

SEIU HCIIMK - Public Comment re Application #20-039

October 28, 2020

1. Intro

SEIU Healthcare represents more than 5,000 hospital workers in the Chicago, St. Louis, and Kansas City metro areas.

As a union committed to health justice, we are deeply troubled by Trinity Health's decision to shutter Mercy Hospital and Medical Center which has provided critical health services to Chicagoans for more than 150 years.

2. Impact on South Side Communities

Mercy Hospital, located in Bronzeville, is one of a dwindling number of inpatient hospitals serving Chicago's South Side communities.

Roughly two-thirds of Mercy inpatients are African American; more than half are on Medicaid.ⁱ

Mercy provided the following in 2018:ⁱⁱ

- ED Visits – 51,685
- Live Births – 1,654
- Outpatient Visits – 350,099

Should Mercy close, the hospital's disproportionately non-white, low-income patient base will lose access to care and may experience worse health outcomes.

Mercy's service area is rife with racial and economic health disparities that will also likely worsen should the hospital closure proceed.

- Mercy's service area includes ZIP 60621 in Englewood where life expectancy is only 59.9 years (30 years less than ZIP 60611 in Streeterville).ⁱⁱⁱ
- Mercy's service area also includes the Douglas and Fuller Park Community Areas which have some of the worst health outcomes in the city.^{iv}
 - Douglas
 - Diabetes Mortality Rate – 119.1 per 100K persons (Chicago – 70.1 /100K persons)
 - Cancer Mortality Rate – 269.9 per 100K persons (Chicago – 193.6/100K persons)
 - Fuller Park
 - Infant Mortality Rate – 22.6 per 1,000 live births (Chicago 8.1/1,000 live births)

Trinity Health's decision to close Mercy Hospital further imperils the health of communities already struggling with limited access to care and negative health outcomes.

2. Non-Compliance with HFSRB Discontinuation Review Criteria

Trinity's CON application requesting permission to discontinue Mercy Hospital (Application for Permit #20-039) is noncompliant with multiple Review Criteria enumerated in 77 Ill. Admin. Code 1110.290.



Reasons for Discontinuation

Trinity Health's CON application falsely asserts that continuing to operate Mercy Hospital is not economically feasible.

- 77 Ill. Admin. Code 1110.290(b) states that "the applicant shall document the discontinuation is justified by providing data that verifies that one or more...factors exist with respect to each service being discontinued".^v
- Application for Permit #20-039 asserts that "Pursuant to 77 Ill. Admin 1110.290(b)3, the Hospital is not economically sustainable or feasible".^{vi}
- Mercy Hospital's parent Trinity Health is by its own admission "one of the largest multi-institutional Catholic health care delivery systems in the nation".^{vii}
- Trinity Health had \$30.4 billion in assets including "\$11.9 billion in unrestricted cash and investments" as of June 30, 2020.^{viii}
- Mercy Hospital recorded \$4.1 million in excess revenue over expenses (profit) in Fiscal Year 2020 after Trinity Health leadership claimed that the hospital was losing millions of dollars a year.^{ix}
- Application for Permit #20-039 does not include Trinity's Health's financial statements or account for why Trinity cannot devote some of its vast assets to keeping Mercy Hospital "economically sustainable".
- Thus, Application for Permit #20-039 is noncompliant with this Review Criterion.

Impact on Access

Trinity Health concedes that closing Mercy Hospital will create an ICU bed shortage in Hospital Planning Area A-03 (Chicago South Side).

- 77 Ill. Admin. Code 1110.290(c) states that "the applicant shall document whether the discontinuation of each service or entire facility will have an adverse impact upon access to care for residents of the facility's Market Area".^x
- 77 Ill. Admin. Code 1110.290(c)(3) lists "creating or increasing a shortage of beds or services, as calculated in the Inventory of Health Care Facilities" as a factor that indicates "an adverse impact upon access to service".^{xi}
- Application for Permit #20-039 concedes that "upon discontinuation of the Hospital, Planning Area A-03 will have 232 available ICU beds, with a need for 19 ICU beds."^{xii}
- Thus, Application for Permit #20-039 is noncompliant with this Review Criterion.

3. HFSRB Powers and Need for Reform

The Illinois Health Facilities and Service Review Board can and must stop Trinity Health's cynical attempt to close Mercy Hospital.

Trinity's CON application is noncompliant with multiple criteria necessary for approval. The HFSRB must reject Trinity's CON or run afoul of its own rules and regulations.

In recent years, the HFSRB has approved multiple CON applications to close hospitals the primarily served communities of color.

Facility Name	Year	Patients ^{xiii}	
		% White	% Non-White/Unknown
Franciscan Health – Chicago Heights	2018	45.4%	54.6%
MetroSouth Medical Center	2019	26.5%	73.5%
Westlake Hospital	2019	23.0%	77.0%

Currently, the HFSRB does not explicitly consider critical factors like Medicaid utilization, the presence/severity of racial health inequities, and/or impact on EMS/trauma systems when determining the need for health services and facilities.

The spate of recent hospital closures in Chicagoland and the HFSRB’s inability or unwillingness to intervene on behalf of effected communities suggest that current HFSRB planning and review criteria are too narrow and dated to account for actual community need/impact.

Thus, we assert that the ILGA should pass a bill during the next legislative session to expand the HFSRB’s planning and review criteria to more thoroughly assess the need for facilities/services and enhance the board’s ability to block harmful service cuts and hospital closures.

Even using the current, narrow criteria, however, the HFSRB has the power to stop this and other harmful hospital closures.

Trinity has the resources to keep Mercy open indefinitely. The HFSRB must use its powers to prevent this travesty and hold Trinity accountable for attempting to abandon Chicago’s medically underserved South Side communities.

ⁱ Safety Net Hospital Determination, Effective 10/1/2020 – 9/30/2021, Illinois Department of Healthcare and Family Services,

<https://www.illinois.gov/hfs/SiteCollectionDocuments/2021SafetyNetDeterminationEffective10012020.pdf>.

ⁱⁱ CY 2018 Hospital Profile, Illinois HFSRB,

<https://www2.illinois.gov/sites/hfsrb/InventoriesData/FacilityProfiles/Documents/2018%20Hospital%20Profiles.pdf>

ⁱⁱⁱ Centers for Disease Control viewed via PolicyMap, www.policymap.com.

^{iv} Chicago Data Portal, Public Health Statistics, Selected Public Health Indicators by Community Area,

<https://data.cityofchicago.org/Health-Human-Services/Public-Health-Statistics-Selected-public-health-in/iqnk-2tcu/data>.

^v 77 Ill. Admin. Code, Title 77: Public Health, Chapter II: Health Facilities and Services Review Board, Subchapter a: Illinois Health Care Facilities Plan, Part 1110 Processing, Classification Policies and Review Criteria, Section 1110.290 Discontinuation – Review Criteria,

<https://www.ilga.gov/commission/jcar/admincode/077/077011100C02900R.html>.

^{vi} Application for Permit #20-039, p. 39,

<https://www2.illinois.gov/sites/hfsrb/Projects/ProjectDocuments/2020/20-039/2020-08-31%2020-039%20Mercy%20Hospital%20and%20Medical%20Center.pdf>

^{vii} “About Us”, Trinity Health, <https://www.trinity-health.org/about-us/>.

^{viii} Trinity Health Consolidated Financial Statements as of the Years Ended June 30, 2020 and 2019, September 16, 2020, p. 3, 45, <https://emma.msrb.org/P11424941-P11106138-.pdf>.

^{ix} Ibid., p. 58.

^x 77 Ill. Admin. Code, Title 77: Public Health, Chapter II: Health Facilities and Services Review Board, Subchapter a: Illinois Health Care Facilities Plan, Part 1110 Processing, Classification Policies and Review Criteria, Section 1110.290 Discontinuation – Review Criteria, <https://www.ilga.gov/commission/jcar/admincode/077/077011100C02900R.html>.

^{xi} Ibid.

^{xii} Application for Permit #20-039, p. 48, <https://www2.illinois.gov/sites/hfsrb/Projects/ProjectDocuments/2020/20-039/2020-08-31%2020-039%20Mercy%20Hospital%20and%20Medical%20Center.pdf>.

^{xiii} CY 2018 Hospital Profile, Illinois HFSRB, <https://www2.illinois.gov/sites/hfsrb/InventoriesData/FacilityProfiles/Documents/2018%20Hospital%20Profiles.pdf>.