

March 19, 2021

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

RE: Ortho Illinois Surgery Center Elgin, LLC
Project No. 20-040, Letter of Concern

Dear Ms. Savage:

I was recently made aware of the impending proposal by Ortho Illinois for another surgery center in Elgin, Illinois. I am very concerned about this project, its implication of care for Elgin residents, and the duplication of services that would occur with its implementation.

I have been a citizen of Elgin, Illinois for over 65 years. I grew up in Elgin, went to the public schools, and have been part of a family business (Hoffer Plastics Corporation) since graduation from college in 1971. As one of the largest employers in the area, Hoffer Plastics has been very active in trying improve the conditions for all of our citizens. For over 23 years I have been involved with Sherman Hospital and most recently have retired from Advocate Sherman as the Chairman of the Board. Our mission at Sherman has and continues to be one of helping our citizens **Live well** and have access to services to make that happen. Sherman continues to receive awards every year for their care and compassion in taking care of all the patients from our area as well as being recognized as a leader in state-of-the-art services and care. After all, Sherman was one of the first community hospitals decades ago, to do some of the first open heart surgeries.

Please allow me to present you with some items of note:

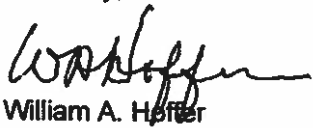
- Advocate Sherman Hospital (Sherman) is a not-for-profit hospital which has served the Elgin community for more than 125 years. It acts as an essential safety net for thousands of people in the region, working to keep our community healthy.
- As a Level II Trauma Center, Sherman performs a critical function for the region, stabilizing and treating anyone that comes into its Emergency Department regardless of their ability to pay. Sherman also offers critical services no other hospitals in the area offer, such as obstetrics.
- In 2020, Sherman served 25,000+ Medicare patients, 20,000+ Medicaid patients, and 6,500+ uninsured patients. To that end, last year Sherman provided \$61.7 million in charity and other uncompensated care. Sherman provides critical access to quality health care, delivering great patient outcomes.
- Ortho Illinois is a for-profit orthopedic group that has no obligation to the community to serve at-risk patient populations. In fact, it has been shown that they largely do not serve these populations.

- Due in part to a steady growth in uncompensated care over the last few years, the hospital is budgeted to operate at a substantial loss in 2021, which is unsustainable in the long-term. We need to do what we can to support this critical community safety net as they find ways to close the gap while investing in vital community-centered services, the trauma center, obstetrics care, and other essential service lines.
- During this pandemic, Sherman has taken care of the region in an hour of need, with nearly 1,500 sick COVID-positive patients admitted to the hospital as of February 2021 and thousands of community members vaccinated. We need to acknowledge the toll the pandemic has taken not only on these patients and individual frontline health care workers, but also on the hospital itself.
- Orthopedic procedures are one of the more highly reimbursed specialties and these procedures help cross-subsidize losses Sherman incurs from providing low and no reimbursement services. We cannot destabilize funding streams for hospitals that serve as safety nets for the region. We need to support community hospitals.

With all of this in mind, we see a real threat to our viability with a "for profit Ortho Illinois" coming in and putting a surgery center close to the Elgin Advocate Sherman hospital location.

Our ask is that you review the application from Ortho Illinois and consider the total impact it will have on the continuity of care for patients of Elgin and the surrounding communities.

Sincerely,



William A. Hoffer
Chairman of the Board
Hoffer Plastics Corporation