specialties being proposed by this project. None of the six hospitals are at target occupancy.

The proposed project will result in an unnecessary duplication of service. The Applicants have not successfully addressed this criterion.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT NOT IN CONFORMANCE WITH CRITERION UNNECESSARY DUPLICATION/MALDISTRIBUTION (77 ILAC 1110.235(7))

G) Criterion 1110.235(c)(8)(A) & (B) - Staffing

Metroeast Endoscopy Center is currently staffed in accordance with IDPH and Joint Commission accreditation² staffing requirements. The Applicant anticipates all staff from the existing ASTC will continue to practice there when additional specialties are added. The Applicants intend to hire a full-time RN for the second procedure room, and a medical assistant for ancillary support. The applicants also anticipate the recruitment of a CRNA for anesthesia services.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION STAFFING (77 ILAC 1110.235(c) (8) (A) & (B))

² The **Joint Commission** is a United States-based nonprofit tax-exempt 501(c) organization that accredits more than 21,000 US health care organizations and programs. The international branch accredits medical services from around the world. A majority of US state governments recognize Joint Commission accreditation as a condition of licensure for the receipt of Medicaid and Medicare reimbursements.

H) Criterion 1110.235(c)(9)-Charge Commitment

A listing of procedures by primary CPT code for the proposed specialty with the maximum charge has been provided as required and includes a certified attestation that the charges for these procedures will not increase in the two years following project completion. The Applicant has met the requirements of this criterion.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IN CONFORMANCE WITH CRITERION CHARGE COMMITMENT (77 ILAC 1110.235(c) (9))

D) Criterion 1110.235(c)(10)(A) & (B) - Assurances

The Applicant notes Metroeast Endoscopy Center will continue its existing peer review program that evaluates whether patient outcomes are consistent with quality standards established by professional organizations for surgical services. If outcomes do not meet or exceed those standards, a quality improvement plan will be initiated.

The criterion requires the facility will be at target utilization within two years after project completion. The Applicant has attested to this requirement.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION ASSURANCES (77 ILAC 1110.235(c) (10) (A) & (B))

IX. Financial Viability

A) Criterion 1120.120 – Availability of Funds

The Applicant is funding the project in its entirety with cash on hand, amount to \$180,000. The Applicant does not have audited financial statements but has supplied a letter from Buckingham Strategic Wealth attesting to the presence of enough financial resources to finance the proposed project in its entirety.

B) Criterion 1120.130 - Financial Viability

The Applicant notes the project is funded entirely with cash/securities (internally) no financial viability ratios are required.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION AVAILABILITY OF FUNDS (77 IAC 1120.120) AND FINANCIAL VIABILITY (77 IAC 1120.130).

X. Economic Feasibility

A) Criterion 1120.140(a) – Reasonableness of Financing Arrangements

B) Criterion 1120.140(b) – Conditions of Debt Financing

The Applicant is funding this project with cash/securities (internally) no debt is being utilized.

C) Criterion 1120.140 (c) – Reasonableness of Project Costs

Movable Equipment Costs are \$180,000 or \$90,000 per procedure room which is below the State Board Standard of \$504,437 per Operating Room. The Applicant has successfully addressed this criterion.

D) Criterion 1120.140(d) – Projected Direct Operating Costs

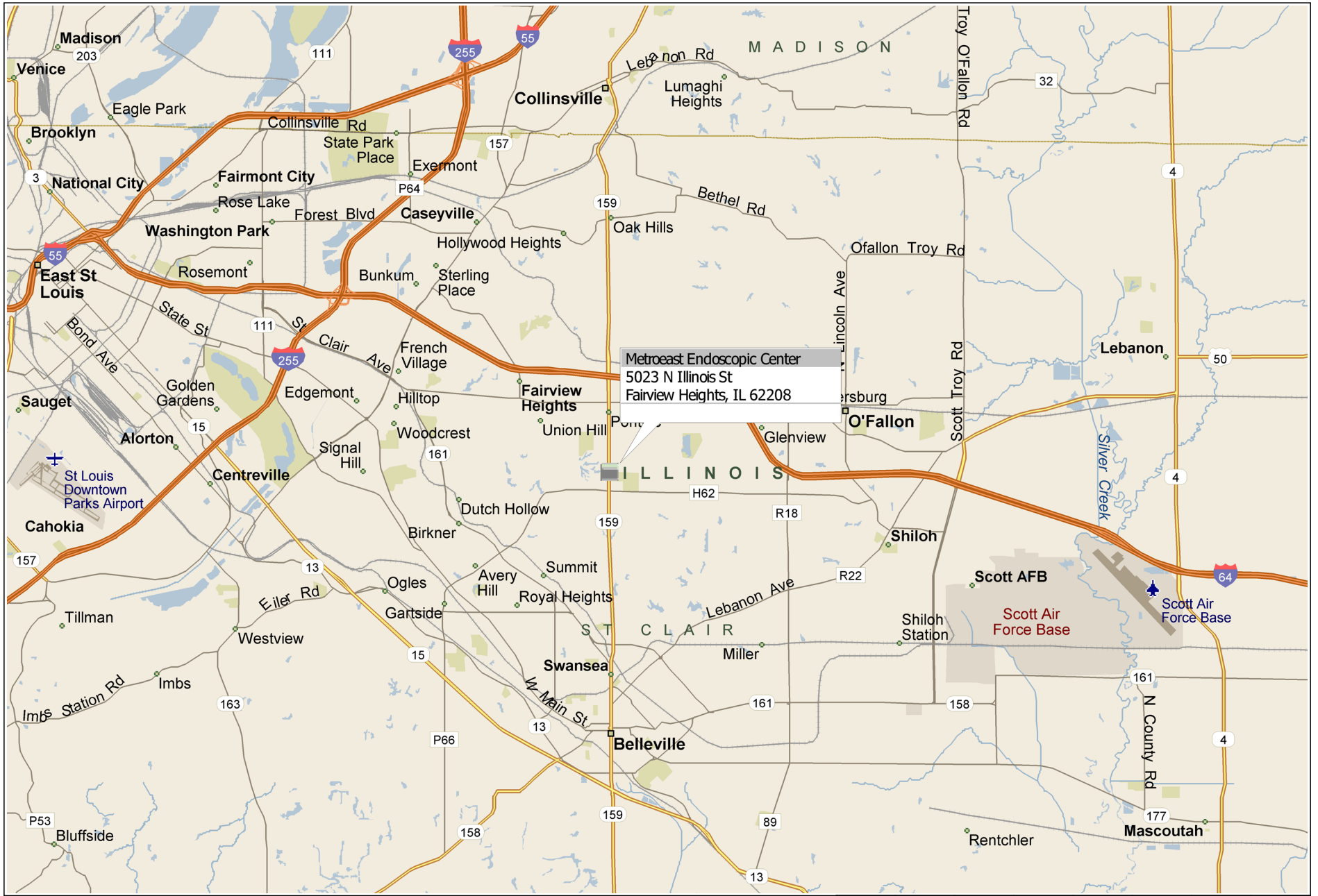
The Applicant is estimating \$614.70 in direct operating costs per surgical case by the second year after project completion at the ASTC. The State Board does not have a standard for this criterion.

E) Criterion 1120.140(e) – Total Effect of the Project on Capital Costs

The Applicant is estimating \$116.35 in capital costs per surgical case by the second year after project completion at the ASTC. The State Board does not have a standard for this criterion.

STATE BOARD STAFF FINDS THE PROPOSED PROJECT IS IN CONFORMANCE WITH CRITERION REASONABLENESS OF PROJECT COSTS (77 IAC 1120.140(a) TERMS OF DEBT FINANCING (77 IAC 1120.140(b), REASONABLENESS OF PROJECT COSTS (77 IAC 1120.140(c), PROJECTED DIRECT OPERATING COSTS (77 ILAC 1120.140(d), and PROJECTED TOTAL EFFECT OF THE PROJECT ON CAPITAL COSTS (77 ILAC 1120.140(e)).

20-017 Metroeast Endoscopic Center - Fairview Heights



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January 2, 2020

Illinois Health Facilities and Services Review Board
525 W. Jefferson St. Second Floor
Springfield, IL 62761

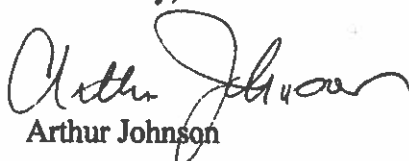
To Whom It May Concern:

I would like to lend my support to, Metroeast Endoscopic Surgery Center, (MESC) for the addition of Orthopedic Surgery at their facility. I would like the board to strongly consider this addition to the facility because as a patient of Center for Gastrointestinal Health and Metroeast Endoscopic Surgery Center, I firsthand can attest that this facility is providing excellent service to the people of Southern Illinois and the addition of this much needed subspecialty would be a welcome service for our area.

In addition to me being a patient, I have also served as a board member for a non-profit healthcare provider in the Metro East. I know firsthand the importance of having centers like MESC that provide and improve access to specialty services with excellent quality and cost efficiency.

Please accept my full support for this facility.

Yours truly,

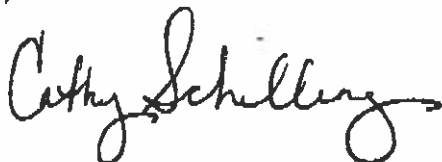

Arthur Johnson

4/13/2020

Richard Sewell, Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
2nd Floor Springfield, Illinois 62761

I would like to lend my support to MESC for the addition of Orthopedic Surgery at their facility. I would like the board to strongly consider this addition to the facility because as a patient of Center for Gastrointestinal Health and Metroeast Endoscopic Surgery Center I firsthand can attest that this facility is providing excellent service to our area and the addition of these much needed services would be very welcome in our area. Please accept my full support for this facility.

Regards,



CATHY SCHILLING
4005 AUTUMN OAK DR.
SMITHTON, IL. 62285



January 3rd, 2020

Dr. Shakeel Ahmed
Chief Executive Officer
Metroeast Endoscopic Surgery Center
5023 North Illinois Street
Fairview Heights, Illinois 62208

Dear Dr. Ahmed:

This letter reflects Chestnut Health Systems support of Metroeast Endoscopic Surgery Center, (MESC) application to the Illinois Facilities and Healthcare Review Board to add Orthopedic Surgery to the scope of services and surgeries offered at MESC.

Chestnut Health Systems is a federally qualified health center, (FQHC) providing services in several local communities with serious health disparities. Access to all services, including orthopedic care, is important to all families we serve. Access to affordable services especially specialty care is also important for families and individuals to ensure all of their healthcare needs are met. As an FQHC, Chestnut Health Systems provides primary healthcare, including dental services, behavioral health and OB/GYN care. Many of those we serve also require specialty care referrals. Having surgical services provided at ambulatory surgery centers, like MESC, allows our clients to have quality as well as much more affordable care choices and options.

As a provider that cares for persons with chronic medical and behavioral health conditions Chestnut Health Systems is committed to ensure our families are provided the best choices to access all levels of care including the current services and proposed Orthopedic service at MESC.

Please contact me if I can be of further assistance.

Sincerely,



Orville Mercer
Vice President of Strategy and Innovation
Chestnut Health Systems

50 Northgate Industrial Drive
Granite City, Illinois 62040-6862

Phone: (618) 877-4420 TTY: (618) 877-9920
Fax: (618) 877-9250 (Client Records)

East Side Health District

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Administrative Offices
650 N 20th Street
East St Louis, IL 62205
(618) 874-4713
Fax: (618) 271-0754

Members of Board

Mark Kern
Vanessa Chapman
Alvin Parks
Norman Miller
Curtis McCall

Attorney
Phillip Rice

December 29, 2019

Dr. Shakeel Ahmed
Chief Executive Officer
Metroeast Endoscopic Surgery Center
5023 North Illinois Street
Fairview Heights, Illinois 62208

Dear Dr. Ahmed:

This letter confirms East Side Health District's support of your Metroeast Endoscopic Surgery Center, (MESC) application to the Illinois Facilities and Healthcare Review Board to add Orthopedic Surgery as an additional service offered at MESC, in Fairview Heights Illinois.

As you know, East Side Health District serves patients and families throughout St. Clair County and the Metro East, and is committed to helping patients access all services of the best quality and in the most cost-efficient setting. Access to all services, including orthopedic care, is important to all families we serve. Access to affordable services, especially specialty care, is also important for families and individuals to ensure that all of their healthcare needs are met. Many of those we serve also require specialty care referrals. Having surgical services provided at ambulatory surgery centers, like MESC, allows our clients to have quality as well as more affordable care choices and options.

Orthopedic Surgery would be a welcomed addition to the services already offered at this great facility considering the cost savings and convenience it would offer our patients. The addition of Orthopedic Surgery at MESC would help to further close the healthcare gap for our clients.

Please contact me if I can be of further assistance.

Sincerely,

Elizabeth Patton-Whiteside

Elizabeth Patton-Whiteside, RN, BSN, MBA
Public Health Administrator
East Side Health District

January 14, 2020

Illinois Health Facilities and Services Review Board
525 W. Jefferson St., Second Floor
Springfield, IL 62761

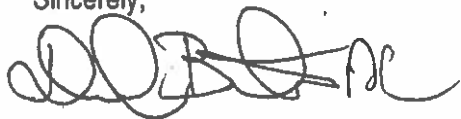
Dear Review Board Committee:

I am writing to give my support for Metroeast Endoscopic Surgery Center's, (MESC) desire to add orthopedics, podiatry, ophthalmology and pain management to its services and to ask the board to give favorable consideration in its evaluation of the application. These additional services would be a welcome addition to the services already offered by MESC. MESC provides quality services to our patients, and I eagerly await the possible addition of these much-needed services at MESC.

Patients that I refer to MESC are pleased with the care they have received from the physicians and the professionalism from each staff member that supports the physicians. I am extremely confident in the current services that MESC provides to patients I refer. I have no doubt that the planned orthopedic, ophthalmology, pain management, and podiatry services will be offered at the same excellent level of quality and care for every patient treated there.

MESC provides excellent and timely care for our community and continues to be a very important part of the healthcare network in this region. Please feel free to contact me if I can be of any further assistance in the application process for Metroeast Endoscopic Surgery Center and Dr. Shakeel Ahmed.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Brunkhorst', written over a horizontal line.

Dr. Daniel Brunkhorst, D.C.

Esquire Orthopedic Rehabilitation and Sports Medicine
Owner/Operator

**God Inspired Apostolic Church
3911 State Street
East St. Louis, IL 62205
Ph. (618) 670-5430**

December 31, 2019

Illinois Health Facilities and Services Review Board
525 W. Jefferson St. 2nd Floor
Springfield, IL 62761

To Whom It May Concern:

I was recently informed that Metroeast Surgery Center is processing a request to add Orthopedic Surgery to its facility. Family members have utilized services at the surgery center for screenings in the past and I was very pleased with the service we received.

I cannot tell you how much I am in favor of the idea, because the cost of Orthopedic Surgery in hospitals can be prohibitive to many citizens in this region and an alternative option like Metroeast Endoscopic Surgery Center, would be a welcome addition. The center is very accessible versus the multiple floors and elevators typical of many hospitals. Many seniors and their caregivers, who are sometimes older and sicker themselves, find it very inconvenient to navigate to a large hospital campus. It is ideal if these services were available and performed locally at a facility which has a great track record of care and amazing cost savings to patients and insurances.

I am in full support of this application and put our support behind it. I am very excited to hear that Orthopedic Surgery is going to be added to Metroeast Endoscopic Surgery Center and fully support it.

Signed,



Pastor Mary Young
God Inspired Apostolic Church



GRACE CHURCH

+1(618) 234-5910
+1(618) 234-5975
www.graceweb.tv
gracecentral@graceweb.tv
5151 North Illinois
Fairview Heights, IL 62208

January 14, 2020

Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761

To Whom It May Concern:

I would like to write in support of the Metroeast Endoscopic Surgery Center's request to add new health services to its location Fairview Heights. We recently learned of MESC's plan to add orthopedic, pain management, podiatry and ophthalmology services to the current services provided. Through the years, MESC has been a stable and excellent provider of health services in this community. MESC continues to be a great resource to the families of our community including some of the members who (probably) attend our church.

MESC accepts most insurance plans and does not refuse care to the uninsured or under insured. MESC and its staff seem to have a genuine sense of community and has a reputation of providing exceptional care at lower cost than the same services offered in a hospital setting.

We at Grace Church wholeheartedly support the addition of these services proposed by MESC. Our campus is within a block of MESC and we see firsthand the value MESC provides to many people. At Grace Church, as is true in the community at large, families want the opportunity to select healthcare in a setting that provides excellent quality, and is not cost prohibitive. Based on MESC's undeniable impact and long-standing presence in Fairview Heights we anticipate a favorable decision for these additional needed services.

Sincerely,

Dr. Phil Silsby
Chairman of the Board
Grace Church

April 13, 2020

Richard Sewell, Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761


Dear Mr. Sewell,

Please approve the recent Certificate of Need application filed by Metroeast Endoscopic Surgery Center to add orthopedic surgery services in Fairview Heights. As a satisfied patient, I appreciate being able to have surgery in an ambulatory surgical center where services often cost 25% of what they would if performed in a hospital. These lower costs help everyone, patients like me and our employers who pay for expensive health care. Further, I much prefer the convenient ASC setting over having to navigate a hospital campus to obtain these services.

For many folks in my community, the Fairview Heights surgery center is the only option for receiving this convenient, lower cost care, as it is the only ASC in the area for which Medicaid patients constituted a large portion of its cases. This surgery center serves nearly a 1,000 Medicaid patients every year. It would be great to expand access to Medicaid patients by increasing the number of specialties available at MESC.

For these reasons, I wish to lend my support to MESC's application, and I respectfully request the HFSRB approve it

Best regards,


Maria Wolf
2 Doe Run Trail
Collinsville, IL 62234

January 2, 2020

Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

RE: Orthopedic Services added to Metroeast Endoscopic Surgery Center

To Whom It May Concern:

Medicate Pharmacy is pleased to support the Metroeast Endoscopic Surgery Center's, (MESC) application to add Orthopedic services to the surgery center in Fairview Heights. Through its current services, MESC has been a committed organization working to improve the lives of the citizens in St. Clair County, the Metro East, and this region, by offering and delivering quality and affordable services.

As President and CEO of Medicate Pharmacy, I understand firsthand, the need for patients and patient families to have options for quality, affordable healthcare services. Medicate Pharmacy has served the metro east for over 30 years and continues to provide quality services to patients. Through the years I also know that MESC, like Medicate Pharmacy, gives families the choice for excellent quality services at convenient and accessible locations. We also serve many of the same families. We appreciate the past efforts and fully support MESC's application to add orthopedics to its current scope of services.

Affordable, quality services, continue to be at the forefront of healthcare discussions and debate. MESC's efforts are applauded and supported by Medicate Pharmacy. Please do not hesitate to call me if I can be of further assistance with MESC's application.

Sincerely,



Mike Schaltenbrand, President/ CEO
Medicate Pharmacy

April 13, 2020

Richard Sewell, Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Support for Expansion of Metroeast Surgery Center

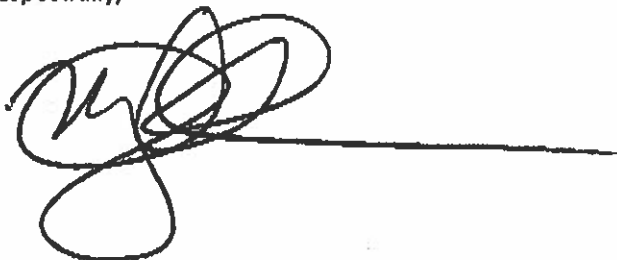
Dear Mr. Sewell,

I'm reaching out to express my support for the proposed addition of orthopedic specialty at Metroeast Endoscopic Surgery Center (MESC). With St. Elizabeth's Hospital and Physicians' Surgical Center both relocating from nearby Belleville to O'Fallon, Illinois, it is critical that MESC add this surgical service to ensure the needs of patients in Fairview Heights and Belleville are met.

Also, as the population in my community continues to age, demand for surgical services will no doubt increase as well. It is vital that MESC is able to provide a broad array of specialties to address more of these ailments and treat the entire individual.

I encourage the Illinois Health Facilities & Services Review Board to approve this important project to support access to high quality, cost effective surgical care.

Respectfully,



Meghan Kreher
13 A S Belleville ST
Freeburg, IL. 62243

DISTRICT OFFICE:
312 S. HIGH ST.
BELLEVILLE, IL 62220
(618) 416-7407
(618) 416-7409 FAX

SPRINGFIELD OFFICE:
300 CAPITOL BUILDING
SPRINGFIELD, IL 62706
(217) 782-0104



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JAY C. HOFFMAN
ASSISTANT MAJORITY LEADER
STATE REPRESENTATIVE • 113TH DISTRICT

January 3, 2020

Illinois Health Facilities and Services Review Board
525 W. Jefferson Street
2nd Floor
Springfield, IL 62761

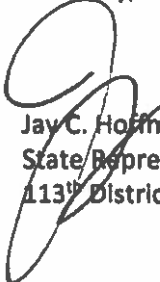
To Whom It May Concern:

I am writing in support of the addition of Orthopedic Surgery to the Metroeast Endoscopic Surgery Center, (MESC) in Fairview Heights. MESC continues to offer excellent health care to many of the families living, not only in Fairview Heights, but many communities extending well beyond St. Clair County. MESC has been a benchmark of medical care and has done so for over ten years in my Legislative District 113.

Healthcare costs continue to rise at an unprecedented rate. Families in my District and across the State want affordable and the highest quality healthcare for themselves and their families. MESC has provided those services and continues to be accredited by the Joint Commission based on the quality of services it delivers. Even with insurance coverage, deductibles and co-pays can be devastating to a family's budget. Orthopedic Surgery would be a welcome addition to the services already offered at this facility considering the cost savings and convenience it would offer families.

I am very excited that constituents would have access to Orthopedic services at MESC, which as a facility has a track record of care and offers significant cost savings to patients and insurance companies.

Sincerely,



Jay C. Hoffman
State Representative
113th District



January 14, 2020

Illinois Health Facilities and Services Review Board
525 W. Jefferson St., Second Floor
Springfield, IL 62761

Dear Services Review Board,

This purpose of this letter is to document my support for Metroeast Endoscopic Surgery Center (MESC) in order for them to provide expansion of their services to include; orthopedics, podiatry, ophthalmology, and pain management services and to request that the board give their application favorable consideration. These expanded services would be a much needed and welcomed addition to the services already offered at this innovative and outstanding facility. This facility can offer cost savings and convenience for our mutual patients. Because MESC has provided more timely consultations and outstanding care to our patients in the past, I am very enthusiastic that our patients would benefit from these additional services at MESC. Additionally, their facility has established a great reputation and track record for quality care.

I have had the opportunity to refer patients to MESC and have been impressed by the prompt and courteous patient care services they have received as reflected in positive feedback from both patient and patient family testimonials. The surgery center delivers excellent and timely care for each patient and has always been and will continue to be an integral part of the healthcare network here in the Metro East. Specialty services are in great demand by my patients, so by adding these services to MESC there will be greater access to specialty care for my patients who currently have unacceptable delays in referral waiting periods.

The majority of my patients are Medicaid recipients thus have had problems with prompt access to regional specialists. The MESC has helped alleviate this problem because they have managed Medicaid contracts. Therefore, I overwhelmingly endorse the expansion of their patient care services.

Please do not hesitate to contact me if I can be of additional assistance in your review process. My office number is 618-337-2597 and my exchange number is 618-398-9666.

Sincerely,

A handwritten signature in cursive script that reads "J. Magner, M.D." The signature is written in dark ink and is positioned below the word "Sincerely,".

John Magner, M.D.

Family Physician & Chair, Adult & Family Medicine Department, SIHF Healthcare
Fellow, American Academy of Family Physicians
Medical Director, St. Clair County Health Department, Belleville, Illinois
Clinical Assistant Professor, Department of Family and Community Medicine,
St. Louis University School of Medicine

HOUSE OF REPRESENTATIVES

DISTRICT OFFICE:
4700 STATE ST. SUITE 2
EAST ST. LOUIS, ILLINOIS 62205
618/646-9557
618/646-9558 FAX

CAPITOL OFFICE:
265-S STRATTON BUILDING
SPRINGFIELD, ILLINOIS 62706
217/782-5951

EMAIL: STATEREPGREENWOOD@GMAIL.COM



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- COMMUNITY COLLEGE ACCESS
& AFFORDABILITY
- COUNTIES & TOWNSHIPS
- FINANCIAL INSTITUTIONS
- POLICE & FIRST RESPONDERS

LATOYA GREENWOOD
STATE REPRESENTATIVE
114TH DISTRICT

December 28, 2019

Illinois Facilities and Healthcare Review Board
525 W. Jefferson Street
2nd Floor
Springfield, IL 62761

To Whom It May Concern:

I am writing in support of the addition of Orthopedic Surgery to the Metroeast Endoscopic Surgery Center, (MESC) in Fairview Heights. MESC has been a benchmark of medical care and provided excellent patient care nearly twenty years here in the Metro East, for many of the constituents served in my district.

The socio-economic status in our District, 114, ranges from families living well below the federal poverty level to those living 200 percent above the federal poverty level. Regardless of socio economic status of the families I serve, quality, affordable healthcare is a consistent request of those discussing and seeking medical services. Cost of healthcare continues to be an extremely important topic of conversation of both consumers and payers of healthcare services. The charges at MESC are significantly lower, nearly 50%, than the same hospital-based services. Patients benefit and the insurers alike benefit from services being provided at ambulatory care centers. My office is in full support the addition of Orthopedic Surgery to MESC and appreciates the services already provided at facility.

The families in my district demand both quality and cost-effective alternatives for all of the healthcare services they require. MESC provides both. We look forward to a favorable decision in adding orthopedic services to the scope of services at MESC.

Sincerely,

A handwritten signature in black ink that reads "Latoya Greenwood".

The Honorable Latoya Greenwood
State Representative of the 114th District

From: [Avery, Courtney](#)
To: [Constantino, Mike](#); [Roate, George](#)
Subject: Fwd: [External] Application #20-017
Date: Wednesday, August 26, 2020 12:18:14 PM

FYI

Courtney Avery

Begin forwarded message:

From: P Chapman <pchapman0113@gmail.com>
Date: August 26, 2020 at 10:15:54 AM CDT
To: courtney.avery@illinois.gov
Cc: Teri.Mustain@hshs.org
Subject: [External] Application #20-017

Ms. Courtney,

The purpose of this e-mail is to respectfully request you deny Application #20-017 for the Metro-east Endoscopic Surgery Center. The proposed Metro-east Center will adversely health care in rural Bond, Madison, and Clinton Counties. Establishment of the Metro-east Center will effectively 'cut the legs' out from under hospitals in Greenville, Breese, and Highland Illinois by transferring surgeries from these sites to a magnet site in Shiloh, Illinois. Approval would have the following negative consequences. First, the Metro-east Center represents an unnecessary duplication of services. The establishment of which would effectively end endoscopic care at the Highland site resulting in fewer care options for rural clients while impacting employment in Highland, Breese and Greenville areas. Secondly, the expensive equipment purchased in good faith and maintained in Highland costing approximately 1.5 million dollars would become essentially useless. Thus, the wider 'ecology of care' currently providing safety net services would be adversely affected. Thirdly, charity care for the disadvantaged socio - economic rural catchment area served by Greenville, Breese, and Highland hospitals would be threatened. Lastly, it appears the cost of certain arthroscopic procedures would more than double if the Metro-east Endoscopic Center were approved. For example, preliminary indications show an Arthroscopic Shoulder Surgical Repair Slap Legion could rise from the current charge of \$17, 535 to a proposed \$39,897! Approval of doubling the cost of some essential services would signal yet another move towards even higher health care costs.

In conclusion, approval of Application #20-017 would adversely affect the quality and cost of health care in rural Bond, Madison, and Clinton Counties by limiting health care choices and increasing costs for consumers. The safety net provided citizens would shrink impacting employment in rural areas. May I humbly suggest we don't need fewer service sites and increased cost? A constituent of mine drew a parallel to the grocery industry stating; "Huh, sounds like taking all the grocery stores out of Highland, Breese, and Greenville and making folks go to one big

grocery store in Shiloh. This would put all the smaller stores out of business, make it harder to get groceries, and increase costs for people buying food." Approval of the Metro-east Endoscopic Surgery Center would make Shiloh 'the only ball game in town'. Looked at from my constituent's common sense perspective approval of such a monopoly doesn't make much sense. Please deny Application #20-07.

Respectfully,

Philip W. Chapman

Madison County Board District Three

NOTE: Expect a formal letter respectfully requesting denial in the near future.

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<https://www.avast.com/antivirus>

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August 20, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

RECEIVED

AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-017 – Metroeast Surgery Center

Dear Ms. Avery:

As past President of the Highland Chamber of Commerce, the Highland Area Community Foundation, and the First Congregational Church of Highland, and as a Board Member of the local library and several other organizations, and as past Superintendent of the Highland Community Unit School System, I am both personally and professionally embedded in the success of our community and its service to our citizens. I now have the privilege of serving as HSHS St. Joseph's Hospital – Highland (SJH) Board Chairman. In my personal, professional and voluntary board capacities, I respectfully oppose this CON application and urge its denial.

In this CON application, Metroeast Endoscopic Surgery Center (MESC), located in Fairview Heights, proposes to add orthopedic surgery services to its existing surgery center by redirecting 200 surgeries annually from SJH, and another 20 surgeries each year from St. Joseph's Hospital – Breese. At both hospitals, these redirected surgical cases will adversely impact surgical utilization (which are already below state standards) and reduce marginal revenue at a time when they have been negatively impacted by the COVID-19 pandemic and associated state orders to suspend and limit elective procedures. In so doing, this CON project unnecessarily duplicates existing services and adversely impacts a Critical Access Hospital.

SJH is a 25-bed Critical Access Hospital, a CMS designation for rural hospitals that have 25 or fewer beds and are either located more than 35 miles from another hospital or designated by IDPH as a "Necessary Provider." By adversely impacting a Critical Access Hospital, this CON project will diminish safety net services in the area – contrary to the core goals of the Planning Act. The 200 redirected procedures represent all orthopedic surgeries and more than 15 percent of total outpatient volume at SJH. That translates into a reduction of \$1.7 million in net hospital revenue, and a loss of \$616,000 in margin – which will negate our hospital's ability to provide charity care and to cross-subsidize other services, such as the Emergency Department. For context, SJH's charity care from outpatient services totals \$640,937, while MESC reports zero charity care on over \$2.3 million in net patient revenue (CON application, p.98). For these and other reasons, I respectfully urge the Review Board to deny this CON application.

Sincerely,

Jim Burgett
Board Chairman
HSHS St. Joseph's Hospital
ADDRESS

Cc: Mike Constantino

Donald R Bassman, MD, LLC
845 N New Ballas Court, Suite E
Second Floor
St Louis, Missouri, 63141

August 24, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

RECEIVED

AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-017 – Metroeast Endoscopic Surgery Center

Dear Ms. Avery:

I write in opposition to this CON application as a longtime orthopedic surgeon with substantial experience serving patients in the greater St. Louis and Metro East areas. The most obvious reasons to deny Project #20-017 are: (a) its adverse impacts on a Critical Access Hospital, namely HSHS St. Joseph's Hospital – Highland ("SJH"); (b) the reduction of safety net services it will cause for the area, something the Illinois Health Facilities Planning Act is designed to safeguard against; and (c) the fact that it unnecessarily duplicates existing hospital services.

That said, a particularly disappointing element of this CON application is its complete disregard of the historic collaboration between SJH and Midwest Bone and Joint Surgery ("MBJS") at the Metroeast Endoscopic Surgery Center ("MESCC"). Such collaboration is critical in rural health care, particularly in this period of pandemic response, and should be protected rather than discarded by the Review Board.

In 2015, at the request of MBJS, SJH invested close to \$1 million on a Mako surgical robot, and has thereafter spent \$120,000 annually for preventative maintenance on the equipment. In 2019, SJH invested another \$290,000 in the "Total Knee Application" software upgrade for the Mako. These were significant investments for a small 25-bed Critical Access Hospital. It is beyond disappointing that MBJS now wants to redirect its surgical cases to a competing facility. It is my sincere hope that the Review Board will further the Illinois public policy of promoting collaboration in health care, particularly in rural areas, and not endorse this CON application.

Sincerely,



Donald Bassman M.D.
Orthopedic Surgeon
845 N New Ballas Ct, Ste E
Creve Coeur, MO 63141

Cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761



Physician Partners
2100 Powell Street
Suite 400
Emeryville, CA 94608
510.350.2777
vituity.com

RECEIVED

AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

August 24, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

Re: Opposition to CON Application #20-17 – Metro East Endoscopic Surgery Center

Dear Ms. Avery,

I must oppose Project #20-17 – *an unnecessary duplication of existing and underutilized hospital services* – because of its severe adverse impacts on two rural hospitals. As reflected in the CON application, the project relies entirely on redirected outpatient orthopedic surgeries from existing hospital providers, including a CMS-designated Critical Access Hospital. The unavoidable result, particularly after the COVID-19 pandemic, will be hospital service cuts and job losses. That cannot be in the public interest.

As an emergency room physician, I am particularly concerned about the negative impacts this project portends for two rural hospital emergency rooms. By shifting away relative higher-margin outpatient procedures, fewer hospital resources will be left to cross-subsidize those services (like the emergency department) that have low or negative margins. Whatever financial gains the applicant experiences will come at a greater cost for the involved communities.

CON Project #20-17 is poorly timed and contrary to the best interests of the involved rural populations. I respectfully ask that the Review Board deny this CON application.

Respectfully,

DocuSigned by:

DBSE55EE9D484CD

Kelly Geldmacher, M.D.
HSHS St. Joseph's Hospital/Vituity
Emergency Department
12866 Troxler Ave.
Highland, IL 62249

Cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
mike.constantino@illinois.gov

August 24, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

RECEIVED

AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-17 – Metro East Endoscopic Surgery Center

Dear Ms. Avery:

I am a physician who practices both family and sports medicine at HSHS St. Joseph's Hospital – Breese (SJB) and HSHS St. Joseph's Hospital Highland (SJH). I am deeply troubled by this CON application, and what it portends for my hospitals and the rural population we serve.

The financial pressures on SJB and SJH caused by the COVID-19 pandemic have been significant. This proposed redirection of patient volume and revenue, for already-underutilized rural hospitals, would significantly add to that pressure. Clearly this is an unnecessary duplication of existing hospital services. If Project #20-17 is allowed to move forward, resulting in the loss of all outpatient orthopedic surgeries and 15% of total outpatient procedures at SJH, service cuts and job losses at both hospitals will be unavoidable.

I am personally disappointed that the CON applicant seeks to walk away from the beneficial partnership he has enjoyed with our hospital. At his request, SJH has purchased and maintained expensive robotic orthopedic surgery equipment to support his practice. Given this entirely positive relationship, the CON application hit everyone at and SJB as shocking, opportunistic and callus.

Policy makers at the federal and state levels have been outspoken during this pandemic about preserving and supporting rural healthcare. I sincerely hope the Review Board does its part in this regards, and denies CON Application #20-17.

Respectfully,



Dr. Brian Klosterman
HSHS Medical Group, Family & Internal Medicine - Highland
12860 Troxler Ave.
Highland, IL 62249

Cc: Mike Constantino



HSHS Medical Group

August 26, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

RECEIVED

AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-017 – Metroeast Endoscopic Surgery Center

Dear Ms. Avery:

I am a general practice physician who specializes in family medicine. I have the privilege of serving as Medical Staff President of HSHS St. Joseph's Hospital – Highland (SJH). I write in opposition to CON Project #20-017.

This CON project proposes an unnecessary duplication of services, and is based entirely on procedures currently offered at two existing hospitals – SJH and HSHS St. Joseph's Hospital – Breese. Those redirected surgical cases will adversely impact surgical utilization at both hospitals, which are already below state standards. The adverse financial impact at SJH, a 25-bed Critical Access Hospital, will be substantial. To make up the reduction in \$1.7 million in net hospital revenue, service cuts will be inevitable.

The COVID-19 pandemic has presented financial and other challenges for SJH; CON Project #20-017 would compound these challenges with further cuts in patient volumes and hospital revenues. Especially now, this CON application is bad for health care in our rural area. I respectfully urge denial of CON Project #20-017 by the Review Board.

Respectfully submitted,

Robert Shaefer, M.D.
Medical Staff President
HSHS St. Joseph's Hospital – Highland
12860 Troxler Avenue
Highland, IL 62249

Cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
mike.constantino@illinois.gov

12860 Troxler Avenue Highland, IL 62249

August 24, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

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AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-017 – Metroeast Endoscopic Surgery Center

Dear Ms. Avery:

As a public health professional charged with safeguarding the well-being of our residents, I must respectfully oppose CON Project #20-017. This CON application represents no real public health benefits – and many negative impacts – for our area residents. Among other things, it duplicates services at existing hospitals, threatens safety net services of a Critical Access Hospital, and increases patient costs as reflected in the CON application itself. Particularly during and after the COVID-19 pandemic, which has presented severe challenges and financial pressures for rural health care, Project #20-017 represents a step backward for public health interests.

The success of rural health care largely depends upon regional collaboration and a careful balancing of interests. This CON project represents neither. It blatantly disregards the significant collaboration by a Critical Access Hospital with the involved surgery center, including significant investment by the hospital in robotic orthopedic surgery equipment for use by the surgery center's principal practice group. While there may be financial rewards for the entrepreneur applicant, the diminished patient volumes and revenues at adversely impacted hospitals will result in job losses and service cuts, including vital safety net services. The involved entrepreneur will continue to perform no charity care; meanwhile, the long history of charity care by the negatively impacted hospitals will be threatened due to the loss of patient revenues and hospital margins. To complete the "balancing of interests" picture, the CON applicant proposes to charge higher costs for the procedures he will redirect away from our area hospitals. I sincerely believe that the Illinois Health Facilities Planning Act, particularly in these times, appropriately calls for denial of CON Project #20-017.

Respectfully,



Sean Eifert, MA
Interim Administrator
Clinton County Health Department
930 Fairfax Street
Carlyle, IL 62231

Cc: Mike Constantino



CLINTON COUNTY
District Board

Clinton County Courthouse
850 Fairfax Street
Carlyle, Illinois 62231

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AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

August 24, 2020

Courtney Avery, Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

Re: Opposition to CON Project #20-017 – Metroeast Surgery Endoscopic Center

Dear Ms. Avery:

I write in opposition to CON Project #20-017 in my individual capacity, which is informed by substantial local service as Clinton County Board Chair and City of Breese Police Chief. I care deeply about the health and welfare of our area residents, and sincerely believe this CON project would have substantial negative impacts for our community.

Particularly when rural hospitals have confronted significant pandemic-related challenges and financial losses, how can it be appropriate to shift significant patient volumes and revenue from a Critical Access Hospital through such a clear duplication of services?

The CON application notes that Project #20-017 will shift 200 surgeries per year from HSHS St. Joseph's Hospital – Highland, and another 20 surgeries per year from HSHS St. Joseph's Hospital – Breese. The resulting revenue losses will unavoidably lead to service cuts, and diminish safety net services from a CMS-designated Critical Access Hospital. Rural health care will suffer.

As reflected in the CON application itself, Project #20-017 will also increase patient costs. For example, for CPT Code 29807 (Arthroscopy Shoulder Surgical Repair Slap Lesion), the surgery center proposes to charge \$39,897 – which is more than double that SJH charges for the same procedure at \$17,535. The supposed cost savings that is generally referenced by the surgery center as justification for this CON Project are not been documented, and in fact are contradicted. I respectfully urge denial of this CON application by the Review Board.

Very truly yours,

Robert Fix
948 Memorial Drive
Breese, IL 62230

Cc: Mike Constantino, Project Reviewer
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
mike.constantino@illinois.gov



August 24, 2020

Courtney Avery
Administrator
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AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-17 – Metro East Endoscopic Surgery Center (MESC)

Dear Ms. Avery:

I respectfully ask that the Illinois Health Facilities and Services Review Board (IHFSRB) deny CON Application #20-17. As described therein, Project #20-17 relies *entirely* on shifting outpatient orthopedic surgeries away from my rural hospital, HSHS St. Joseph's Hospital - Breese. As a leading healthcare provider and top employer in southcentral Illinois, I firmly believe approval of the MESC CON will further deplete already anemic volumes due to the impact of the COVID-19 pandemic. It is important for the IHFSRB to realize that advancement of this project will most likely result in further job loss for healthcare professionals, adding additional insult to an already injured economy. Clearly this is unnecessary duplication of services at the most inopportune time.

St. Joseph's Hospital - Breese currently has the privilege of hosting four orthopedic surgeons within our on-site specialty clinic, with a fifth surgeon joining our hospital in December of 2020. Ironically, Dr. Felix Ungacta, one of our current orthopedic surgeons, is supporting this CON having committed an average of two hundred and twenty orthopedic surgical procedures which he will pull from my hospital in Breese and HSHS St. Joseph's Hospital located in Highland, Illinois. Dr. Ungacta's support is extremely disheartening as we have regionally invested in the Mako Robot and infrastructure support, providing him the opportunity to become the premier regional destination for orthopedic care. Within our current-state, operating room utilization at St. Joseph's Hospital - Breese is currently at 35%, which clearly defines our growth capacity to be 65%.

In summary, this CON expansion of orthopedic surgery services is another demonstration of severe misuse of resources. If approved, this project will not only add to the overall orthopedic saturation rate within our primary service area but result in the potential for further job loss and continue to drive up the cost of healthcare based on pure redundancy.

As a community and healthcare leader, I ask that the IHFSRB look at CON Application #20-17 through the lens of simplicity, dismissing the request purely because the service expansion is not supported by consumer need.

Respectfully,

A handwritten signature in black ink, appearing to read "Chris A. Klay".

Chris A. Klay, MA, PT, MHA, FACHE
President & CEO

Cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board

August 24, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

RECEIVED

AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-17 – Metro East Endoscopic Surgery Center

Dear Ms. Avery:

I respectfully ask that the Illinois Health Facilities and Services Review Board deny this CON application. As described therein, Project #20-17 relies *entirely* on shifting outpatient orthopedic surgeries away from two rural hospitals that are already underutilized and financially struggling due to the ongoing pandemic. Clearly this is an unnecessary duplication of services at the most inopportune time.

Rural healthcare has always been a delicate balance, grounded in our relatively few hospitals and dependent upon a significant degree of collaboration. Unnecessarily shifting relatively higher-margin outpatient procedures out of rural hospitals, particularly when (as here) their utilization rates are already below state standards, will have unavoidable negative consequences. That is particularly true when (as here) a Critical Access Hospital is involved.

As Chairman of the Board of HSHS St. Joseph Hospital – Breese (SJB), I personally know the critical healthcare and community needs served by our 46-bed hospital. We not only provide quality localized healthcare, but also the peace of mind of a nearby emergency department when minutes matter. Especially now, please help preserve SJB's ability to effectively serve our community by denying this CON application.

Respectfully,



George Kruse
Board Chair, HSHS St. Joseph's Hospital - Breese
9515 Holy Cross Ln.
Breese, IL 62230

Cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board



Clinton County Rural Health

Affiliated with HSHS Medical Group

August 25, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

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AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-017 – Metrocast Endoscopic Surgery Center

Dear Ms. Avery:

As the manager of a rural physician practice group covering many areas of medicine, from pediatrics to geriatrics, I well understand the critical importance of preserving rural hospitals. The vital health care roles they play, and the delicate challenges they continually face, became especially clear during the COVID-19 pandemic. Because CON Project #20-017 will simply redirect patient volumes and revenue away from two critically needed rural hospitals – including a federally designated Critical Access Hospital – I feel compelled to share my opposition to this CON application.

This is an especially bad time to duplicate rural hospital services. The two hospitals negatively impacted by this CON application have already suffered pandemic-related financial losses. Shifting away substantial outpatient surgery volume only adds to the ongoing financial challenges for these hospitals. If allowed to go forward, Project #20-017 will unavoidably result in hospital job losses and service cuts.

Rural hospitals serve as the health care foundation in our less-densely populated areas. They alone provide 24/7/365 emergency department services, other necessary low- or negative-margin services, and charity care. Rural hospitals rely upon outpatient procedures to cross-subsidize the vital healthcare services upon which their communities depend. I sincerely hope the Review Board will fully consider these negative impacts and deny this CON application.

Respectfully submitted,

Brenda Kuhl
Clinton County Rural Health
HSHS St. John's Hospital – Breese
9401 Holy Cross Lane
Breese, IL 62230

Cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board
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Springfield, IL 62761
mike.constantino@illinois.gov

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Breese, IL 62230
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fax 526-7313

14509 St Rt 127 N
Carlyle, IL 62231
618-594-8924
fax 594-7918

1110 Mulliken St
Carlyle, IL 62231
618-594-3613
fax 888-859-4347

205 Munster St
Germantown, IL 62245
618-526-7271
fax 523-7049

211 E Hanover
New Baden, IL 62265
618-588-2900
fax 588-2904

409 E Broadway
Trenton, IL 62293
618-224-7366
fax 224-9781



**Madison County Government
Madison County Board**

*Madison County Administration Building
157 N. Main Street, Suite 165 · Edwardsville, IL 62025-1963
Phone (618) 296-4341 · Fax (618) 692-7476
email: coboard@co madison il us*

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AUG 27 2020

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

August 26, 2020

Courtney Avery
Administrator, Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

Re: Opposition to CON Application #20-017 – Metro East Endoscopic Surgery Center

Dear Ms. Avery,

As a government official, I fully appreciate that correct outcomes often require a careful balancing of interests. Such an exercise, I respectfully suggest, should lead to the conclusion that this CON application merits denial.

Balanced against this illusory “benefit” are many significant adverse impacts:

- The project relies entirely on redirected outpatient orthopedic surgeries presently performed at two rural hospitals, representing the very essence of an “unnecessary duplication of services.”
- The most dramatically impacted hospital is a federally-designated Critical Access Hospital, meaning by definition that the adverse impacts threaten safety net services.
- This project comes during a pandemic that has financially strained all hospitals, particularly rural hospitals like the two that are adversely impacted here.
- The financial pressures caused by this project threaten ongoing charity care at both hospitals, while the surgery center provides absolutely no charity care.
- Patient cost increases are likely to result.

The preservation of rural hospitals should be of paramount importance at any time, and especially now. I sincerely hope that the Review Board members will engage a careful balancing of interests and, like me, conclude that Project #20-017 should be denied.

Respectfully,

/signed/
Judy Kuhn
Madison County Board, District 1

cc: Mike Constantino

ALDERMAN

Ward 1 -

Debbie Koetting
Jason Davinroy

Ward 2 -

Bill Fischer
Carl Ratermann

Ward 3 -

Kevin Timmermann
Timothy Schleper

Ward 4 -

Robert Berndsen
Gary Uselmann

City of Breese

Member of Illinois Municipal League
500 N. First Street
Breese, Illinois 62230
618-526-7731
www.Breese.org

Charles E. Hilmes - Mayor
Erin Wagoner - City Clerk
Robert J. Venhaus - City Treasurer
Sandra Hemann - City Collector

Dale Detmer
Utility Plant Operations Manager
Don Voss
Public Works Manager/Building Inspector
Shelly Schadeegg
City Business Administrator
EMS Director
Robert Fix
Police Chief
Joanne Stevenson
City Attorney
John J. Becker
Zoning Administrator
Paul Smith
Golf Superintendent
Eddie Greer
Clubhouse Manager
Wendy Helmann
Utility Billing Clerk

August 25, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

RECEIVED

AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-017 – Metroeast Endoscopic Surgery Center

Dear Ms. Avery:

I write in opposition to this CON application because of its negative impacts on area hospitals and health care. Project #20-017 relies entirely on the redirection each year of 200 outpatient surgeries from a CMS-designated Critical Access Hospital, together with 20 annual outpatient surgeries from HSHS St. Joseph's Hospital – Breese.

For rural health care, it is of paramount importance to preserve existing hospitals. This has never been clearer than during the current COVID-19 pandemic. If relatively higher-margin services like outpatient orthopedic surgery are redirected away from our rural hospitals, there simply will be nothing left to support the relatively lower- or negative-margin services like the emergency department. Job losses and service cuts will become unavoidable. Particularly given the absence of documented cost savings in the CON application, the merits do not favor Project #20-017. I respectfully ask that the Review Board deny it.

Respectfully submitted,



Charles Hilmes
Mayor
City of Breese
500 North 1st Street
Breese, IL 62230

Cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
mike.constantino@illinois.gov



**Madison County Government
Madison County Board**

*Kurt Prenzler, CPA · County Board Chairman
Madison County Administration Building
157 N. Main Street, Suite 165 · Edwardsville, IL 62025-1963
Phone (618) 296-4341 · Fax (618) 692-7476
email: cboard@co.madison.il.us*

August 24, 2020

Courtney Avery
Administrator
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courtney.avery@illinois.gov

RECEIVED

AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-017 – Metro East Endoscopic Surgery Center

Dear Ms. Avery,

As a government official, I fully appreciate that correct outcomes often require a careful balancing of interests. Such an exercise, I respectfully suggest, should lead to the conclusion that this CON application merits denial.

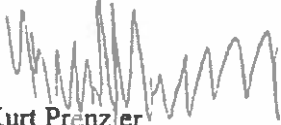
The CON applicant offers, as his sole justification for the project, a supposed cost savings – yet no such savings are documented. Rather, information included in the application proves otherwise. For example, for CPT Code 29807 (Arthroscopic Shoulder Surgical Repair Slap Lesion), the applicant proposes to charge \$39,897 – which is more than double the \$17,535 charged for the same procedure at the affected hospital.

Balanced against this illusory “benefit” are many significant adverse impacts:

- The project relies entirely on redirected outpatient orthopedic surgeries presently performed at two rural hospitals, representing the very essence of an “unnecessary duplication of services.”
- The most dramatically impacted hospital is a federally-designated Critical Access Hospital, meaning by definition that the adverse impacts threaten safety net services.
- This project comes during a pandemic that has financially strained all hospitals, particularly rural hospitals like the two that are adversely impacted here.
- The project callously disregards a positive history of collaboration with the applicant by the impacted Critical Access Hospital – which has purchased and maintained expensive robotic orthopedic surgery equipment for the use of the applicant and at its request.
- The financial pressures caused by this project threaten ongoing charity care at both hospitals, while the surgery center provides absolutely no charity care.
- As reflected in the preceding paragraph, patient cost increases are likely to result.

The preservation of rural hospitals should be of paramount importance at any time, and especially now. The interests of one entrepreneur should not prevail over entire communities. I sincerely hope that the Review Board members will engage a careful balancing of interests and, like me, conclude that Project #20-017 should be denied.

Respectfully,

A handwritten signature in black ink, appearing to read "Kurt Prenzler", written over a light blue horizontal line.

Kurt Prenzler
Madison County Board Chairman

cc: Mike Constantino

DISTRICT OFFICE:
121 BROADWAY, SUITE 1
HIGHLAND, IL 62249
PHONE: 618-651-0405
FAX: 618-651-0413
EMAIL: REPCMEIER@GMAIL.COM

SPRINGFIELD OFFICE:
200-7N STRATTON BUILDING
SPRINGFIELD, IL 62706
PHONE: 217-782-6401
FAX: 217-558-1088



CHARLIE MEIER
STATE REPRESENTATIVE • 108TH DISTRICT

COMMITTEES:

- LABOR
- SPECIAL COMMITTEE ON MENTAL HEALTH
- ENVIRONMENT
- ELEMENTARY & SECONDARY EDUCATION: CURRICULUM & POLICIES
- APPROPRIATIONS - HUMAN SERVICES
- AGRICULTURE & CONSERVATION (SPOKESPERSON)
- SPECIAL COMMITTEE ON SPECIAL NEEDS (SPOKESPERSON)

August 20, 2020

Courtney Avery, Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

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AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-017 – Metroeast Endoscopic Surgery Center

Dear Ms. Avery:

As one who generally supports free markets and consumer choice, I rarely find it appropriate for government to decline opportunities to an entrepreneur – and this is one of those rare occasions. Beyond standing with three hospital constituents, I write in opposition to Project #20-017 because it will unavoidably diminish health care services in my area, including safety net services at a Critical Access Hospital, while increasing patient costs based on the CON application.

The involved entrepreneur justifies CON Project #20-017 by generally representing that it will reduce consumer costs, certainly a worthy goal, though he has provided no supporting documentation. In fact, the CON application demonstrates otherwise. As an example, for CPT Code 29807 (Arthroscopic Shoulder Surgical Repair Slap Lesion), he proposes to charge \$39,897, which is more than double what my Critical Access Hospital charges for the same procedure at \$17,535.

The CON application states that Project #20-017 depends upon the redirection of 200 surgeries annually from my Critical Access Hospital, representing all its orthopedic surgeries and more than 15 percent of its total outpatient volume, and 20 more each year from another hospital in my district. These revenues from outpatient services will no longer be available to cross subsidize under-reimbursed necessary services, like a 24/7/365 emergency room. The unfortunate net result will be fewer healthcare services, at higher prices, as the impacted hospitals are forced to trim jobs and make service cuts – all during a pandemic that has already negatively impacted all Illinois hospitals and rural health care. Strong rural hospitals are necessary for many reasons, including to recruit doctors and expand health care options; generally, when new services are proposed in rural areas, it makes sense for the involved professionals to first negotiate with the hospital to provide them.

Putting all this in terms consistent with the Illinois Health Facilities Planning Act, I respectfully believe that this CON application should be denied because it unnecessarily duplicates existing hospital services, threatens safety net services at a Critical Access Hospital, and raises costs for health care consumers. Thank you for your consideration of my comments and for your service to our state.

Respectfully,

A handwritten signature in cursive script that reads "Charles E. Meier".

Charles E. Meier
Illinois State Representative, 108th District

Cc: Mike Constantino

**Emergency Medical Service (EMS) Department
City of Breese**

500 North First Street • Breese, IL 62230
Shane Westfall - EMS Operations Manager – 618.526.2993
Shelly Schadegg - EMS Director - 618.526.4495
Fax 618.526.4693



August 25, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

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AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-017 – Metroeast Endoscopic Surgery Center

Dear Ms. Avery:

When an accident or health care emergency arises, minutes matter. Access to localized care is of paramount importance. That is something people in rural communities do not take for granted.

The continued viability of the Emergency Department at HSHS St. Joseph's Hospital – Breese (SJB) can never be assumed. It depends entirely upon a financially solid hospital that enjoys a necessary mix of relatively higher margin outpatient procedures that can cross-subsidize relatively lower or negative margin services like the emergency room.

Wise decisions from Springfield have never been more important to the preservation of rural health care, given the current pandemic experience. I respectfully ask that the Review Board deny Project #20-017 for what it is, an unnecessary duplication of existing and underutilized hospital services. I suspect there has never been a worse time to impose avoidable financial challenges upon rural hospitals.

Sincerely,

A handwritten signature in blue ink that reads "Shelly Schadegg".

Shelly Schadegg
EMS Director
City of Breese
500 North 1st Street
Breese, IL 62230

Cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board



August 24, 2020

Courtney Avery
Administrator
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525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

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AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-17 – Metro East Endoscopy Surgery Center

Dear Ms. Avery:

I write to help preserve and protect a critically important local employer, HSHS St. Joseph's Hospital – Breese (SJB), and to support all our area employers whose continued existence in significant part depends upon this rural hospital and the services it provides. It is no exaggeration to say that SJB is an essential part of our regional infrastructure. The COVID-19 pandemic has presented a serious challenge to SJB, and this CON application significantly compounds those challenges.

For purposes of the Illinois Health Facilities Planning Act, I understand that Project #20-17 constitutes an unnecessary duplication of existing and underutilized hospital services, negatively impacts a federally-designated Critical Access Hospital, and represents a threat to safety net services. Beyond those legal implications, this CON application is a serious threat to the economic health of our region. Particularly while our state and nation struggle to economically revive during this pandemic, Project #20-17 is ill-timed and, I earnestly suggest, should be denied.

Respectfully,

A handwritten signature in blue ink that reads "Shelly Schadegg".

Shelly Schadegg
President, Breese Chamber of Commerce
P.O. Box 132
Breese, Illinois 62230

Cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board

P.O. Box 132, Breese, IL 62230



700 Fifth Street
Highland, IL 62249

Telephone (618) 654-2103
Facsimile (618) 654-8016

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AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

August 25, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

Re: Opposition to CON Application #20-017 – Metroeast Endoscopic Surgery Center

Dear Ms. Avery:

In addition to being a significant employer in the Highland area, I am an active volunteer at HSHS St. Joseph's Hospital – Highland (SJH). I serve on the SJH Board of Directors, SJH Foundation Leadership Council, and SJH Quality Care Committee as a community member.

Certainly, this CON application merits denial as an unnecessary duplication of services and threat to safety net services. Its timing is especially devastating during the ongoing COVID-19 pandemic.

The backstory is even more troubling. A significant history of collaboration between SJH and the surgery center is being callously discarded. In 2015, at the request of this CON applicant, SJH invested \$1 million on a Mako surgical robot, and has since spent \$120,000 annually for preventative maintenance on the equipment. In 2019, SJH invested another \$290,000 in the "Total Knee Application" software upgrade for the Mako. These were significant investments for our small 25-bed Critical Access Hospital. The relationship has been good for the surgery center and the community – and the filing of this CON application came as a complete surprise. It is beyond disappointing that this CON applicant would attempt to walk away from this generous collaboration and bring damage SJH and safety net services in the process. What has been a good partnership and collaboration should, in the best interest of health care for our area, continue. Please deny Project #20-017.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Bill Sullivan', with a long horizontal flourish extending to the right.

Bill Sullivan
President/CEO
Highland Machine Co.
700 5th Street
Highland, IL 62249

Cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
mike.constantino@illinois.gov



City of Highland
Fire & EMS Department

J. Brian Wilson, Emergency Services Chief

August 25, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

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AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-017 – Metroeast Endoscopic Surgery Center

Dear Ms. Avery:

I wish to share my strong opposition to this CON application. If granted, Project #20-017 would have serious adverse consequences for our community. Certainly from a community wellbeing and rural health care perspective, this unnecessary duplication of services is not justified.

In my role with the fire department and given my EMS training, I personally see the critical importance of having a local hospital with a 24/7/365 emergency department. Quite literally, it can make a life or death difference. The redirection of 200 outpatient orthopedic surgeries per year from our Critical Access Hospital will unavoidably result in service cuts, and possibly impact the emergency department.

HSHS St. Joseph's Hospital – Highland (SJH) has been part of our community since January 1878. A four-story addition was made in 1950, and the new hospital opened to the public in 2013. In that 142-year history, no challenge has been greater than the current COVID-19 pandemic. To further financially challenge SJH at this precarious time would be wrong on many levels.

Very truly yours,

Brian Wilson
Chief, Highland Fire Department
1115 Broadway
Highland, IL 62249

Cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
mike.constantino@illinois.gov

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Phone (618) 654-5901 Fax (618) 882-4321 www.highlandil.gov



Highland

Chamber of Commerce

August 24, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

RECEIVED

AUG 27 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-017 – Metroeast Endoscopic Surgery Center

Dear Ms. Avery:

I respectfully oppose Project #20-017, which relies entirely on the redirection of existing outpatient orthopedic procedures performed at two rural hospitals, as representing the very definition of “unnecessary duplication of services.” The adverse consequences to our community, and its federally designated Critical Access Hospital, would be substantial and irreversible.

SHS St. Joseph’s Hospital – Highland (SJH) has been a bedrock in our community for 142 years, having first opened in 1878. In addition to providing quality patient care and serving as an important source of local employment, throughout its history the hospital has weathered the challenges of the day. But none have been more significant than the current pandemic. State government has ordered that all hospitals suspend and reduce elective procedures, depriving this 25-bed Critical Access Hospital of significant revenue. The proposed redirection of all outpatient orthopedic surgeries away from SJH is both ill-timed and ill-advised.

The CON applicant has benefited from generous partnership with SJH in the form of robotic surgery equipment purchased and maintained by the hospital at the request of the involved surgery center practice group. Such collaboration is so critical to the success of rural health care, and should be protected rather than discarded. I sincerely hope that Review Board members will fully understand the negative impacts this CON application portends for our community, as well as the complete absence of any documented cost savings, and deny Project #20-017 as an unnecessary duplication of services.

Respectfully submitted,

Nancie Zobrist
Executive Director
Highland Chamber of Commerce

1216 Main Street
Highland, Illinois 62249
Phone: 618-654-3721
www.highlandillinois.com



**Madison County Government
Madison County Board**

*Madison County Administration Building
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AUG 28 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

August 27, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

Re: Opposition to CON Application #20-017 – Metro east Endoscopic Surgery Center

Dear Ms. Avery:

The purpose of this letter is to request you deny Con Application #20-017. The project has a number of adverse consequences. First, the Metro east Endoscopic Surgery Center will compete and possibly eliminate identical services at rural hospitals by redirecting current services to Shiloh Illinois. It seems important to recognize the most effected rural hospital remains a federally designated Critical Access Hospital which provides safety net services. Secondly, the proposed center runs counter to previous collaboration by the applicant with Highland Hospital which purchased and maintained expensive (1.5 million dollars) robotic orthopedic equipment in good faith at the applicant's request. Thirdly, the financial pressures caused by this project during the Covid - 19 Pandemic threatens their financial well - being and its commitment to charity whereas the proposed surgery center offers no charity while raising costs. For example, for CPT Code 29807 (Arthroscopic Shoulder Surgical Repair Slap Legion), the applicant proposes to charge \$39,897 – which is more than double the \$17,535 charged for the same procedure at the affected hospital. Health care consumers will suffer additional costs.

In conclusion, approval of Con Application #20-017 would adversely affect the quality and cost of health care in Bond, Clinton, and Madison Counties by limiting health care choices and increasing costs for consumers. In addition, the health safety net provided citizens will suffer while cutting health care employment numbers in rural areas. We don't need fewer service sites, fewer people working in rural health care, and increased health care costs. I discussed this issue with some concerned citizens. One drew an analogy to the grocery industry. He stated; "Huh, this sounds like taking all the grocery stores out of Breese, Greenville, and Highland and making folks go to one big grocery store in Shiloh. This would put all the smaller stores out of business, make it harder to get groceries, and increase costs for people buying food." Approval of the Metro-east Endoscopic Surgery Center would essentially make it the 'only ball game in town'. Approval of such a monopoly doesn't make much sense from my

constituent's common sense grocery industry analogy. Monopolies lead to too much power and money for a few. Please deny CON Application #20-017. The preservation of rural hospitals remains essential.

Respectfully,

Philip W. Chapman

Philip W. Chapman
Madison County Board District Three
12 Frey Boys Lane
Highland, Il 62249
pchapman0113@gmail.com
618-402-6998



August 28, 2020

RECEIVED

AUG 28 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 6761
Courtney.Avery@illinois.gov

RE: Opposition to CON Application #20-017 – Metroeast Endoscopic Surgery Center

Dear Mrs. Avery:

As a registered nurse and now a hospital administrator, I have always prided myself in providing the best care to our patients and that includes receiving that care close to home at a reasonable cost. That being said, allowing the Metroeast Endoscopic Surgery Center (MESC) to perform orthopedic procedures goes against that philosophy, so I ask you to oppose Certificate of Need application #20-017.

If the CON is permitted, St. Joseph's Hospital Highland will be adversely affected by the decrease in utilization; negatively impacting revenue and the ability to provide charity care. For context: St. Joseph's Hospital Highland's Charity Care from outpatient service totals \$640,937, while MESC reports zero dollars Charity Care on \$2.3 million in net patient revenue.

With the duplication in services the cost to the patient will escalate. For example: the MESC plans to charge \$39,897 for an arthroscopy of the shoulder with surgical repair of slap lesion; St. Joseph's Hospital Highland charges \$17,535 for the same procedure.

In my desire to provide our patients the best care possible, I agreed to purchase the latest equipment, as requested by Dr. Ungacta of Midwest Bone & Joint Surgery, for orthopedic procedures at St. Joseph's Hospital Highland. That equipment included the Mako Robot for close to \$1 million; \$290,000 for the total joint replacement software; and a \$120,000 annual preventative maintenance program to keep the machine in tip top shape. These are significant investments for a hospital the size of St. Joseph's Hospital Highland. It is very disappointing that Dr. Ungacta now wants to redirect his surgical cases to the competing facility when he is the only surgeon able to utilize the equipment we have purchased at St. Joseph's Hospital Highland.



HSHS
St. Joseph's
Hospital Highland

In closing, I am asking that you consider where patients of Highland, IL should receive their care. It should be in their hometown facility. So, please deny the Certificate of Need application #20-017. It is the right thing to do for our patients.

Sincerely,

John A. Ludwig
President and Chief Executive Officer



August 26, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

Re: Opposition to CON #20-017 – Metroeast Endoscopic Surgery Center

Dear Ms. Avery:

The Illinois Critical Access Hospital Network (ICAHN) is a member based, non-profit Corporation comprised of 51 federally-designated critical access hospitals (CAH) and six small rural facilities in Illinois. The overarching goal of ICAHN is to preserve access to rural health care while improving the vibrancy and viability of the rural communities served; our mission is to strengthen critical access and small, rural hospitals through collaboration. With that goal and mission in mind, ICAHN must respectfully oppose this CON application.

We respectfully believe that Project #20-017 will cause harm to rural health care in Illinois and diminish quality of life in the greater Highland community. The application would also back away from the exact type of collaboration that should be protected and preserved.

Project #20-017 seeks to redirect 200 outpatient orthopedic surgeries every year from a currently underutilized, 25-bed Critical Access Hospital; namely, HSHS St. Joseph's Hospital – Highland (SJH). The resulting loss of patient volume and associated revenue will inevitably cause service cuts, with negative consequences for safety net services. The project also disregards the substantial hospital investment in robotic surgical equipment, which SJH purchased and has annually maintained for use by this CON applicant and at its request. The success of rural health care in large measure depends upon promoting rather than destroying such collaboration.

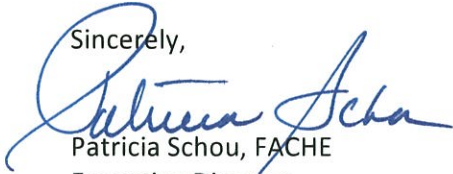
To explain further...In 2003, the Illinois Department of Public Health (IDPH) designated St. Joseph's Hospital as a necessary provider of health services for its rural community and the first step in the CAH certification process which identifies the role St. Joseph' Hospital has in providing access to as well as necessary healthcare services for that community. In 2004, St. Joseph's Hospital achieved CMS approval as a federally-designated CAH. St. Joseph's Hospital has served this community for more than a 100 years.

In 2013, St. Joseph's Hospital received approval by the Illinois Health Facilities and Services Planning Board to build a new hospital. At the same time, CMS also approved the hospital to maintain its CAH certification at the new hospital site because of its longstanding capacity to meet the healthcare needs as a necessary provider of health services. St. Joseph's Hospital was able to build new surgery suites and even expand its surgical services for the community. Project #20-017 would be a duplication of such services and such money spent simply to add a new

outpatient surgery facility. The local population has not significantly changed over the years. For example, there has been only an increase in population for the City of Highland from 2016 (9,839) to 2019 (10,131). Highland is located in an agricultural area with a primarily small local businesses. The new hospital was built on the outskirts of Highland to better accommodate easy access for travel particularly from major highways and remain positioned in a federally designated rural area.

The implications of Project #20-017 for rural health care are especially severe given the ongoing challenges posed by the COVID-19 pandemic. We respectfully urge denial of this CON application and sincerely appreciate the consideration of the Review Board. If you have any questions or concerns, please do not hesitate to contact me by email at pschou@icahn.org or I am happy to address the Planning Board.

Sincerely,

A handwritten signature in blue ink that reads "Patricia Schou". The signature is fluid and cursive, with a large initial "P" and "S".

Patricia Schou, FACHE
Executive Director
Illinois Critical Access Hospital Network

Cc: Mike Constantino

August 24, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

RECEIVED

AUG 31 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-17 – Metroeast Endoscopic Surgery Center

Dear Ms. Avery:


As a board member of St. Elizabeth's Hospital and a life-long resident of the area, I strongly oppose CON application #20-17 and urge denial of the application by the Review Board. This application will devastate two high-quality hospitals that provide critical care services: St. Joseph's hospital in Breese, Illinois and St. Joseph's hospital in Highland, Illinois (which is also a designated Critical Access Hospital).

The faults in CON application #20-17 are as follows:

- The project proposes duplication of services based entirely on procedures currently offered at the two existing St. Joseph hospitals;
- The proposed services will increase patient costs - for example, MESC proposes to charge \$39,897 for CPT Code 29807 (Arthroscopy Shoulder Surgical Repair Slap Lesion) – more than double what St. Joseph's - Highland charges for the same procedure at \$17,535; and
- The resulting reduction in revenues to the existing hospitals will diminish safety-net services in the area, as well as the financial support for many community organizations and programs.

Each of these items run counter to the goals of the Illinois Health Facilities Planning Act; therefore, I respectfully believe that the Review Board should deny the application.

Respectfully,



Georgia Costello
Board Member, St. Elizabeth's Hospital
1 St. Elizabeth's Boulevard
O'Fallon, IL 62269

Cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
mike.constantino@illinois.gov

August 24, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

RECEIVED

AUG 31 2020

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Re: Opposition to CON Application #20-17 – Metro East Endoscopic Surgery Center (MESC)

Dear Ms. Avery:

I am writing to ask that the Illinois Health Facilities and Services Review Board (IHFSRB) deny CON Application #20-17. If Project #20-17 continues there will be a shift of outpatient orthopedic surgeries away from my rural hospital, HSHS St. Joseph's Hospital - Breese. It is important for the IHFSRB to realize that advancement of this project will most likely result in further job loss for healthcare professionals, adding additional insult to an already injured economy. I believe this surgery center is a duplication of services and is not needed in our area.

St. Joseph's Hospital - Breese currently has four orthopedic surgeons within our on-site specialty clinic, with a fifth surgeon joining our hospital in December of 2020. We are currently operating at a utilization rate of 35% which give us plenty of bandwidth to meet demand. I believe building this surgical suit will be a disservice to the community because it takes surgical cases away from hospitals backed by Joint Commission standards of quality and into a non-hospital surgical suit. We currently employ one of the physicians, Dr. Felix Ungacta who supports the CON application even in leu of his declining surgical volumes in the community of Breese and surrounding counties. This is clearly an attempt to pull patients away from the hospital to this surgical suit and not on the actual needs of the community.

In summary, this CON expansion of orthopedic surgery services is another demonstration of severe misuse of resources. The approval of this CON will duplicate resources and pull services from the hospital who have a long reputation of top quality and safety scores and multiple awards from the state of Illinois and CMS. We must focus on the quality and safe care of our community and not the duplication of services for financial gain.

As a community and healthcare leader, I ask that the IHFSRB look at CON Application #20-17 be seen for what it is. A desire to pull surgical volume from the hospital into an offsite clinic which would cause gaps in the existing hospitals surgical schedules and pull this volume to a surgical suit that does not warrant demand. I appreciate your time and attention to this letter, thank you.

Respectfully,



Zachary Yoder MHA, RN
Chief Nursing Officer

Cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board



**HSHS
St. Joseph's
Hospital Breese**

August 31, 2020

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SEP 01 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Ms. Courtney Avery
Administrator
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761 courtney.avery@illinois.gov

Re: Opposition to CON Application #20-17 – Metro East Endoscopic Surgery Center (MESC)

Dear Ms. Avery:

I respectfully ask that the Illinois Health Facilities and Services Review Board (IHFSRB) deny CON Application #20-17. As described therein, Project #20-17 relies entirely on shifting outpatient orthopedic surgeries away from our rural surgery department at HSHS St. Joseph's Hospital - Breese. Over the last couple of years, we've seen a decrease in our orthopedic surgical volume due to the opening of two new tertiary hospitals within a 25-mile radius.

Allowing MESC the CON Application would prove to be detrimental to the surgical volume and revenue at HSHS St. Joseph's Breese. MESC represents an unnecessary duplication of services; therefore, adversely affecting our existing surgery volume. This project would undermine having a financially stable, viable hospital in our community.

As a leader within the Breese community, I'm asking you to please oppose CON Application #20-17 requested by MESC so that HSHS St. Joseph's Hospital Breese can continue to offer high-quality orthopedic care within our community.

Respectfully,

Susan Bickline, M.S., CCC-SLP
Manager of Specialty Clinics
St. Joseph's Hospital Breese
Holy Family Hospital Greenville

cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board



HSHS
St. Joseph's
Hospital | Highland

September 1, 2020

Courtney Avery
 Administrator
 Illinois Health Facilities & Services Review Board
 525 W. Jefferson Street, 2nd Floor
 Springfield, IL 62761
Courtney.Avery@Illinois.gov

RECEIVED

SEP 01 2020

HEALTH FACILITIES &
 SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-017 – Metroeast Surgery Center

Dear Ms. Avery:

My name is Tricia Buehne and I have been working in Highland for almost 23 years at First Mid Bank & Trust. I started as a part time teller and moved up the ladder at the bank; I am now the Vice President. I have been involved in the community since I have worked at the bank, Highland is huge on supporting their community and everyone works together. I am also the President of the Highland Chamber of Commerce, member of the Highland Rotary and a member of the Highland Jaycees (JCI Highland). Last year I served as the National President of JCI USA, I was privileged to be able to travel all across the US and World representing our country. With that being said, everywhere I traveled I would always speak of Highland, IL. Highland is a very unique community that all work together from the City to the Chamber to the Police/Fire Departments to the School to the Hospital and to the Local Organizations we all work together to make Highland the best place to live, work and play. In Highland we promote our people to move forward to see them all succeed, just like I did at the bank. As a Board Member of HSHS St. Joseph's Hospital (SJH) Highland, I respectfully oppose this CON application and urge its denial.

In this CON application, Metroeast Endoscopic Surgery Center (MESCC), located in Fairview Heights, proposes to add orthopedic surgery services to its existing surgery center by redirecting 200 surgeries annually from SJH, and another 20 surgeries each year from St. Joseph's Hospital Breese. At both hospitals, these redirected surgical cases will adversely impact surgical utilization (which are already below state standards) and reduce marginal revenue at a time when they have been negatively impacted by the COVID-19 pandemic and associated state orders to suspend and limit elective procedures. In so doing, this CON project would unnecessarily duplicate existing services and adversely impact a Critical Access Hospital.

SJH is a 25-bed Critical Access Hospital, a CMS designation for rural hospitals that have 25 or fewer beds and are either located more than 35 miles from another hospital or designated by IDPH as a "Necessary Provider." By adversely impacting a Critical Access Hospital, this CON project will diminish safety net services in the area – contrary to the core goals of the Planning Act. The 200 redirected procedures represent all orthopedic surgeries and more than 15 percent of total outpatient volume at SJH. That translates into a reduction of \$1.7 million in net hospital revenue, and a loss of \$616,000 in margin – which will negate our hospital's ability to provide charity care and to cross-subsidize other services, such as the Emergency Department. For context, SJH's charity care from outpatient services totals \$640,937, while MESCC reports zero dollars in charity care on over \$2.3 million in net patient revenue (CON application, p.98). For these and other reasons, I respectfully urge the Review Board to deny this CON application.

Sincerely,

 Tricia Buehne

12866 TROXLER AVE. | HIGHLAND, IL 62249
 stjosephshighland.org | (618) 651-2600

September 1, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
Courtney.Avery@Illinois.gov

RECEIVED

SEP 01 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-017 – Metroeast Surgery Center

Dear Ms. Avery:

As a financial professional for over 17 years in the Highland community I've seen great work that has been done by the staff of St Joseph's Hospital in Highland and urge you to consider the negative impact that this community would endure by allowing the CON application to be approved.

In this CON application, Metroeast Endoscopic Surgery Center (MESC), located in Fairview Heights, proposes to add orthopedic surgery services to its existing surgery center by redirecting 200 surgeries annually from SJH, and another 20 surgeries each year from St. Joseph's Hospital Breese. At both hospitals, these redirected surgical cases will adversely impact surgical utilization (which are already below state standards) and reduce marginal revenue at a time when they have been negatively impacted by the COVID-19 pandemic and associated state orders to suspend and limit elective procedures. In so doing, this CON project would unnecessarily duplicate existing services and adversely impact a Critical Access Hospital.

SJH is a 25-bed Critical Access Hospital, a CMS designation for rural hospitals that have 25 or fewer beds and are either located more than 35 miles from another hospital or designated by IDPH as a "Necessary Provider." By adversely impacting a Critical Access Hospital, this CON project will diminish safety net services in the area – contrary to the core goals of the Planning Act. The 200 redirected procedures represent all orthopedic surgeries and more than 15 percent of total outpatient volume at SJH. That translates into a reduction of \$1.7 million in net hospital revenue, and a loss of \$616,000 in margin – which will negate our hospital's ability to provide charity care and to cross-subsidize other services, such as the Emergency Department. For context, SJH's charity care from outpatient services totals \$640,937, while MESC reports zero dollars in charity care on over \$2.3 million in net patient revenue (CON application, p.98). For these and other reasons, I respectfully urge the Review Board to deny this CON application.

Sincerely,

Carl W. Dempsey
Financial Advisor
Edward Jones Investment
100 Executive Drive
Highland, IL 62249
618-654-4456

12866 TROXLER AVE. | HIGHLAND, IL 62249
stjosephshighland.org | (618) 651-2600

September 1st, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

RECEIVED

SEP 01 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-17 – Metro East Endoscopic Surgery Center (MESC)

Dear Ms. Avery:

I am writing this letter to request the Illinois Health Facilities and Services Review Board (IHFSRB) deny CON Application #20-17. Dr. Felix Ungacta, one of our current orthopedic surgeons at St. Joseph's Hospital, Breese is supporting this CON having committed an average of two hundred and twenty orthopedic surgical procedures which he will pull from HSHS St. Joseph's Hospital located in Highland and Breese, Illinois. Dr. Ungacta's support is extremely disheartening as we have regionally invested in the Mako Robot and infrastructure support at the request of Dr. Ungacta, providing him the opportunity to become the premier regional destination for orthopedic care.

With the approval of this CON, there will be huge burden on the Hospitals committed to serve the rural communities and may also cause more unemployment if there is decrease in revenue. Project # 20-017 proposes unnecessary duplication of services and is based entirely on procedures currently offered at these 2 existing hospitals.

I sincerely request to deny the CON application for Metro East Endoscopic Surgery Center.

Respectfully,



Vinay Bhooma, MD, MBA, FACMQ,
Chief Medical Officer.

Cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board

August 31, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

RECEIVED

SEP 01 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-17 – Metro East Endoscopic Surgery Center (MESC)

Dear Ms. Avery:

I respectfully ask that the Illinois Health Facilities and Services Review Board (IHFSRB) deny CON Application #20-17. As described therein, Project #20-17 relies *entirely* on shifting outpatient orthopedic surgeries away from my rural hospital, HSHS St. Joseph's Hospital - Breese. As a leading healthcare provider and top employer in southcentral Illinois, I firmly believe approval of the MESC CON will further deplete already anemic volumes due to the impact of the COVID-19 pandemic. It is important for the IHFSRB to realize that advancement of this project will most likely result in further job loss for healthcare professionals, adding additional insult to an already injured economy. Clearly this is unnecessary duplication of services at the most inopportune time.

St. Joseph's Hospital - Breese currently has the privilege of hosting four orthopedic surgeons within our on-site specialty clinic, with a fifth surgeon joining our hospital in December of 2020. Ironically, Dr. Felix Ungacta, one of our current orthopedic surgeons, is supporting this CON having committed an average of two hundred and twenty orthopedic surgical procedures which he will pull from my hospital in Breese and HSHS St. Joseph's Hospital located in Highland, Illinois. Dr. Ungacta's support is extremely disheartening as we have regionally invested in the Mako Robot and infrastructure support, providing him the opportunity to become the premier regional destination for orthopedic care. Within our current-state, operating room utilization at St. Joseph's Hospital - Breese is currently at 35%, which clearly defines our growth capacity to be 65%.

In summary, this CON expansion of orthopedic surgery services is another demonstration of severe misuse of resources. If approved, this project will not only add to the overall orthopedic saturation rate within our primary service area but result in the potential for further job loss and continue to drive up the cost of healthcare based on pure redundancy.

As a community and healthcare leader, I ask that the IHFSRB look at CON Application #20-17 through the lens of simplicity, dismissing the request purely because the service expansion is not supported by consumer need.

Respectfully,



Tina Frank, PT, MBA
Director of Rehab

Cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board

Corporate Office
P.O. Box 296
705 Bradbury Ln.
Sparta, IL 62286



St. Clair County Office
610 E. Main St.
Belleville, IL 62220

August 31, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

RECEIVED

SEP 01 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Project #20-017 – Metroeast Endoscopic Surgery Center

Dear Ms. Avery:

As the Chief Operations Officer of Medstar Ambulance, Inc., I am keenly aware of the need for and importance of 24/7/365 emergency department services by our local community hospitals, including the HSHS St. Joseph Hospitals in Highland and Breese. We do not make runs to ambulatory surgery centers as emergency services are not, and cannot be, provided by surgery centers. In other words, surgery centers simply cannot fill the void created by diminished emergency department services at hospitals in response to revenue loss from duplicated services.

I understand that Project #20-017 proposes to transfer essentially all of St. Joseph Hospital – Highland's orthopedic surgical volume to the surgery center. I am concerned that the loss of these procedures will impair that Critical Access Hospital's ability to cross-subsidize the emergency services it provides, and respectfully request that the Health Facilities and Services Review Board consider this impact and deny Project #20-017.

Respectfully,

Charles R. Kelley

Charles R. Kelley
Chief Operations Officer
PO Box 296
Sparta, IL 62286
(618) 443-2425

Cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
mike.constantino@illinois.gov

August 28, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

RECEIVED
SEP 01 2020
HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-17 – Metro East Endoscopic Surgery Center (MESC)

Dear Ms. Avery:

I respectfully ask that the Illinois Health Facilities and Services Review Board (IHFSRB) deny CON Application #20-17. As described therein, Project #20-17 relies entirely on shifting outpatient orthopedic surgeries away from our rural surgery department at HSHS St. Joseph's Hospital - Breese. Over the last several of years, we've seen a decrease in our orthopedic surgical volume due to the opening of two new tertiary hospitals within a 25-mile radius.

Allowing MESC the CON Application would further saturate the marketplace in our area and potentially cause closure of services and lost jobs within our hospital. Currently there are several options for orthopedic care within our service area and those services are not at or near capacity.

As a leader at HSHS St. Joseph's Hospital Breese, I am asking you to please oppose CON Application #20-17 requested by MESC to allow us to continue to offer high-quality orthopedic care within our community.

Respectfully,



Carl Kuhl
Supply Chain Director
HSHS St. Joseph's Hospital
Breese, IL

August 28, 2020

RECEIVED

SEP 01 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Courtney Avery
Administrator
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761 courtney.avery@illinois.gov

Re: Opposition to CON Application #20-17 – Metro East Endoscopic Surgery Center (MESC)

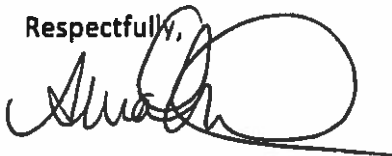
Dear Ms. Avery:

I respectfully ask that the Illinois Health Facilities and Services Review Board (IHFSRB) deny CON Application #20-17. As described therein, Project #20-17 relies entirely on shifting outpatient orthopedic surgeries away from our rural surgery department at HSHS St. Joseph's Hospital - Breese. Over the last couple of years, we've seen a decrease in our orthopedic surgical volume due to the opening of two new tertiary hospitals within a 25-mile radius.

Allowing MESC the CON Application would prove to be detrimental to the surgical volume and revenue at HSHS St. Joseph's Breese. MESC represents an unnecessary duplication of services; therefore, adversely affecting our existing surgery volume. This project would undermine having a financially stable, viable hospital in our community.

As a leader at HSHS St. Joseph's Hospital Breese, I am asking you to please oppose CON Application #20-17 requested by MESC to allow us to continue to offer high-quality orthopedic care within our community.

Respectfully,



Serra Morton MSN, RN
Director, Inpatient and Women & Infants

cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board

September 1, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
Courtney.Avery@Illinois.gov

RECEIVED

SEP 01 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-017 – Metroeast Surgery Center

Dear Ms. Avery:

My name is Marshall Rinderer, I am an attorney in Highland. I have lived in the region for a majority of my life. I am a part of multiple organizations in the area. My wife is currently employed as Nurse Practitioner for HSHS Medical Group. Respectfully, as a Board Member of HSHS St. Joseph's Hospital (SJH) Highland, I respectfully oppose this CON application and urge its denial.

In this CON application, Metroeast Endoscopic Surgery Center (MESC), located in Fairview Heights, proposes to add orthopedic surgery services to its existing surgery center by redirecting 200 surgeries annually from SJH, and another 20 surgeries each year from St. Joseph's Hospital Breese. At both hospitals, these redirected surgical cases will adversely impact surgical utilization (which are already below state standards) and reduce marginal revenue at a time when they have been negatively impacted by the COVID-19 pandemic and associated state orders to suspend and limit elective procedures. In so doing, this CON project would unnecessarily duplicate existing services and adversely impact a Critical Access Hospital.

SJH is a 25-bed Critical Access Hospital, a CMS designation for rural hospitals that have 25 or fewer beds and are either located more than 35 miles from another hospital or designated by IDPH as a "Necessary Provider." By adversely impacting a Critical Access Hospital, this CON project will diminish safety net services in the area – contrary to the core goals of the Planning Act. The 200 redirected procedures represent all orthopedic surgeries and more than 15 percent of total outpatient volume at SJH. That translates into a reduction of \$1.7 million in net hospital revenue, and a loss of \$616,000 in margin – which will negate our hospital's ability to provide charity care and to cross-subsidize other services, such as the Emergency Department. For context, SJH's charity care from outpatient services totals \$640,937, while MESC reports zero dollars in charity care on over \$2.3 million in net patient revenue (CON application, p.98). For these and other reasons, I respectfully urge the Review Board to deny this CON application.

Sincerely,



August 31, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761 courtney.avery@illinois.gov

RECEIVED

SEP 01 2020

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Re: Opposition to CON Application #20-17 – Metro East Endoscopic Surgery Center (MESC)

Dear Ms. Avery:

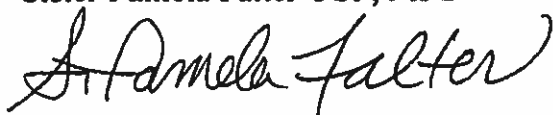
I am a manager at HSHS St. Joseph's Hospital in Breese, IL. I respectfully ask that the Illinois Health Facilities and Services Review Board (IHFSRB) deny CON Application #20-17. As described therein, Project #20-17 relies entirely on shifting outpatient orthopedic surgeries away from our rural hospital. As a leading healthcare provider and top employer in southcentral Illinois, I firmly believe approval of the MESC CON will further magnify volume problems due to the impact of the COVID-19 pandemic. It is important for you and the IHFSRB to realize that advancement of this project will most likely result in further job loss for healthcare professionals, adding additional difficulty to the community in which I live and work. This seems to be unnecessary duplication of services at the most inopportune time.

I also find it strange that an "endoscopic surgery center" would hope to include orthopedic surgery. It seems to be out of the realm of their original reason for being. I admit I don't know their intent, but I can't help but wonder if this displays an odd, or perhaps greedy, reach beyond who they are. Would the public (their hopeful customers) see it that way as well?

As a community and healthcare leader, I ask that the IHFSRB look at CON Application #20-17 and dismiss the request because the service expansion is not supported by consumer need, and it seems do more harm than good.

Respectfully,

Sister Pamela Falter OSF, MPS



Manager of Spiritual Care at HSHS St. Joseph's Hospital Breese

August 28, 2020

RECEIVED

SEP 01 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Courtney Avery
Administrator
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761 courtney.avery@illinois.gov

Re: Opposition to CON Application #20-17 – Metro East Endoscopic Surgery Center (MESC)

Dear Ms. Avery:

I respectfully ask that the Illinois Health Facilities and Services Review Board (IHFSRB) deny CON Application #20-17. As described therein, Project #20-17 relies entirely on shifting outpatient orthopedic surgeries away from our rural surgery department at HSHS St. Joseph's Hospital - Breese. Over the last several of years, we've seen a decrease in our orthopedic surgical volume due to the opening of two new tertiary hospitals within a 25-mile radius.

Allowing MESC the CON Application would further saturate the marketplace in our area and potentially cause closure of services and lost jobs within our hospital. Currently there are several options for orthopedic care within our service area and those services are not at or near capacity.

As a leader at HSHS St. Joseph's Hospital Breese, I am asking you to please oppose CON Application #20-17 requested by MESC to allow us to continue to offer high-quality orthopedic care within our community.

Respectfully,



Joel Tucker
Director, Pharmacy

cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board

August 31, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

RECEIVED

SEP 01 2020

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Opposition to CON Application #20-17 – Metro East Endoscopic Surgery Center

Dear Ms. Avery:

I respectfully ask that the Illinois Health Facilities and Services Review Board (IHFSRB) deny CON Application #20-17. As described therein, Project #20-17 relies entirely on shifting outpatient orthopedic surgeries away from the following rural hospitals, HSHS St. Joseph's Hospital - Breese and HSHS St. Joseph's Hospital - Highland. As leading healthcare providers and top employers in southcentral Illinois, I firmly believe approval of the MESC CON will further deplete already weak volumes, due to the impact of the COVID-19 pandemic and would likely cause additional job loss.

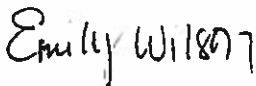
The redirected surgical cases will adversely impact the surgical utilization at both St. Joseph's Hospital - Highland and St. Joseph's Hospital - Breese, which already have been negatively impacted by pandemic-related executive orders to first suspend and thereafter limit elective procedures. For Highland, the 200 redirected procedures represent all orthopedic surgeries and more than 15% of total outpatient volume. That translates into a reduction of \$1.7 million in net hospital revenue, and a loss of \$616,000 in margin. For context, Highland's charity care from outpatient services totals \$640,937, while MESC reports zero charity care on over \$2.3 million in net patient revenue. (CON application, p. 98). This loss of \$1.7 million will negate our community hospitals' ability to provide charity care and to cross-subsidize other services, such as the Emergency Department (which MESC does not and cannot provide).

Additionally, the primary justification offered in support of the MESC project is supposed cost savings that the surgery center would provide as compared to existing hospitals. However, there is no documented cost savings.

In summary, this CON expansion of orthopedic surgery services is another demonstration of severe misuse of resources. If approved, this project will not only add to the overall orthopedic saturation rate within these hospitals' primary service areas but also continue to drive up the cost of healthcare based on pure redundancy.

As a St. Joseph's Hospital - Breese and St. Joseph's Hospital - Highland colleague, I ask that the IHFSRB deny CON Application #20-17.

Sincerely,



Emily Wilson
Foundation Officer

Cc: Mike Constantino
Project Reviewer
Illinois Health Facilities & Review Board



September 2, 2020

HSHS St. Joseph's Hospital
Breese

HSHS St. Mary's Hospital
Decatur

HSHS St. Anthony's Memorial Hospital
Effingham

HSHS Holy Family Hospital
Greenville

HSHS St. Joseph's Hospital
Highland

HSHS St. Francis Hospital
Litchfield

HSHS St. Elizabeth's Hospital
O'Fallon

HSHS Good Shepherd Hospital
Shelbyville

HSHS St. John's Hospital
Springfield

St. John's College of Nursing
Springfield

Via Electronic Delivery

Courtney R. Avery
Administrator
Illinois Health Facilities and Services
Review Board
525 West Jefferson Street
2nd Floor
Springfield, IL 62761

**Re: Project #20-017, Metroeast Endoscopic Surgery Center,
Fairview Heights**

HSHS Response to Applicant's Additional Information

Dear Ms. Avery:

On July 28, 2020, the Review Board's staff requested additional information from the applicant on Project #20-017, Metroeast Endoscopic Surgery Center, Fairview Heights. The response to that request submitted on behalf of the applicant raises more questions than it answers and even contradicts material information that was verified in the permit application. I am submitting this written comment to address those matters on behalf of HSHS and its two adversely affected hospitals St. Joseph Hospital Highland ("Highland") and St. Joseph Hospital Breese ("Breese").

1. Dr. Bradley, the sole referring physician, does not appear to support this project

Contrary to the applicant's statements that Dr. Matthew Bradley is affiliated with Dr. Felix Ungacta (whom, the applicant claims, has authority over Dr. Bradley's patient referrals), it is our understanding that Dr. Bradley is not affiliated with Dr. Ungacta, has not committed any referrals to this project, does not support the project, and was not even aware of the project until earlier this week.

We had previously noted in our written comment dated June 10, 2020 that the physician referral letter on page 100 of the CON application committing to redirect 200 procedures from St. Joseph Hospital – Highland was signed by a physician, Dr. Felix Ungacta, who performed **no** surgeries at Highland in FY 2020 through April 2020. We further commented that we

surmised that the true source of the referrals was Dr. Matthew Bradley, even though Dr. Bradley is nowhere mentioned in the CON application.

The applicant's additional information now admits that our comment was entirely accurate but claims that Dr. Bradley "assigned" his case volumes Dr. Ungacta. The applicant provides no evidence of this supposed assignment, or of any other agreement by Dr. Bradley to allow a third-party to determine where his patients may or may not have their surgeries performed. As noted above, we understand Dr. Bradley had no knowledge of this project and committed no referrals to it.

2. The applicant falsely claims that the 220 procedures to be redirected from HSHS hospitals is not a "meaningful portion" of the hospital's the orthopedic volume.

The applicant's representative claims in the response to the additional information request that he was "pleased to see HSHS acknowledge that Dr. Ungacta's practice does not represent a meaningful portion of the orthopedic volumes at any of their facilities." As noted in our prior written comment, the 200 procedures to be redirected from St. Joseph Hospital – Highland represent over 15% of the hospital's total outpatient volume in CY 2018, and *all* of its orthopedic volume. This is in addition to the 20 procedures proposed to be redirected from St. Joseph's Hospital in Breese. The loss of 200 orthopedic outpatient procedures at Highland would translate into a reduction of \$1.7 million in Net Revenue, and a loss of \$616,000 in Margin. The applicant does not dispute this volume and it is indeed a "meaningful portion" of St. Joseph's Hospital – Highland's orthopedic volume.

3. The applicant's additional information contradicts the charge commitment submitted with the CON application

The charge data presented in the CON application and in the subsequent response to the additional information request are wildly inconsistent. For example, page 79 of the CON application identifies a charge commitment for CPT codes 29807 and 29827 of **\$39,897**, while the additional information lists a fee of **\$2,557** for these same codes. Similarly, the CON application has a charge commitment for CPT code 29881 of **\$18,363** compared to the additional information listing a fee of **\$1,173**. No explanation for this highly inconsistent and contradictory information is provided by the applicant.

4. The CON application fails to include charge commitments for some of the applicant's highest volume orthopedic procedures.

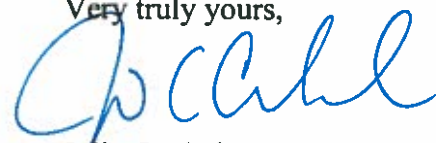
By rule, an applicant's charge commitment is required to contain "a statement of all charges" and "a commitment that these charges will not increase, at a minimum, for the first 2 years of operation unless a permit is first obtained[.]" 77 Ill. Adm. Code 1110.235(c)(9). The applicant's additional information reveals that the CON application not only failed to provide all charges, but did not even include two of the top five highest volume orthopedic procedures proposed by the project. The additional information includes within the top five orthopedic procedures CPT code 64712 (Carpal Tunnel) and CPT code 29879 (Chondroplasty), yet these two procedures do not appear in the applicant's charge commitment on page 79 of the CON application. This begs the question of what other orthopedic procedures the applicant proposes to perform in the facility as to which no charge commitment has been provided.

5. The applicant avoided a direct response the Staff's inquiry on Medicaid patients

The request for additional information sought information on the level of Dr. Ungacta's Medicaid patients. The applicant did not provide that information, nor did it provide information for Dr. Bradley, who appears to be the true source of patient volume. Instead, the applicant states that its facility's "current payor mix" is about 15% Medicaid. This is non-responsive as neither Dr. Ungacta nor Dr. Bradley currently practice at the applicant's ASTC. We have reason to believe that the Medicaid volumes of Dr. Ungacta and Dr. Bradley are nowhere near 15%. The applicant provides no reason at all as to why it cannot obtain accurate patient volume data from these physicians.

For the above reasons, we respectfully request that the applicant be required to provide accurate and responsive information to the additional information request in accordance with the Review Board's regulations.

Very truly yours,



Julie Goebel, MHA
Vice President, Strategy
HSHS Illinois

September 2, 2020

Courtney Avery
Administrator
Illinois Health Facilities & Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761
courtney.avery@illinois.gov

Re: Opposition to CON Application #20-17 – Metro East Endoscopic Surgery Center (MESC)

Dear Ms. Avery:

I respectfully ask that the Illinois Health Facilities and Services Review Board (IHFSRB) deny CON Application #20-17. As described therein, Project #20-17 relies *entirely* on shifting outpatient orthopedic surgeries away from my rural hospital, HSHS St. Joseph's Hospital - Breese. As a leading healthcare provider and top employer in southcentral Illinois, I firmly believe approval of the MESC CON will further deplete already anemic volumes due to the impact of the COVID-19 pandemic. It is important for the IHFSRB to realize that advancement of this project will most likely result in further job loss for healthcare professionals, adding additional insult to an already injured economy. Clearly this is unnecessary duplication of services at the most inopportune time.

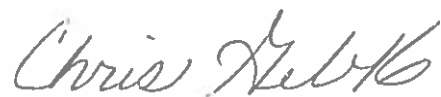
St. Joseph's Hospital - Breese currently has the privilege of hosting four orthopedic surgeons within our on-site specialty clinic, with a fifth surgeon joining our hospital in December of 2020. Ironically, Dr. Felix Ungacta, one of our current orthopedic surgeons, is supporting this CON having committed an average of two hundred and twenty orthopedic surgical procedures which he will pull from my hospital in Breese and HSHS St. Joseph's Hospital located in Highland, Illinois. Dr. Ungacta's support is extremely disheartening as we have regionally invested in the Mako Robot and infrastructure support, providing him the opportunity to become the premier regional destination for orthopedic care. Within our current-state, operating room utilization at St. Joseph's Hospital – Breese is currently at 35%, which clearly defines our growth capacity to be 65%.

In summary, this CON expansion of orthopedic surgery services is another demonstration of severe misuse of resources. If approved, this project will not only add to the overall orthopedic saturation rate within our primary service area but result in the potential for further job loss and continue to drive up the cost of healthcare based on pure redundancy.

As a community and healthcare leader, I ask that the IHFSRB look at CON Application #20-17 through the lens of simplicity, dismissing the request purely because the service expansion is not supported by consumer need.

In addition, I have seen several coworkers lose their jobs due to COVID and we cannot lose anymore!!

Please help us!
Respectfully,



Chris Gebke
Director of Volunteer Services