



Mercy Hospital & Medical Center Discontinuation  
Project No. 20-039  
Public Hearing: 10/28/2020

**Carol L. Garikes Schneider, CEO, Mercy Hospital & Medical Center**

My name is Carol L. Garikes Schneider and I have served as the President and CEO of Mercy Hospital & Medical Center for the last 7 1/2 years.

Since my first days at Mercy, I have worked tirelessly to put our hospital on a financially sustainable path in spite of enormous challenges that all safety net hospitals face today, including rising expenses to run and operate a hospital, changes in payor mix, and health care trends moving from inpatient to outpatient care, with reduced reimbursement rates from the state.

When our future prospects looked unsustainable a few years ago, we began to look at new ways to help our community while staying true to our Catholic mission. In January of 2020, we at Mercy Hospital and Trinity Health formed a coalition with three other South Side hospitals to create an independent health system and build a new state-of-the-art hospital and three to six outpatient centers to ultimately replace the aged hospital facilities. No one hospital or system could address the southside health inequities on their own.

The South Side Transformation Plan was to build this new hospital and outpatient sites before any of the existing hospitals closed with these goals:

- Expand access to quality preventive care and services in our own community
- Increase access to coordinated care – the right care, at the right time, in the right setting
- Address the significant and historic health inequities South Side residents face, including unacceptable life expectancies for residents in our south side zip codes

The South Side Transformation Plan was to be funded with public and private commitments over ten years for a total investment of \$1.1 billion. It would have included a medical group with 140 employed primary and specialty providers and would have maintained 3,445 jobs in the community.

In early 2020, we launched a community outreach initiative to raise awareness of the plan in our community and seek input and support. In this period, we met with elected officials and held community town halls (virtually due to the COVID-19 pandemic) during which over 700 community members in 11 zip codes heard the details of the South Side Transformation Plan.

Sadly, it was not meant to be. During the last few hours of the Spring Legislative Session, the Illinois Legislature elected not to fund the South Side Transformation Plan as part of the funding for the Illinois Hospital Transformation Program. On May 25, 2020, the South Side Coalition notified the State that there was no path forward. The South Side Coalition subsequently disbanded at the end of May.

While closing the hospital is an incredibly tough decision, it is the right one, and one that will allow us to best continue our Catholic mission of providing access to health care for poor and underserved patients. This transformation will allow us to continue this mission with the proposed outpatient center that will provide necessary services that patients on the South Side today need.

This sustainable plan laid out in our CON will do just that. I support it fully.