

April 10, 2021



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

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

RE: Project No. 20-040, OrthoIllinois Surgery Center-Elgin

Madam Chair,

Please accept this letter as a retraction of my prior letter of support dated January 11, 2021 for Project No. 20-040, OrthoIllinois Surgery Center-Elgin. Like Senator Castro, who wrote a similar letter to this on April 6, my original letter was based on information given in good faith at that time. However, in the months since, much new data has been presented which have grown concerns with the project in relation to the significant negative impact it would have on the community's health care safety net. Healthy communities are thriving communities, so the future of the business community here in Elgin relies heavily on the wellness of its residents.

It was new information that all of the patient volume for the new project is projected to come out of existing, nearby facilities. In fact, 67.5% of the volume would come directly from local hospitals that provide the vast majority of safety net services in the region—Advocate Sherman Hospital, AMITA Health Saint Joseph Hospital, and Northwestern Medicine Huntley Hospital. This would redirect nearly \$15 million from these hospitals to the new entity annually. As the applicants state clearly on page 275 of their application, they do not intend to build the provision of safety net services into their practice model. This could have the effect of destabilizing the current hospitals' payor mix and threatening long-term sustainability of entities that are at the center of the health care ecosystem in the region.

Adding to the concern, unlike was originally presented, the applicant is a newly created shell company with no operating history, assets, or financial commitments. The project seems to be backed by an entity that is not legally connected to the application, which is troubling when coupled with the potential impact the new entity could have on the community hospitals and resident access to essential services such as Emergency Services and Obstetrics.

Madam Chair, thank you for the consideration of these significant reservations as you evaluate this CON application.

Sincerely,

A handwritten signature in black ink that reads 'Carol K. Gieske'.

Carol K. Gieske
President & CEO of the Elgin Area Chamber