



PO Box 7005 • Quincy, IL 62305 • 217.223.8400

blessinghealth.org     

April 6, 2022

Ms. Debra Savage
Chairwoman
Illinois Health Facilities and Services Review Board
525 West Jefferson, Second Floor
Springfield, IL 62761

Sent via email

Re: Quincy Medical Group Hospital Project # 20-044

Dear Chairwoman Savage:

This letter is in opposition to the above-referenced pending small format hospital certificate of need project. We are submitting a Visual Summary of our Opposition Points, which we are asking to be provided as public comment.

Thank you for your consideration of this request.

Sincerely,

A handwritten signature in blue ink that reads 'Maureen A. Kahn'.

Maureen A. Kahn
President/CEO
Blessing Health System
PO Box 7005
Quincy, IL 62305

Mk/Trg

Attachment

Blessing Hospital • Illini Community Hospital • Blessing Health Keokuk • Blessing Physician Services • Hannibal Clinic
Denman Services • Blessing-Rieman College of Nursing & Health Sciences • Blessing Foundation • Blessing Corporate Services



B *BLESSING*
Health System
HOSPITAL

Q QUINCY MEDICAL GROUP
Proposed site

**An unneeded hospital 1.9
miles away will undermine
safety net services**

POPULATION
39,463

Presentation Outline

- The market is saturated with an abundance of options
- The local population is declining and demand for in-hospital care is decreasing, locally and nationally
- A new hospital in the community would jeopardize the status of the only Sole Community Hospital in the area
- Losing low acuity patients decreases revenue that is invested in essential community services
- Large segments of the most vulnerable populations will be negatively impacted



BLESSING
Health System

Current Health Solutions TPA
Assists self-funded employers in the tri state region with providing health benefits



Blessing Cancer Center

- Blessing Breast Center
- Blessing Radiation Oncology
- Blessing Medical Oncology

- 350+ providers
- 3 states IA, IL & MO
- 8 participating organizations

- Commercial and Medicare VBC
- Upside and Downside Risk
- BPIC A, BCBS IL ACO, Caravan ACO (MSSP)
- Shared Savings three consecutive years

**Blessing Health
System Inpatient**

Behavioral Health

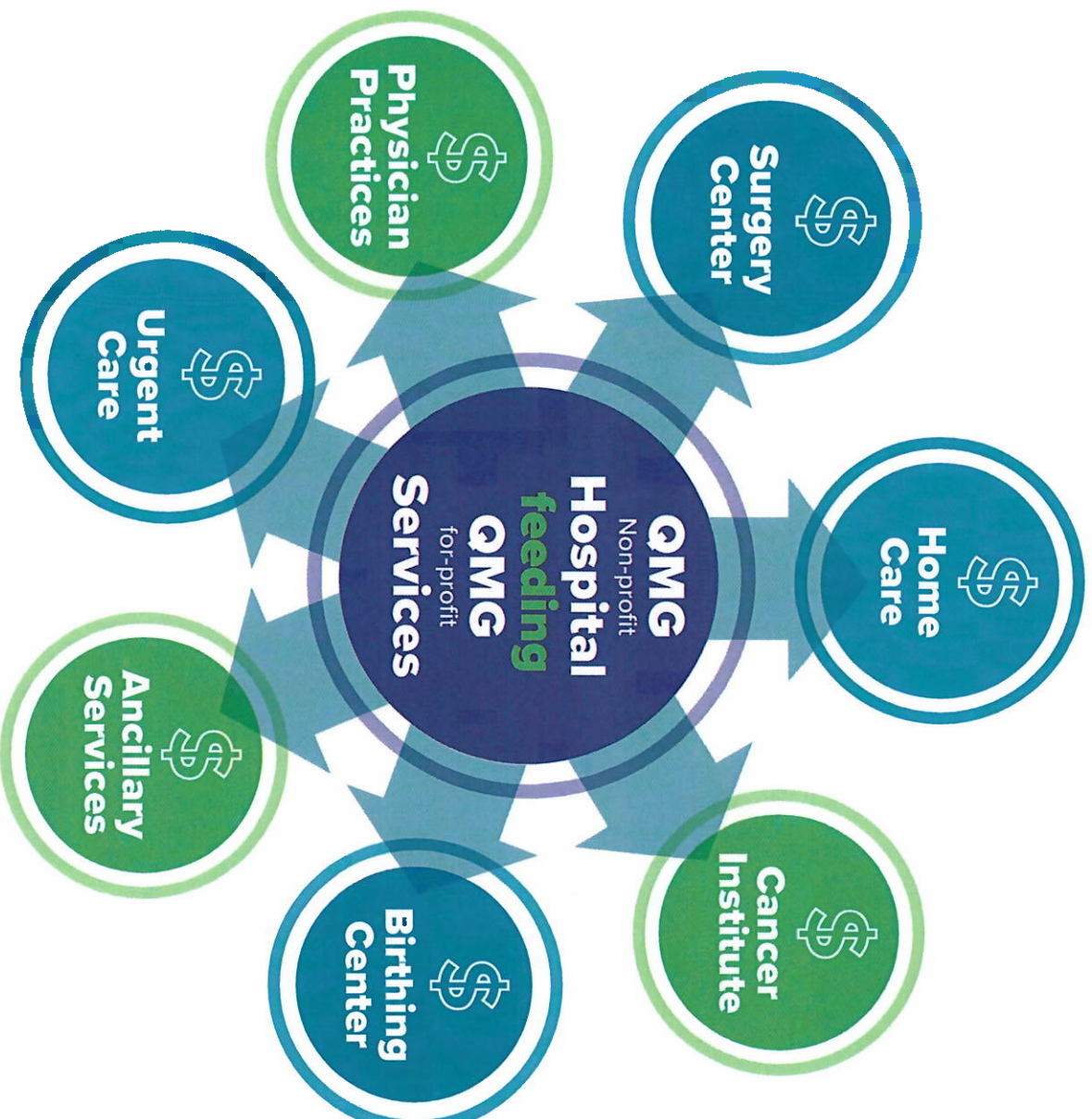
**Blessing Hospital
from Home**



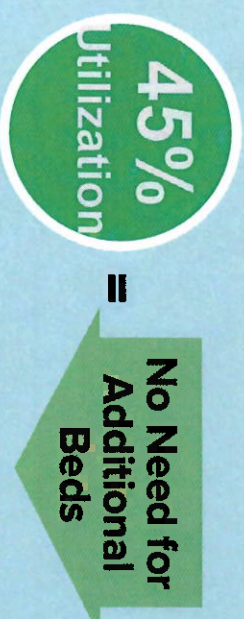
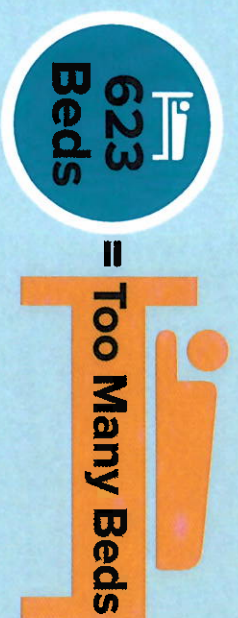
• Outpatient

• Keokuk Hospital
Keokuk, IA

Non-profit Feeding For-profit



Actual Regional Utilization



Hospital	Beds	Total Patient Days (Inpatient & OBV)	Utilization
Culbertson Memorial*	22	605	7.5%
Memorial Hospital (Carthage)*	18	2,670	40.6%
Pike County Memorial**	25	1,422	15.6%
Hannibal Regional**	99	15,046	41.6%
McDonough District*	48	4,408	25.2%
Blessing Health Keokuk**	49	1,229	6.9%
Blessing Hospital*	327	75,607	63.2%
Illini Community*	35	3,154	24.7%
TOTAL	623	104,141	45.8%

*2020 AHQ Data File

**Source: American Hospital Directory (ahd.com)

Hospitals chosen based on original application, page 110.

Effective 2021 Blessing Hospital bed count is 347.



QMG Hospital = Duplication of Services

 **345
Beds**

= Too Many Beds

62%
Utilization

**= No Need for
Additional
Beds**

Hospital Planning Area E-05

Hospital	Beds	Total Patient Days (Inpatient & OBV)	Utilization
Blessing Hospital**	327	75,607	63.2%
Memorial Hospital (Carthage)*	18	2,670	40.6%
TOTAL	345	78,277	62.2%

*2020 AHQ Data File

**Source: American Hospital Directory (ahd.com)



Saturated Market

IOWA

4
Surgery
Centers

8
Hospitals

ILLINOIS

QUINCY, IL

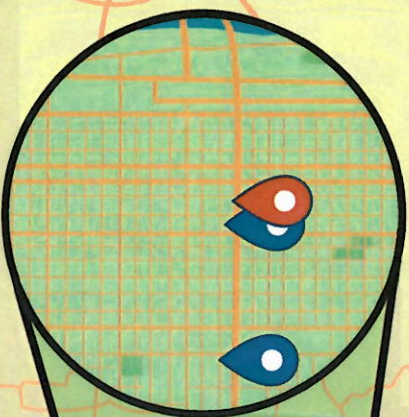
Population in 2020: 39,463

Population: 193,501

Approximate in the 50 mile radius

According to SEDAC Population
Estimation Service

MISSOURI

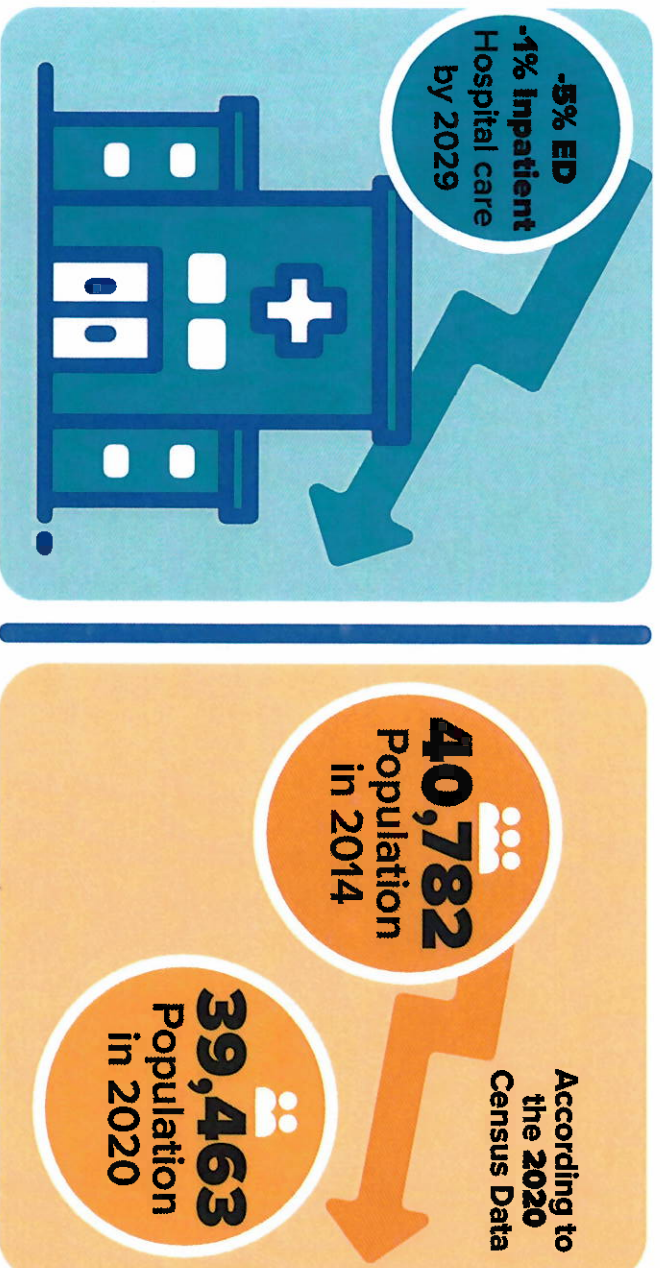


5 Miles
10 Miles
20 Miles
30 Miles
40 Miles
50 Miles



Regional Trends in Healthcare

As the region's population shrinks, there is a shift away from inpatient hospitalization and increase in services like the Hospital at Home program offered by Blessing.

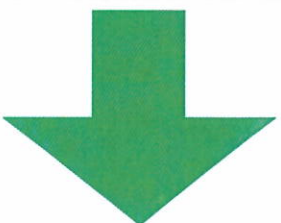
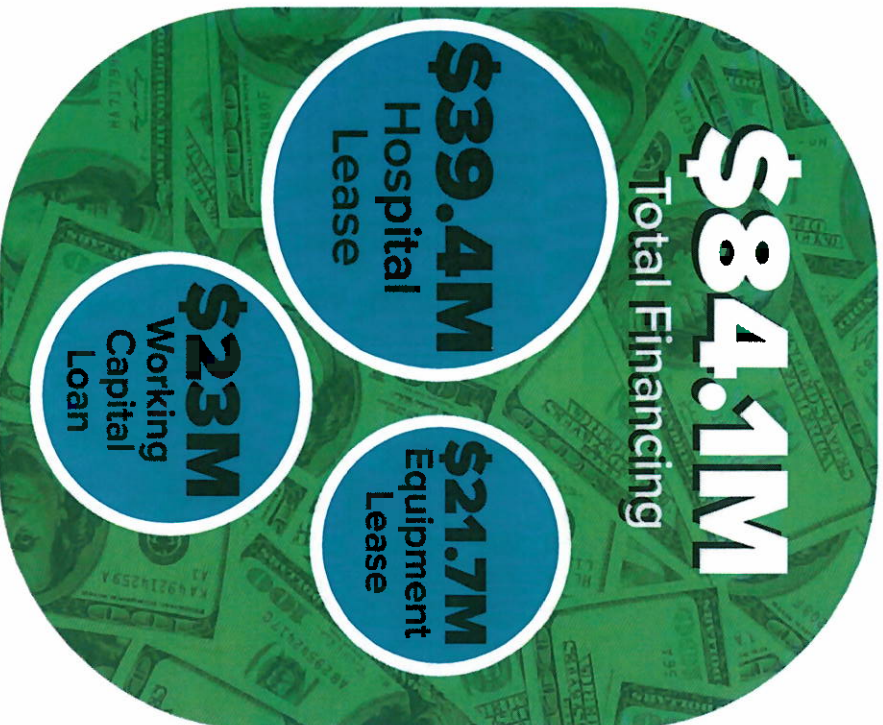


2019 Site of Care Volumes and 10-Year Forecast, Impact of Change® 2021 (2019-2029)

Note: Analysis excludes 0-17 age group. Sources: Impact of Change®, 2021; HCUP National Inpatient Sample (NIS). Healthcare Cost and Utilization Project (HCUP) 2018. Agency for Healthcare Research and Quality, Rockville, MD; Proprietary Sg2 All-Payer Claims Data Set, 2018; The following 2018 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Caritas Pop-Facts®, 2021; Sg2 Analysis, 2021.



Proposed project is 100% Financed



- 1) Who is guaranteeing?**
- 2) What is the collateral?**
- 3) How is this financially sound?**
- 4) This does not meet the Board's standard for reasonableness.**



How is it being Financed?

\$39.4M
Hospital Lease

9.76%*
Interest Rate to Cullinan
*Current market rate 4%

\$235,000,000 in profit
leaving the community
to a private developer

\$23M
Working
Capital

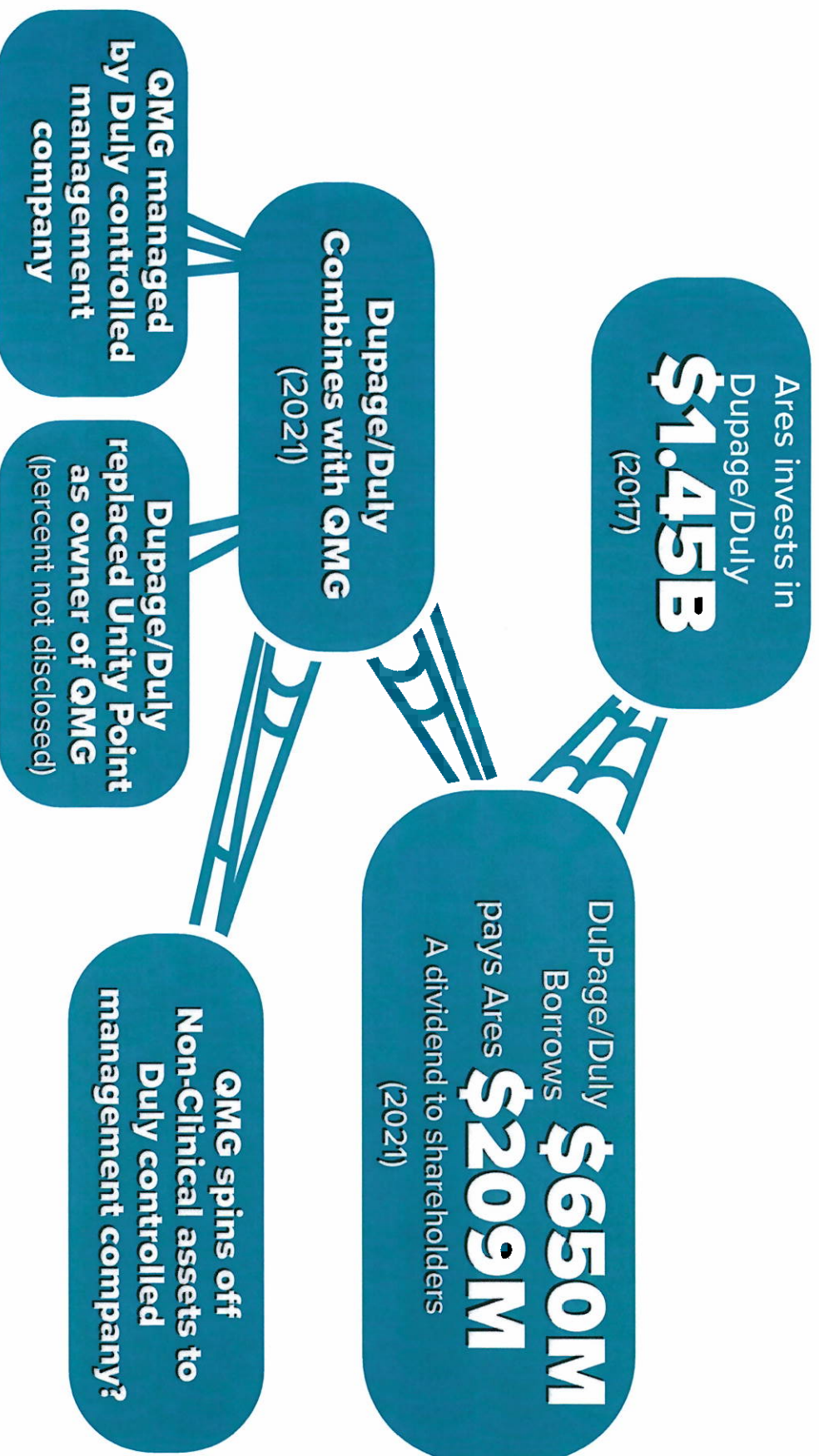
\$21.7M
Equipment
Lease

??????

**Terms of loan are
unknown**



Web of Control*



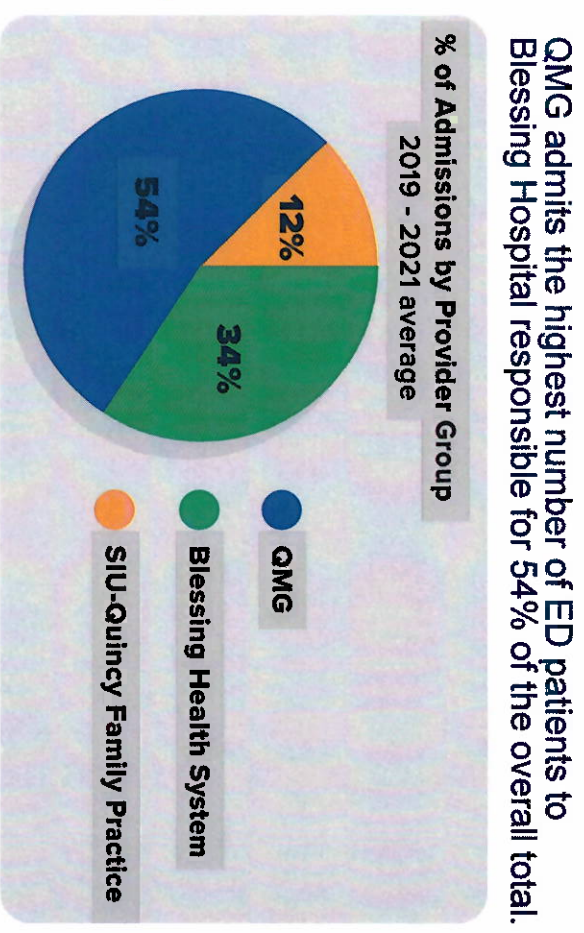
*See materials attached to public comments to HFSRB dated September 13, 2021, February 7, 2022, and April 1, 2022, including without limitation attachments D, E, and I t February 7, 2022 public comments.



ED Admissions by Provider Group

QMG is projecting that 5% of ED patients will be admitted to QMG hospital. Blessing Hospital's overall ED admission rate for all provider groups is 43.5%.

Based on 2019 Discharges	Blessing Hospital	QMG Hospital (projected)
Avg Length of Stay ¹	4.6	2.6
Star Rating ²	4	5 goal
Patient Satisfaction Rating ²	3	5 goal
ED Admissions ¹	43.5%	5%
Observation Admissions ¹	27%	<20%
Readmission Rate ¹	21.3%	<15%



Source:

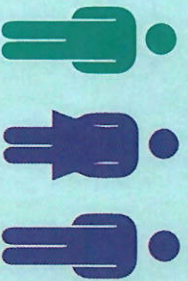
QMG Hospital Application on HSFRB website
Submission of additional information 7/26/21

ED Admission Comparison

BLESSING HOSPITAL ER

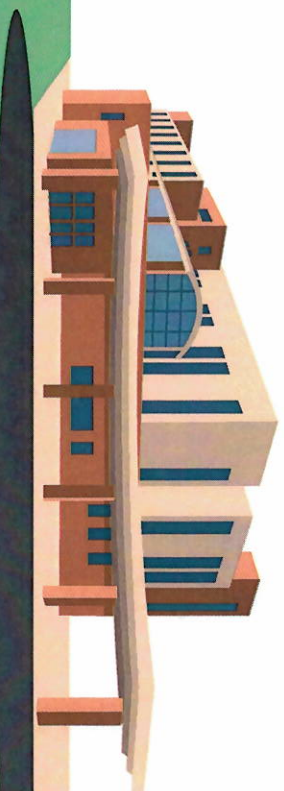
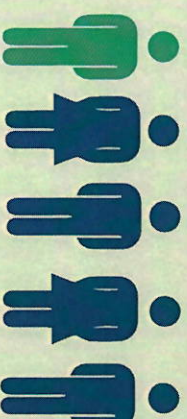
Quincy Medical Group Providers/Patients

1 in 3 QMG patients
seen in the ED are
admitted by their
QMG provider.
32.8% Admit Rate.



Blessing Physician Services Providers/Patients

1 in 5 BPS patients
seen in the ED are
admitted by their BPS
provider. 21% Admit Rate.



Real Impact to our Communities

MYTH

QMG Hospital will only have 5% admission in the ER

QMG Hospital and QMG Birthing Center will not have a negative impact on Blessing Hospital.

QMG Hospital will provide Safety Net Services

The population is growing in Quincy and the region and there is a need for additional beds.

QMG Hospital will lower healthcare costs in the community.

QMG Hospital will increase access to services in the region.

FACT

QMG doctors drive ER admissions at Blessing and account for over 54% of ER Admissions

There is no statistical need for OB beds in the region.
Blessing had 1051 maternally admissions in 2020, and using QMG's projected utilizations by year 2, they project 701 maternity admissions.

QMG says only 5% of their patient volume will be Medicaid without an analysis of how they came to that number.
In 2020, Blessing's Medicaid Inpatient volume was 21%.

Quincy's population has hovered near 40k for the last 30 years. The counties in the region have seen population losses ranging between 2.5 and 4% over the last 10 years.

QMG Hospital as proposed will be considered by CMS to be a "like hospital" compared to Blessing.

The proposed facility is a mere 1.9 miles from the underutilized Blessing Hospital.

IMPACT

TO OUR COMMUNITY & PATIENTS

There is no statistical basis for QMG's estimated ER admission volume. An ill-equipped and unnecessary ER will only result in patient transfers to Blessing Hospital.

The QMG facilities would gut the Blessing OB Unit siphoning over 66% of maternity admissions.

The QMG Hospital proposes to shift insured patients in the community while leaving Blessing to maintain the community safety net.

Additional beds in the region will not increase access to care, but will further strain existing providers.

This will result in CMS revoking Blessing's sole community hospital designation and the enhanced reimbursement utilized to cross-subsidize safety net services like inpatient behavioral health services which QMG Hospital will not offer.

Placing the proposed facility in such close proximity to an existing facility will have a negative impact on Blessing and will not meaningfully impact access for the communities in the region outside of the Quincy area.

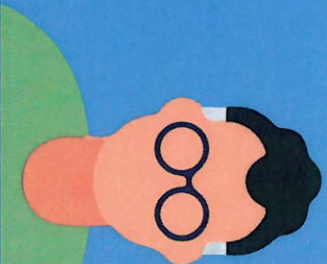
Those most affected

- **We have a nationwide staffing crisis**
- **Quincy is a small community that has difficulty competing with other systems for talent**
- **Blessing actively invests in developing clinical talent**
(Blessing Reimann College of nursing and residency programs)
- **QMG does not do the above**
- **If you say yes to this hospital, we will be defunding investment in the development of the next generation of talent. We are jeopardizing the sustainability of our healthcare infrastructure and our community**



Those most affected

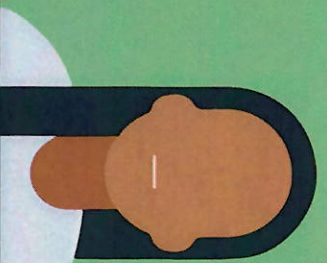
Free Prescription Program



Michael
(41 yrs)
Diabetic Patient

Working 2 jobs but did not have insurance. He could not afford his insulin at \$1,200 per month. Michael began rationing his insulin and became very ill and ended up in the hospital. The doctor and staff were able to help Michael stay healthy by providing him insulin through the Free Prescription Program. Without the assistance of the Free Prescription program Michael would be at risk for hospitalization and death.

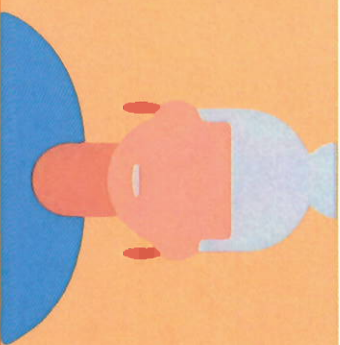
Free Health Screening & Education



Brooke
(17 yrs)
Cardiac Abnormality

Brooke, a High School Senior and star soccer player attended Blessings Free Adolescent Cardiac Screening. The cardiac screening is one of more than 100 free screenings and educational sessions Blessing offers every year. The screening showed that Brooke had a heart abnormality that could result in a major cardiac episode or sudden death if left untreated. Her chances of experiencing these episodes increased because she is an athlete. Brooke received the intervention and treatment needed and has recently signed with a university where she will continue her soccer career. Sudden cardiac death is the leading cause of death among U.S. college athletes.

Free Mental Health Clinic



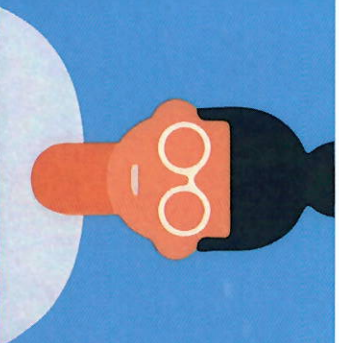
Kathleen
(62 yrs)
COVID Induced Depression

Kathleen was one of many suffering from depression and anxiety through the COVID pandemic. She had been experiencing suicidal thoughts and was scared for her own well being. Kathleen has a fulltime job working from home. Her job offered a high deductible plan and Kathleen was not able to afford the mental health care she needed as she could not cover the cost of the high deductible. Kathleen took advantage of the Free Mental Health Clinic funded by Blessing Health System. Kathleen has stated that without the help of the free clinic she is not sure she would be alive today.



Those most affected

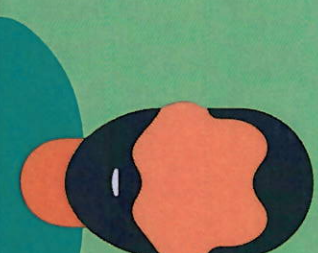
Adams Co. Health Dept Dental Program



Erica
(32 yrs)
Thyroid Cancer

Erica was diagnosed with thyroid cancer and needed to start treatment right away. Erica does not have dental coverage and struggles to make ends meet as a single mom of 2. Before she was able to start treatment Erica needed a oral health screening and a tooth extraction. Erica was going to have to save up her money for several months to pay for the dental work prior to treatment. In doing so she would have to delay her treatment putting her at risk for the cancer to spread. The dental program allowed her to have the dental work completed at no charge to her and she was able to start treatment as planned. Blessing Health System provides funding for the Adams Co. Health Dept. Dental program.

Community Wellness Clinic



Juan Perez
(53 yrs)
Multiple Health Conditions

Juan had gone more than 10 years without seeing a doctor as he did not have access to insurance and did not feel he could afford the care. Over the past decade Juan developed some serious health issues that had not been diagnosed or managed. Due to these unresolved health conditions Johns quality of life had been deteriorating. Juan was able to seek FREE care at our Community Wellness Clinic funded and staffed by Blessing Health. The FREE clinic worked to establish an integrated care team and treatment plan that would ensure John would receive the care he desperately needed. His integrated care team consisted of his new primary care doctor, cardiologist, endocrinologist, social worker, care manager, financial aid assistant, and Blessing Resource Center representative . Without access and intervention services provided by the FREE Community Health Clinic John would have continued to go without the care he desperately needed. Blessing integrated care approach has allowed John to develop a strong relationships with his care team and has improved his health and quality of life.

