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Transcript of Public Hearing

Date: March 18, 2022

Case: State of Illinois Health Facilities and Services Review Board

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1 ILLINOIS DEPARTMENT OF PUBLIC HEALTH
2 HEALTH FACILITIES AND SERVICES REVIEW BOARD
3

4 PUBLIC HEARING
5 PROJECT 21-029 QUINCY MEDICAL GROUP BIRTH CENTER

6 (Conducted Virtually)

7 Friday, March 18, 2022

8 1:30 EST
9

10 BOARD MEMBERS PRESENT:

11 Ann Guild

12 Mike Mitchell

13 April Simmons

14 Mike Constantino

15 George Roate
16
17
18
19
20
21

22 Job No.: 441029

23 Pages: 1 - 34

24 Transcribed by: Debra McCostlin

1 ON BEHALF OF APPLICANT:

2 Carol Brockmiller, CEO, Quincy Medical Group

3 Tracey Klein, Legal Counsel, Quincy Medical
4 Group

5 Rebecca Lindstrom, Legal Counsel, Quincy
6 Medical Group

7
8 SPEAKERS IN OPPOSITION TO APPLICANT:

9 Juan Morado Jr., Legal Counsel, Blessing
10 Hospital Systems

11 Anne Murphy, Legal Counsel, Blessing Hospital
12 Systems

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C O N T E N T S

	PAGE
Opening Remarks	4
TESTIMONY:	
Carol Brockmiller	6
Anne Murphy	11
Juan Morado, Jr.	18
Tracy Klein	22
Rebecca Lindstrom	26
Closing Remarks	31

Transcript of Public Hearing
Conducted on March 18, 2022

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1 P R O C E E D I N G S

2 MS. GUILD: Good afternoon. My name is
3 Ann Guild and I'm with the Illinois Health
4 Facilities and Services Review Board. This
5 afternoon I'll also be acting as the hearing
6 officer for today's proceedings. Present with me
7 today also representing the board are Mike
8 Constantino, George Roate, Mike Mitchell, and I
9 think I saw April Simmons on.

10 On behalf of the State Board, thank you
11 for attending this public hearing for the
12 proposed establishment of the Quincy Medical
13 Center Birth Center. As per the rules of the
14 Health Facilities and Services Review Board, I'd
15 like to read the previously published legal
16 notice into the record.

17 In accordance with the requirements of
18 the Illinois Health Facilities Planning Act and
19 Title 77 Illinois Administrative Code Part 1130,
20 notice is given of a public hearing on an
21 application for permit for the proposed
22 establishment of Quincy Medical Center Birth
23 Center, a three-bed birth center located at 3301
24 Broadway in Quincy. The total estimated project

1 cost is \$2,162,795.

2 This application for permit has been
3 modified with the addition of Quincy Physicians
4 and Surgeons Clinic, PLLC, doing business as
5 Quincy Medical Group, as an applicant, and this
6 addition is considered a Type A modification.
7 Quincy Physicians and Surgeons Clinic SC doing
8 business as Quincy Medical Group is no longer
9 considered an applicant.

10 The public hearing is to be held by the
11 Illinois Health Facilities and Services Review
12 Board pursuant to the Illinois Health Facilities
13 Planning Act. The hearing is open to the public
14 and will afford an opportunity for parties at
15 interest to present written and/or verbal comment
16 relevant to the project. All allegations or
17 assertions should be relevant to the need for the
18 proposed project. Written comments can be
19 submitted to
20 vph.hsfrb.publichearings@illinois.gov.

21 Please note that in order to ensure the
22 Health Facilities and Services Review Board's
23 public hearings protect the privacy and maintain
24 the confidentiality of an individual's health

1 information, covered entities as defined by the
2 Health Insurance Portability and Accountability
3 Act of 1996 such as hospital providers, health
4 plans, and healthcare clearinghouses submitting
5 oral or written testimony that disclose protected
6 health information of individuals shall have a
7 valid written authorization from that individual.
8 The authorization shall allow the covered entity
9 to share the individual's protected health
10 information at this hearing.

11 Prior to beginning your remarks please
12 clearly state and spell your first and last name.
13 Today's proceedings will begin with Carol
14 Brockmiller.

15 MS. BROCKMILLER: Good afternoon.

16 MS. GUILD: The floor is yours.

17 MS. BROCKMILLER: Thank you. My name
18 is Carol Brockmiller, C-A-R-O-L,
19 B-R-O-C-K-M-I-L-L-E-R. I'm CEO for Quincy
20 Medical Group also known as QMG. First I want to
21 again thank the board, staff, and legal counsel,
22 and now Ms. Guild for coordinating and conducting
23 today's public hearing.

24 As I mentioned this morning during the

1 public hearing for the proposed QMG Hospital, QMG
2 is a physician led multi-specialty physician
3 group practice and we are celebrating our 85th
4 anniversary this year. Our physicians have been
5 on a mission to truly transform healthcare and
6 the way it's delivered in the Tristate and to
7 provide all patients with affordable, high-
8 quality, and exceptional patient care close to
9 home.

10 In 2019 we received a certificate of
11 need approval for a state-of-the-art freestanding
12 ambulatory surgery center in Quincy. We opened
13 the surgery last year, which is located right
14 next to our cancer institute, and both facilities
15 have enhanced our community's access to high-
16 quality affordable healthcare.

17 In late 2020 we submitted the
18 certificate of need application to establish our
19 not-for-profit small format hospital in Quincy,
20 which if approved by the board would be located
21 on the same campus as the surgery center and our
22 cancer institute.

23 High hospital costs have placed serious
24 burdens on our residents. Our community

1 desperately needs access to local quality
2 affordable hospital care. QMG Hospital in
3 conjunction with our other established facilities
4 and initiatives and service lines will allow QMG
5 to meet that need.

6 We are also taking steps to transform
7 women's healthcare in our community. Last fall
8 we submitted a certificate of need application to
9 establish a freestanding birth center, also in
10 Quincy. Freestanding birth centers provide a
11 safe, cost-effective alternative birthing option
12 for women with uncomplicated and low-risk
13 pregnancies who want to give birth in a home-like
14 environment with minimal medical interventions.

15 If approved, the birth center will be
16 located on the same campus as the surgery center
17 and the cancer institute in our proposed small
18 format hospital. The birth center will have
19 three birthing rooms, a designated space for
20 prenatal visits, and the before childcare
21 childbirth testing, and a conference room for
22 educational purposes.

23 We envision partnering with our most
24 vulnerable residents to provide early education

1 so that the birth center is an option for
2 everyone. The birth center allows QMG to offer
3 truly an alternative delivery, and it's not
4 available to women currently in our region, and
5 importantly, it will help QMG address and
6 minimize health disparities, health inequities,
7 both in maternal and child health. Hopefully it
8 will improve maternal health outcomes overall,
9 reduce infant and maternal mortality, and improve
10 the overall health of all of the women in our
11 Tristate.

12 If approved, the QMG Birth Center will
13 be the first birth center in West Central
14 Illinois. Currently, the closest birth center to
15 Quincy is more than 150 miles away. It will also
16 be the sixth birth center in the state of
17 Illinois approved under the Innovative
18 Alternative Healthcare Delivery Act.

19 As I discussed this morning during the
20 public hearing for the QMG Hospital, QMG entered
21 into a partnership with Duly Health and Care,
22 formerly DuPage Medical Group, in December of
23 last year. Our partnership makes sense. We
24 share strategic priority and a vision for

1 improving access to high-quality, affordable, and
2 patient centric health and care. Our partnership
3 with Duly allows QMG to deepen our investments in
4 Adams County and the surrounding communities and
5 help us to continue providing extraordinary care
6 for all patients throughout the Tristate area.

7 More specifically, our Duly partnership
8 allows us to update our local infrastructure and
9 technology, introduce innovation to improve
10 access and the patient experience, expand our in-
11 network capabilities, and move even faster to
12 provide value-based care.

13 Importantly, QMG remains physician
14 owned, led, and governed. QMG's board of
15 director of physicians continues to oversee
16 physician recruitment and retention, quality of
17 care, and all of the clinical best practices.

18 As part of the transaction with Duly
19 and for tax purposes, Quincy Medical Group was
20 converted from an Illinois SC to an Illinois
21 PLLC. I mentioned this morning that this is very
22 much like changing your last name when you get
23 married. We shared this information with the
24 board along with information regarding our

1 partnership with Duly. The board determined that
2 Duly was not required to be added as a co-
3 applicant but that the QMG application did need
4 to be updated to reflect the QMG PLLC, that this
5 was a change of the applicant and that this was a
6 Type A modification which triggered today's
7 public hearing.

8 Respecting the board's determination,
9 we submitted updated application pages as
10 requested and for efficiency purposes we
11 requested today's public hearing. We welcome
12 comments today regarding QMG's conversion to a
13 PLLC and related updates to our application and
14 we look forward to presenting to the CON board
15 next month. Thank you.

16 MS. GUILD: Thank you. I believe our
17 next person to testify is Anne Murphy.

18 MS. MURPHY: Good afternoon. My name
19 is Anne Murphy, A-N-N-E, M-U-R-P-H-Y, and I am
20 outside legal counsel to Blessing Health System.
21 I am speaking in opposition to the Quincy Medical
22 Group Birth Center certificate of need permit
23 application.

24 The board should recognize this project

1 for what it is, an unprecedented effort by a
2 large national private equity company to setup a
3 profit motivated birth center in rural Illinois.
4 That private equity company, Ares Management, we
5 believe owns and controls Duly Health and Care.
6 Duly, previously known as DuPage Medical Group,
7 took over Quincy Medical Group in December.

8 The QMG Birth Center would be owned and
9 controlled by QMG. And as I stated, we believe
10 QMG is controlled by Duly. Duly is controlled by
11 Ares Management, and Ares Management is one of
12 the largest private -- healthcare private equity
13 firms in the United States. We believe this
14 private equity control is quite real although it
15 is obscured through a web of asset transfers,
16 holding companies, and management arrangements, a
17 common structure used nationally by private
18 equity to control physician groups.

19 This private equity control is not
20 disclosed in the CON application materials nor is
21 it addressed in the Type A modification that
22 triggered today's public hearing. Instead, QMG
23 has declined at every turn to explain to Blessing
24 or to others or to even acknowledge its control

1 by private equity. The net result is a dangerous
2 lack of transparency notwithstanding a profound
3 public interest in Sunshine.

4 Despite our best efforts the CON
5 application for this project continues to mask
6 from the board and from the public the private
7 equity backing for this project. This need for
8 Sunshine is especially important because this
9 particular project is being developed under the
10 authority of an Illinois statute designed to
11 bring innovation in healthcare to vulnerable
12 patients.

13 QMG has not disclosed to Blessing its
14 new control by private equity or the implications
15 that will have for care delivery. The QMG Birth
16 Center application should reflect the true
17 ownership and control structure for the proposed
18 birth center. Based on materials submitted by
19 QMG to board staff, in which we only received via
20 our FOIA request, we have identified numerous
21 deficiencies.

22 First, the application continues to
23 show that QMG is 40 percent owned by Unity Point
24 Health. Instead, we believe Duly now owns a

1 percentage of QMG and Unity Point is no longer an
2 owner.

3 Second, the application has not been
4 updated to show that QMG has transferred its non-
5 clinical assets to a Duly management company or
6 that QMG now receives management services from
7 that same Duly Management Company. We believe
8 that to be the case based on the FOIA materials.

9 Third, the application does not
10 disclose the decision making control that Duly
11 may have over QMG through ownership or management
12 contract.

13 Fourth, the application does not
14 disclose the decision making control that Duly
15 may have in the birth center operations through
16 management contract or otherwise.

17 And finally, until today QMG has not
18 disclosed on the public record for this
19 application any information whatsoever regarding
20 the fact that it was acquired by Duly in December
21 nor do we believe it has acknowledged that Duly
22 is controlled by Ares Management.

23 These inaccuracies raise legitimate
24 questions about the validity of any approval

1 given by the board based on the application.
2 Because of these fundamental questions Blessing
3 made the difficult decision to terminate the
4 transfer agreement that is an essential element
5 of the complete birth center project. Blessing
6 cannot in good faith enter into a transfer
7 agreement with a party that has not disclosed its
8 true ownership and control structure knowing that
9 this structure now involves large private equity
10 backing and may impact healthcare delivery.

11 We have given the board ample notice of
12 these unacceptable gaps in the board's
13 understanding of the proposed birth center and
14 this project. Having been placed on actual
15 notice, we believe the board has an affirmative
16 duty to insist upon detailed additional
17 information about the relationship between this
18 proposed birth center, QMG, Duly, and Ares
19 Management.

20 In our February 7 letter to the board
21 we detailed numerous concerns already in the
22 public domain about the relationship between Duly
23 and Ares Management including from the Moody's
24 rating agency and the adverse impact this may

1 have on healthcare delivery in the region
2 currently served by Blessing Health System.

3 National media is rife with news
4 stories and analyses calling into question
5 whether private equity is compatible with
6 responsible healthcare delivery. A common theme
7 in these materials is that private equity firms
8 typically acquire a healthcare organization then
9 quickly cut expenses and enhance revenues with
10 the goal of selling the organization several
11 years later at a profit. This leads to obvious
12 public policy concerns about whether this profit
13 maximizing strategy serves the healthcare needs
14 of all within the community, especially its most
15 vulnerable citizens.

16 It defies reason and runs counter to
17 the Health Facilities Planning Act for the
18 relationship between the applicants and large
19 private equity to remain unexplored by the board.
20 As the board considers the fitness and
21 capabilities of the applicants and undertakes an
22 evidence-based analysis of this project, we
23 believe it must investigate and evaluate this.
24 The board has a special responsibility under the

1 Planning Act to protect the safety net and this
2 project would clearly operate to its detriment.

3 Moreover, the fact that this project no
4 longer includes a hospital transfer agreement,
5 which is a necessary element of a birth center,
6 means the board should not permit this
7 application to move forward.

8 Finally, based on comments made earlier
9 today, I would note that any misunderstanding
10 that we may have as to minor aspects of private
11 equity control is the result of the very lack of
12 transparency that we have complained about
13 previously and continue to complain about today.
14 To date we have been forced to rely on FOIA
15 requests and its related productions to piece
16 together an understanding of the exact nature of
17 this private equity control. If QMG now wants to
18 be fully transparent with Blessing, with the
19 board, and with the public as to the nature of
20 that control and the full nature of that
21 relationship, we would certainly welcome it.
22 Thank you.

23 MS. GUILD: Thank you, Ms. Murphy.

24 I have Tracey Klein or Rebecca

1 Lindstrom on my list for making closing
2 arguments, or closing testimony I should say, and
3 the hearing runs until 2:30, and I guess first I
4 should ask is there anyone who is interested in
5 providing testimony before that? If so, please
6 raise your hand or press *3 on your phone.

7 MR. MORADO: Ann, I was going to give
8 some testimony today as well. Happy to do that
9 whenever you see fit.

10 MS. GUILD: Please go ahead, Juan.

11 MR. MORADO: Thank you. Good
12 afternoon. My name is Juan Morado, Jr., J-U-A-N,
13 M-O-R-A-D-O, J-R, and I represent Blessing
14 Hospital who is opposed to this project. Like
15 other applications put forward by QMG, it's clear
16 that we're not dealing with the same applicants
17 that were in place when this application was
18 filed. Yes, there was a legal conversion of the
19 QMG practice, but there was also a much more
20 meaningful and substantial acquisition that has
21 not yet been vetted.

22 The QMG Birth Center application was
23 filed on September 9th last year. At this time
24 QMG undoubtedly knew they were going to be

1 acquired by Duly and Ares Management but yet
2 there is no mention of the acquisition in their
3 application and to date there's been no updates
4 since they've been acquired. If the acquisition
5 by Duly and Ares Management truly has no impact
6 on the independence of QMG and their proposal to
7 provide care in Quincy then why the unwillingness
8 to disclose it?

9 We believe the question to be asked is
10 would a Chicago-based private equity firm acquire
11 a rural physician practice with no hopes of
12 profit? This is especially relevant for this
13 particular project is a for-profit venture. At
14 this point the public and the community can only
15 speculate as to the role of Duly and Ares
16 Management in what they will be on the delivery
17 of healthcare at the proposed facility.

18 As to the application itself, the
19 applicant's modification fails to properly update
20 and provide additional information related to the
21 following sections of the application.

22 Attachment 4, the (indiscernible) do
23 not contain the current ownership of the new
24 applicant entity.

1 Attachment 11, there's no mention of
2 the acquisition by QMG by Duly nor does it
3 explain for the public and the board the role
4 that private equity behemoth Ares Management will
5 have in the facility.

6 Attachment 12, again no updates as to
7 the role of Duly and Ares Management. Attachment
8 13, yet again no updates as to the role of Duly
9 and Ares Management.

10 Attachment 32 in several places, given
11 the acquisition of QMG by Duly and Ares
12 Management of their non-clinical assets, what
13 role would they be playing in managing the
14 hospital's administrative functions?

15 Additionally, the application should be
16 updated to reflect that the termination of the
17 transfer agreement with Blessing and the lack of
18 the facility's inconclusion in the perinatal
19 system.

20 As previously mentioned, we do believe
21 that discretion plays an important role for the
22 CON process. However, the Illinois Birth Center
23 Licensing Act and the Illinois Alternative
24 Healthcare Delivery Act do not allow discretion

1 when it comes to transfer agreements. It
2 requires them. Blessing signed a transfer
3 agreement with QMG and it has a long tradition of
4 partnering with them, but they had no knowledge
5 that QMG was soon to be controlled by a Chicago-
6 based private equity controlled company.

7 Like the public, Blessing learned of
8 this acquisition in the news and has heard
9 nothing else since. They have tried to
10 understand the new ownership structure so it
11 could be more comfortable with who their new
12 partners are now, but QMG has not been
13 forthcoming. As a result, Blessing has
14 reluctantly terminated the transfer agreement
15 with the proposed QMG Birth Center. As a result,
16 the application is incomplete and should not be
17 approved. Thank you.

18 MS. GUILD: Thank you, Mr. Morado.

19 Is there anyone else who wishes to
20 testify? Please signify by raising your hand
21 or -- Tracey?

22 MS. KLEIN: Yeah, I'm not going
23 to -- I'm going to let Rebecca do the rebuttal
24 but I do feel compelled to offer a few statements

1 if I may when it's appropriate.

2 MS. GUILD: Would you prefer to do that
3 as a closing or would you prefer for me to -- I
4 think we have --

5 MS. KLEIN: No, I'd rather do it now if
6 that's okay.

7 MS. GUILD: Okay.

8 MS. KLEIN: But if you have other
9 people, go ahead. No, I can do it later.

10 MS. GUILD: Mitch, do you we have any
11 other people? I'm not seeing anyone.

12 MR. MITCHELL: I do not see any hands
13 raised at this time.

14 MS. GUILD: Okay. Ms. Klein, please
15 feel free to proceed. Please say and spell your
16 name for the court reporter.

17 MS. KLEIN: Oh. Excuse me. Tracey,
18 T-R-A-C-E-Y, and Klein, K-L-E-I-N. My colleague
19 Rebecca Lindstrom will actually provide the close
20 when that's appropriate, and I just wanted to say
21 a couple things in response to what I heard just
22 now.

23 I think it's really important to
24 understand that the board has a duty but not

1 Blessing Hospital, and I keep hearing, you know,
2 Quincy Medical Group didn't share with Blessing
3 Hospital. That really wasn't -- that's really
4 not what the law requires and that's not really
5 what is required of independent business entities
6 and I think that that clarification is important.
7 Blessing could have called, could have asked.

8 And I also heard a misstatement that I
9 really want to correct. I understood that all of
10 a sudden this became public and Blessing Hospital
11 decided it could no longer continue with the
12 transfer agreement, and that's not really
13 accurate because I believe, and Carol can correct
14 me if I'm wrong, but the public announcement of
15 the Duly/QMG partnership was September 3rd. The
16 transfer agreement was signed September 14th. So
17 at the time that we were discussing the transfer
18 agreement with Blessing, or QMG was, there could
19 have been a conversation that we're having now
20 but no such conversation ensued or questions were
21 not asked.

22 So having signed the agreement a person
23 has to wonder why Blessing Hospital waits until
24 several weeks before the birth center application

1 is going to be heard to raise this question. It
2 has known for quite some time that the
3 partnership between Duly and QMG was going to go
4 forward. There were various conversations in
5 other aspects of things that needed consent or
6 assignment and those conversations did occur. So
7 there is no reason why those conversations could
8 not have happened and why they have to happen in
9 a public hearing setting and why they
10 weren't -- why there was no phone call prior to
11 receipt of a letter March 17th terminating the
12 agreement before it started.

13 I'm a healthcare lawyer and I'm of the
14 view that the provision of transfer agreements by
15 essential community hospitals is one of
16 obligation and patient safety, not one of
17 decision making regarding whether or not
18 sufficient information has been given, whether
19 the transferring hospital -- people -- healthcare
20 entities sign transfer agreements all the time
21 and they don't do an inventory of the other
22 side's corporate agreements or corporate
23 structure before granting those agreements.

24 This is a type of an agreement to make

1 sure that patients can be moved safely and
2 effectively without headache between two
3 providers when one provider has the appropriate
4 care setting. So I don't find the comments made
5 by Attorney Morado to be persuasive. In fact, I
6 find the timing to be off in terms of the
7 knowledgebase of when this all occurred. I find
8 the objections to be raised late. And I find the
9 transfer agreement termination at this moment in
10 time to be an obstructionist type of a move right
11 before the meeting. That concludes my remark.

12 MS. GUILD: Thank you Ms. Klein.

13 I'm not seeing any other hands raised
14 at this point so I believe I will proceed as we
15 proceeded this morning and I will check in every
16 how ever many minutes, several minutes, to verify
17 whether anyone is waiting to testify. The
18 hearing is scheduled until 2:30 so I will be back
19 with you in a few minutes. Thank you.

20 Medical Center Birth Center. Is there
21 anyone on the line, video, whatever, who wishes
22 to testify? If so, please raise your hand or if
23 you're on the phone press *3. I'm not seeing any
24 changes so I will be back with you in several

1 minutes. Thank you.

2 1-029. Is there anyone in the audience
3 who would like to testify or who has already
4 testified and would like to provide additional
5 testimony? I'm not seeing anything. Given that,
6 I will proceed to Rebecca Lindstrom who would
7 like to make some closing remarks. Thank you,
8 Rebecca.

9 MS. LINDSTROM: Thank you, Ann. Good
10 afternoon. My name is Rebecca Lindstrom,
11 R-E-B-E-C-C-A, L-I-N-D-S-T-R-O-M, and I'm one of
12 the attorneys representing Quincy Medical Group
13 on this project.

14 Blessing's counsel has suggested that
15 QMG has not been transparent with the board and
16 that QMG has, quote, improperly masked the
17 (indiscernible) sponsorship of the application by
18 Duly. This is not true. QMG's partnership with
19 Duly was finalized and the transaction closed in
20 December. The application for the birth center
21 was filed in September, months before the
22 transaction closed. There have been discussions
23 with the board's general counsel regarding QMG's
24 partnership with Duly. QMG has provided

1 information and documents requested by the board
2 and followed the board's rules and established
3 process in determining whether changes were
4 needed to QMG's projects.

5 The board recently issued a written
6 determination that Duly was not required under
7 the board's rules to be listed as a co-applicant.
8 The board did, however, determine that the
9 conversion of QMG from an SC to a PLLC would be a
10 Type A modification. QMG respected the board's
11 determination, submitted updated application
12 pages as requested reflecting QMG, PLLC, and
13 called for the public hearings today.

14 The conversion was not a surprise to
15 Blessing. It knew about the conversion back in
16 November. Under Illinois law the converted
17 entity is considered to be the same entity
18 without interruption as the converting entity.
19 The conversion is similar to changing a last name
20 after a marriage. It's not akin to creating a
21 new entity because all liabilities and assets of
22 the original entity survive and are assumed into
23 the LLC.

24 Tracy mentioned that yesterday QMG

1 received a letter from Blessing terminating the
2 transfer agreement for the birth center that
3 Blessing executed back in September. One of the
4 cited reasons for the termination was the
5 conversion of QMG to a PLLC. Again, they've
6 known about the conversion for months. No
7 questions or concerns were raised about the
8 agreement before yesterday.

9 Another listed reason for the
10 termination related to QMG's partnership with
11 Duly. The letter suggests that Blessing wasn't
12 aware of the potential partnership when it signed
13 the transfer agreement, but Blessing provided QMG
14 with a signed transfer agreement on September
15 13th, almost two weeks after QMG and Duly
16 publicly announced plans to explore a
17 partnership.

18 The letter also claims that Blessing
19 has no direct information on the current
20 ownership, operation, or management of QMG, and
21 that it's only knowledge comes from local media
22 articles, but Blessing Hospital's legal counsel
23 requested and received numerous documents
24 provided to the board on behalf of QMG pertaining

1 to the partnership including the post transaction
2 structure. Discussions also took place about the
3 partnership with one of Blessing's attorneys back
4 in November.

5 Notably, Blessing's letter fails to
6 detail any specific patient safety concerns. A
7 transfer agreement is undeniably always in the
8 interest of patient safety and in the best
9 interest of the community. Transfer agreements
10 assure continuity of care and provide certainty
11 of a coordinated approach in the event a transfer
12 is needed. Blessing is well aware that it is
13 currently the closest hospital to the proposed
14 birth center, two miles away, and that Blessing
15 Hospital will be legally required to accept
16 patients in the event, although rare, a transfer
17 is needed to the hospital regardless of whether
18 the transfer agreement is in place.

19 This letter reminded me of what took
20 place when QMG sought CON approval of a surgery
21 center a couple years back. Blessing repeatedly
22 refused to enter into a transfer agreement in
23 what appeared to be an obstructive tactic aimed
24 at maintaining its monopoly and distracting the

1 board from the merits of that project. QMG is
2 yet again dealing with obstructive tactics that
3 appear to be aimed at preventing patient choice
4 and competition in healthcare.

5 How can terminating a patient transfer
6 agreement be in the best interest of the
7 community? Is this really what a purported
8 safety net hospital could or should do -- would
9 or should do? I would encourage Blessing
10 Hospital to revisit its mission, put patients
11 first, and reconsider its decision to terminate
12 the agreement.

13 I've had the honor of working with QMG
14 for the past five years and getting to know the
15 QMG physicians well. They truly are a fiercely
16 independent physician group full of smart and
17 talented physicians. They are passionate about
18 Quincy and their patients. They would not have
19 agreed to partner with another group unless they
20 were able to remain deeply involved in the
21 clinical operations and only if that partnership
22 would allow them to enhance their ability to
23 continue providing the highest quality of care to
24 their patients.

1 We look forward to a robust discussion
2 with the board in April on the positive impact
3 that this proposed birth center will have on
4 women's health in the Adams County community.
5 Many thanks to the board's general counsel, April
6 Simmons, Ann Guild for serving as the hearing
7 officer this afternoon, and the entire board
8 staff for putting these hearings on today. Thank
9 you.

10 Ann, I can't hear you. I don't know if
11 you're on mute. Sorry to interrupt.

12 MS. GUILD: I've got it on mute. No.

13 MS. LINDSTROM: I still can't hear you.

14 MR. MITCHELL: You're muted, Ann.

15 MS. GUILD: Got it. Okay. Got it.

16 Okay. So please note that this project is
17 scheduled for consideration by the board at its
18 April 26th, 2022 meeting. The State Board
19 meeting will be held virtually beginning at 9:00
20 a.m. Please refer to the State Board's website
21 for the link to the State Board meeting. The
22 public has until April 6th, 2022 to submit signed
23 written comments pertaining to this project.
24 Comments should be sent to the attention of the

1 Illinois Health Facilities and Services Review
2 Board, 525 West Jefferson Street, Second Floor,
3 Springfield, Illinois 62761-0001.

4 The State Board will post its findings
5 in a State Board staff report. This report will
6 be made available on Tuesday, April 12, 2022.
7 The public may submit written responses to errors
8 in the findings of the board staff to the
9 Illinois Health Facilities and Services Review
10 Board. The public will have until 9:00 a.m. on
11 Monday, April 18 to submit written responses to
12 the content of the report findings.

13 The aforementioned report and
14 additional information can be accessed at
15 hfsrb.illinois.gov/sars.htm. Are there any
16 questions? Hearing that there are no additional
17 questions or comments this public hearing is
18 adjourned. We thank you for your participation
19 today.

20 (Off the record at 2:29 p.m.)
21
22
23
24

CERTIFICATE OF COURT REPORTER - NOTARY PUBLIC

I, EVA WALSH, the officer before whom
the foregoing proceedings were taken, do hereby
certify that said proceedings were electronically
recorded by me; and that I am neither counsel
for, related to, nor employed by any of the
parties to this case and have no interest,
financial or otherwise, in its outcome.

IN WITNESS WHEREOF, I have hereunto set
my hand and affixed my notarial seal this 21st
day of March, 2022.



Eva Walsh, Court Reporter

CERTIFICATE OF TRANSCRIBER

I, DEBRA MCCOSTLIN, do hereby certify
that the foregoing transcript is a true and
correct record of the recorded proceedings; that
said proceedings were transcribed to the best of
my ability from the audio recording and
supporting information; and that I am neither
counsel for, related to, nor employed by any of
the parties to this case and have no interest,
financial or otherwise, in its outcome.



DEBRA MCCOSTLIN

MARCH 21, 2022