

February 27, 2021

Ms. Debra Savage, Chair
Illinois Health Facilities and Services Review Board
25 West Jefferson Street, 2nd Floor Springfield, IL 62761

RE: OrthoIllinois Surgery Center Elgin, LLC ("OrthoIllinois")
Project No. 20-040, Letter of Concern Regarding Safety Net Services

Dear Ms Savage,

I have had the opportunity to serve since 2007 on the Advocate Sherman Board of Directors which is served by Advocate Sherman Hospital and the proposed OrthoIllinois Surgery Center Elgin. While welcoming new developments in my district, at the same time I have concern about how the OrthoIllinois project could affect essential health care services on which my constituents rely.

This past year, the pandemic has put a strain on our health care system and health care providers that will be felt years into the future. I know that one of your statutory duties under the Planning Act is to evaluate new projects for the impact that it may have on safety net services and the impact that a project has on the ability of providers of safety net services to cross-subsidize its losses in providing these services.

Advocate Sherman Hospital-a not-for-profit hospital which has served our community for more than 125 years provides tens of millions of dollars in uncompensated care each year to keep our community healthy. On a personal note, I began my RN nursing career working at Sherman nearly fifty years ago, then teaching future health care students for decades before retiring from teaching in the Nursing Program at Elgin Community College. Sherman's volunteering opportunities, clinical experiences, and ultimate employment opportunities have been vital in our community.

As a Level II Trauma Center, Sherman performs an essential function for the region, stabilizing and treating anyone that comes into its Emergency Department regardless of their ability to pay. Advocate Sherman is also the only hospital in Elgin that delivers babies, an essential service for mothers regardless of their ability to pay. With their commitment to offer these services and others, it is my understanding that Advocate Sherman is budgeted to continue to operate at a substantial loss in 2021.

Orthopedic procedures are one of the more highly reimbursed specialties and these procedures help cross-subsidize losses Advocate Sherman incurs from providing low and no reimbursement services. We cannot destabilize funding streams for hospitals that serve as safety nets for the region. I am confident that OrthoIllinois would perform well at their facility. However, I ask that you carefully evaluate the impact that a proposed new facility would have upon the ability of not-for-profit hospitals, such as Advocate Sherman Hospital, to provide essential services needed in our community.

Thank you for your consideration.

Sincerely,



Linda Wallace Advocate Sherman Hospital Board Member/Secretary