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August 31, 2020

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

Dear Ms. Avery;

Thank you for the opportunity to comment on and **oppose the Effingham Medical Office Building project #20-030** proposed by Sarah Bush Lincoln Health Center (SBL) of Mattoon IL. My family and I have made Effingham County home for 20 years.

We all like new stuff, and especially new shiny buildings, yet that does not equate to serving a community, especially its health care needs. A new building is in order to support the patient care practice of the Bonutti Clinic. The proposed building however will add enormous cost to the region's citizens' health care spending and damage the local economy. Here are several areas of concern.

No Unmet Needs

The project does not address any unmet patient needs. It is a replacement project, yet boasts more than double the size and millions of dollars in additional equipment not deemed necessary by the entrepreneurial physicians who have cared for patients at this location for over 25 years. None of the services proposed are new to the area or lacking. In fact I understand that most of the imaging services recently upgraded by Effingham's hospital in a new Health Center approved by your Board, are available and used by the Sarah Bush providers less than one mile from their current MOB.

Same Doctors, Same Employees (or fewer?)

Sarah Bush Health Center has purchased the existing Effingham based practices of Orthopedic Surgeons, General Surgeons, and Family Physicians and employed some of their staff. There are no new physicians (although needed soon due to pending retirements). They will serve the same population in this new facility even if consolidated, yet to justify the expense of the practice purchases, in addition to the new +\$36 million building will only shift care from other providers in Effingham and the 12 county service area St. Anthony's Memorial Hospital has served for decades. Your website projects negative population growth and these services are duplicative which only can survive by cannibalization of other regional providers, reduced non-provider staffing (i.e. job cuts), and increased prices.

Damage to the Area Economy

I have served as President, and a Board member of the Effingham Regional Growth Alliance, the not-for-profit Economic Development Corp. for Effingham County.

Competition in most industries lowers prices and increases quality. Competition in Health Care increases, and at best, as a zero sum game, shifts the cost of care to patients, families, employers and the community overall. Numerous studies have shown this, and without an increase in value to the patient. (*Harvard Business Review, Health Affairs*, others) In a small rural area as you have seen from your experience this is a greater risk, and has led to many closures, acquisitions and downsizing of hospitals.

For the 25 years the physicians of Bonutti Clinic had collaborated with St. Anthony's Memorial Hospital to meet the needs of patients they both served. The MRI, CT Scan and imaging service upgrades and state of the art surgery and procedure suites at the hospital were done to include those orthopedic patient projections rather than duplicate technology and costs or sacrifice quality. An entire inpatient floor was remodeled for orthopedic patients. Together, they collaborated with the Effingham's Park District in the building of the Rick Workman Sports' Complex to develop the physical rehabilitation services including a zero entry therapy pool. This is at risk with duplication by this MOB.

The location of the Bonutti Clinic is as ideal as the proposal notes. Patients from far away come to Effingham County for care. What the proposal does not state, yet has been stated by Sarah Bush is that surgery and inpatient care will be diverted to Mattoon 33 miles away. Much of the economic benefit to Effingham hotels and restaurants, etc. will be lost AND more disheartening; the added costs of travel and inconvenience will be added to the burden of patients and families. These costs of course are not covered by insurance. This is fragmented care, creating new unmet needs.

Entrepreneurial doctors in Effingham will be at risk of losing patients, their independence, even their practices. That is if SBL can recruit the high number of doctors needed to fill its proposed SIXTY-TWO EXAM ROOMS. Depending on the model for efficiency and patient satisfaction, 30 or more providers would be needed.

Extreme Cost Escalation

The growth statistics in the proposal are misleading at best. They do not represent a growth in patient care or a growth in need or even patient choice. These appear to simply be the growth in Sarah Bush's tally from practices purchased with the exception of ENT, which has existed cooperatively for 15 or more years. These are already locally served purchased patients of Bonutti Clinic, Family Practice, and General Surgery practices. This is an extreme escalation of costs. \$36,292,202 for replacement of a clinic for providers serving existing patients, including \$5.3 million for land already in use, that has to be *recouped from the community* in a health care financing system which has more major payment cuts on the way.

Forgotten Mission

In addition to the millions of dollars SBL already spent to buy these existing practices in a distant service area. This expenditure could meet so many other needs in the region Sarah Bush claims to serve. With less than 4% of its market share from Effingham County, Sarah Bush Health Center will need to shift many patients to meet the \$36,000,000+ expenditure. These dollars could be used to meet community needs, as well as other needs at their employed practices and facilities. As a result, St. Anthony's

Memorial Hospital will now need to recruit and establish replacement service providers to keep the local services and access to care for patients in Effingham and adjacent counties. More expense for little or no more value from either hospital. It is a lose-lose-lose situation with the patient in the middle.

It appears that the SBL Board of Directors and hired leaders have forgotten its mission as a community not for profit hospital/health system. For many years SBL has complained, and objected to CON applications/projects by the Carle organization in Coles County. Look at those hearings and you'll likely see similar objections as you are now seeing objecting to SBL in this one. With its mission forgotten, SBL is now using strategy from Carle's playbook. Not sadly, for the benefit of patients or its community.

Prior Cooperation

The applicant's two predecessor CEO's, while leading growth for SBL recognized the value of cooperation and collaboration. In Effingham for example, needs not met by St. Anthony's Memorial Hospital and a strength of SBL were welcomed into the community including laboratory outreach services to physician offices, hospice care, DME services (also provided by Carle) and the ENT physician clinic noted earlier. Likewise, when the need for world-class cardiology in Mattoon-Charleston was identified and requested by SBL, Prairie Cardiovascular Consultants (PCC), an Affiliate of HSHS/St. Anthony's Memorial Hospital responded and made viable their cardiac catheterization service. (I understand that PCC has since been excluded from SBL, requiring them to now construct another facility to serve these fragile and established Coles County patients.)

Abandonment

Since this MOB is simply a strategy response and not Mission driven, and is not located in Sarah Bush Lincoln's primary base, it is at risk of abandonment when other issues take priority. It is expected to be paid for 100% via revenue bonds. If the ROI isn't evident when local market share and higher prices fall short of projections, this building is at risk of being a vacated embarrassing welcome mat for Effingham and less marketable than the Village Square Mall.

Requiring a patient and family, after consulting with a physician, to drive an additional 33 miles for a knee or hip replacement surgery, which could be done 1 mile away at a center of orthopedic excellence developed in conjunction with the Bonutti physicians is disrespectful and a disservice.

This may seem like a great project and it is for any architect or contractor. We value construction and new facilities. These are short-term jobs and will not add to the overall employment long term. A right sized project will better serve, hopefully local, contractor.

Why do I care?

Effingham County has amazing communities thanks to the people, churches, services, educators, and businesses that have committed to making that so for generations. I served as President and CEO of St. Anthony's Memorial Hospital from 2000 – 2012. My wife and I decided to stay and continue to make Effingham the Best Place To Live.

To be clear, I was relieved of duty at St. Anthony's by the current HSHS leadership. I have no allegiance, (nor ill will) to that hospital, HSHS or its leadership. No one asked me to write this letter. I am not on a Board of Directors like many of the project's supporters. My interest is only for the community I call home and to support what will make the region safe, joyful, and prosperous. This proposed Sarah Bush MOB does not contribute to that goal.

As a Chicago boy getting my first health care experience was via Blackburn College as an intern at Carlinville Area Hospital, I learned how vital rural hospitals are to their community -- and how fragile. I've witnessed these market share battles and wasted capital expenditures throughout my career and fear the fate of both hospitals and the people they serve.

In fact I'm concerned that this project will negatively impact some of our valuable regional resources and businesses, especially if these \$36 million are not devoted to Coles County. It is a community with much greater population, community needs and unemployment. These funds, not being available may impact Eastern Illinois University, Lake Land College, and a number of regional employers and resources in the long term.

I respect and have great regard for the physicians of the Bonutti Clinic. They have cared for my family and would if needed again. They and their team are the best for hundreds of miles. A new clinic from their new employer would be a nice gift. Sarah Bush Lincoln Health Center is a fine organization, with good people and has had great growth. While they have big goals they are missing I fear the bigger picture of what this region could be.

I suggest the Boards of Directors of these two hospitals, as volunteer leaders who serve due to the love of their communities share community health needs assessments for the area and how to serve the citizens and families. Return to their missions. Choice is important, competition can be healthy, wasted dollars can only be spent once, yet the damage can be cancerous.

Your role Ms. Avery, and that of the Members of the Illinois HFSRB is very important as you help keep the big picture in view. You help providers contain health care costs, and avoid unnecessary duplication of services and facilities. The development of this facility as proposed is not in an area of need.

Please accept this letter as an indication of my full opposition of the Effingham Medical Office Building #20-030. Please send it back to the drawing board.

Stay healthy and be Blessed. Sincerely;

Daniel J. Woods, LFACHE
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cc: Mike Constantino, Project Reviewer, mike.constantino@illinois.gov