



PO Box 7005 • Quincy, IL 62305 • 217.223.8400

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March 17, 2022

Ms. Carol Brockmiller, CEO
Quincy Medical Group
1025 Maine Street
Quincy, IL 62301
cbrockmiller@quincymedgroup.com

Dear Ms. Brockmiller:

Blessing Hospital has been made aware that the Quincy Medical Group has made a Type A modification to its Birth Center Certificate of Need ("CON") Application #21-029. The modification under 77 Ill. Admin. Code 1130.650(a)(6) changes the Applicant from Quincy Physicians & Surgeons Clinic, S.C. d/b/a/ Quincy Medical Group to Quincy Physicians & Surgeons Clinic, PLLC d/b/a Quincy Medical Group ("QMG"). Our understanding is that this change to the Applicant resulted from ownership and corporate structure changes at QMG in regard to its acquisition by Duly Health and Care.

The Patient Transfer Agreement Between Blessing Hospital and Quincy Medical Group, dated September 14, 2021 (the "Transfer Agreement"), was entered into between the original Applicant, Quincy Physicians & Surgeons Clinic, S.C. d/b/a Quincy Medical Group and Blessing Hospital. At the time Blessing Hospital entered into the Transfer Agreement its understanding was that QMG was owned and operated locally by the physicians of QMG; however, QMG changed ownership in December 2021 when it was acquired by the large, Chicago-based, private equity funded multispecialty group, DuPage Medical Group, now known as Duly Health and Care. QMG has not notified Blessing Hospital that the party to the Transfer Agreement has changed and that it is no longer the Applicant for the CON. Furthermore, the Transfer Agreement has no assignment provision.

Of great concern to Blessing Hospital, as the sole community hospital in the region available to receive high risk transfers from the proposed Birth Center, is that it has no direct information on the current ownership, operation or management of QMG. The only knowledge Blessing has is from local media articles. No one from Duly Health and Care or QMG has reached out to Blessing Hospital to discuss the Transfer Agreement, which contains multiple material obligations on the part of the Applicant regarding quality, safe patient selection and indemnity. Additionally, the specific ownership changes to QMG carry with them the potential to fundamentally alter priorities for care in the local community. Such a lack of transparency and communication is of great concern to Blessing Hospital because the Transfer Agreement is a partnership between providers for the care of some of our most vulnerable patients. Blessing leadership has serious concerns about the failure of QMG and Duly Health and Care to engage in reasonable and necessary conversations about joint arrangements between the parties.

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As a result of all of the foregoing concerns, and the change of parties to the Transfer Agreement, Blessing Hospital is terminating the Transfer Agreement, effective immediately. Given that the term of the Transfer Agreement has not commenced it is our position that Paragraph 9 regarding termination is not applicable, but if for some reason QMG/Duly Health and Care thinks otherwise, you may also consider this letter as providing you with 30 days' written notice of termination.

Sincerely,



Maureen A. Kahn
President and CEO
Blessing Health System & Blessing Hospital

MAK/sem

Cc: Debra Savage, Chair - Illinois Health Facilities and Services Review Board