

**Kenneth D. Koehler
320 Douglas Avenue
Crystal Lake, IL 60014**

March 22, 2021

Via Electronic Delivery

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

Re: Orthollinois Surgery Center Elgin, LLC ("Orthollinois")
Project No. 20-040 (the "Project")
Letter of Opposition

Dear Ms. Savage:

I want to thank you and your fellow Review Board members for giving the opportunity for public comment. I believe the more information available the better the opportunity to make good decisions.

As a former Chairman of the McHenry County Board and a current member of the Metra Board of Directors, I always value the input of the community in making board decisions. Unfortunately, the loudest voices are often not the most reasoned. In this case, I ask Review Board members to consider the overall impact on health care services in the greater Elgin service area.

My wife and I are both patients of Orthollinois. We are very pleased at the care we receive from Orthollinois and from Advocate Sherman Hospital. In many situations I would welcome a new facility in our area. Despite the quality of care we have received from Orthollinois, I cannot support the application to establish a new facility.

The proposed new Project takes all of its cases from existing providers, taking 1,843 cases from three existing area hospitals and the remainder from existing surgery centers. The proposal would take 327 procedures from AMITA St. Joseph, 941 from Advocate Sherman and 575 from Northwestern Huntley in my home county. My concern is not about access to orthopedic services as there is more than adequate access and options in different models of care, including existing surgery centers. My concern is that this proposed Project will mean the

loss of reimbursement for higher compensated procedures that a hospital needs to offset the losses from Medicaid cases and significant charity care.

Hospitals, and particularly not-for-profit hospital systems, are the backbone of our community health care delivery network. They are the institutions that provide the care residents depend upon, doing so even at a financial loss. Hospitals are facing unprecedented challenges. As the attached article shows, hospitals in the United States lost \$20 Billion last year by needing to pause elective surgeries to care for COVID-19 patients. As a member of the Board of Directors for Advocate Sherman Hospital and Chairman of the Finance Committee, I fully understand these financial challenges. Unfortunately, Advocate Sherman hospital has not been immune to those losses. For example, Advocate Sherman Hospital is the only trauma center in the entire area and this program operates at a considerable financial loss. Similarly, obstetrics is an essential but very expensive service. Advocate Sherman is the only provider in the greater Elgin area, even though it does so at a considerable financial loss. I believe if asked which was more important to the community, a new orthopedic center or a ongoing Trauma Center, the majority would overwhelming choose a trauma center.

While I know of no plans to discontinue trauma or obstetrics services, ongoing financial realities will create difficult decisions. Advocate Sherman Hospital located in Kane County serves on area of many financially challenged families with wide ethnic diversity. Advocate Sherman delivered almost \$62 million in charity and uncompensated care last year, largely by accepting patients regardless of ability to pay. As a consequence, it will operate at a significant financial loss in 2021 and that such ongoing losses would mean the current scope of services would be unsustainable. I would hate for that to happen.

I respect the role you play in setting health care policy in Illinois. This is not the time nor the service area for this proposed surgery. I believe other health care priorities are more important for the community and would encourage you to not approve this Project.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Ken Koehler', written in a cursive style.

Kenneth D. Koehler