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# Transcript of Public Hearing

**Date:** July 8, 2021

**Case:** E-012-21 Harrisburg Medical Center

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ILLINOIS DEPARTMENT OF PUBLIC HEALTH  
HEALTH FACILITIES AND SERVICES REVIEW BOARD  
BEFORE HEARING OFFICER COURTNEY AVERY

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IN RE: :  
Public Comments :  
Regarding Application : Project No. E-012-21  
for the Change of :  
Ownership of :  
Harrisburg Medical :  
Center. :

- - - - - x

HEARING in accordance with requirements of the  
Illinois Health Facilities Planning Act  
Conducted Virtually  
Thursday, July 8, 2021  
10:59 a.m. CT

Job No.: 384494  
Pages: 1 - 42  
Reported By: Courtney Petros, RPR, CSR

Transcript of Public Hearing  
Conducted on July 8, 2021

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1 PRESENT:

2 ILLINOIS HEALTH FACILITIES AND SERVICES

3 REVIEW BOARD, by

4 COURTNEY AVERY, Public Hearing Officer

5 GEORGE ROATE, Public Hearing Officer

6 MICHAEL CONSTANTINO, Public Hearing  
7 Officer

8 ANN GUILD, Compliance Manager

9 APRIL SIMMONS, General Counsel

10 MIKE MITCHELL, IDPH Staff

11 525 West Jefferson Street

12 Second Floor

13 Springfield, IL 62761

14 (217) 782-3516

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

2 MR. ROATE: Good morning, everyone. My  
3 name is George Roate. I'm from the Illinois  
4 Health Facilities and Services Review Board. I am  
5 here with my colleagues, Courtney Avery, Mike  
6 Constantino, and Mike Mitchell, and we are here to  
7 conduct the public hearing for exemption E-012-21  
8 Harrisburg Medical Center. Per statute, I'd like  
9 to read the public notice into the record.

10 In accordance with the requirements of the  
11 Illinois Health Facilities Planning Act, notice is  
12 given of receipt of an application for exemption  
13 for a change of ownership of Harrisburg Medical  
14 Center, 100 Dr. Warren Tuttle Drive, Harrisburg,  
15 Illinois. Project No. E-012-21. The applicants  
16 are Southern Illinois Hospital Services,  
17 Harrisburg Medical Center, Incorporated, and  
18 Southern Illinois Healthcare Enterprises,  
19 Incorporated.

20 The owner of the site and the licensee is  
21 Harrisburg Medical Center, Incorporated. This  
22 change of ownership is considered a change in  
23 membership or sponsorship of a not-for-profit  
24 corporation that is the licensed entity. The

1 expected completion date of this change of  
2 ownership is June 30th, 2021.

3 This exemption application was called  
4 complete on June 2nd, 2021. Written requests for  
5 a public hearing must be received by the Illinois  
6 Health Facilities and Services Review Board no  
7 later than June 7. The application can be viewed  
8 at the offices of the Illinois Health Facilities  
9 and Services Review Board at the address below or  
10 at the State Board's website.

11 Has the applicant identified a person to  
12 open up this hearing?

13 MS. ROZRAN: I am Andrea Rozran of  
14 Diversified Health Resources.

15 MR. ROATE: Good morning, Ms. Rozran.

16 MS. ROZRAN: Good morning, George.

17 MR. ROATE: Will you be representing the  
18 applicants today, Ms. Rozran?

19 MS. ROZRAN: I will not be presenting  
20 testimony, but I will be representing the  
21 applicants.

22 MR. ROATE: Okay. Is there anyone who  
23 would like to speak on behalf of the applicant at  
24 this time?

1 MS. ROZRAN: Yes. We have a number of  
2 witnesses. I sent the witness list and order to  
3 -- to Ms. Avery yesterday. If Ms. Avery is not  
4 there, do you have the list in front of you?

5 MR. ROATE: I apologize. I do not. Let  
6 me see if I can get ahold of it. Okay?

7 MS. SIMMONS: I'm sorry, George. Mitch,  
8 can you make me a host? She sent me the list, and  
9 I believe the first individual is -- let me look  
10 at my -- Barb [sic] Millstead. So if you can be a  
11 little patient with me and let me --

12 MR. MITCHELL: You're now the host, April.

13 MS. SIMMONS: Oh, okay. Thank you. Let  
14 me locate you, Mr. -- Ms. Millstead.

15 MS. ROZRAN: Mr. Millstead is probably  
16 with Cathy Blythe or Phillip Schaefer.

17 MR. MITCHELL: They are now panelists, so  
18 they can unmute themselves and present testimony.

19 MS. SIMMONS: Okay. Phillip Schaefer, you  
20 are on.

21 MR. MILLSTEAD: Very good. Can you hear  
22 me okay?

23 MS. ROZRAN: Yeah. Ms. Simmons, we have a  
24 number of people who are witnesses who are seated

1 in one room together. And so I see  
2 Mr. Millstead's face, I think. He is -- he is on  
3 the screen for Cathy Blythe, and he's waving to  
4 you.

5 MS. SIMMONS: I see him. And I will  
6 unmute Cathy Blythe. There you go.

7 MR. MILLSTEAD: Good morning. My name is  
8 Bart Millstead. I'm the senior vice president and  
9 chief operating officer for Southern Illinois  
10 Healthcare. I appreciate the opportunity to share  
11 my support and excitement for the planned  
12 affiliation between SIH and Harrisburg Medical  
13 Center, and I'd like to provide some details  
14 around the certificate of exemption application.

15 The transaction that we'll accomplish with  
16 this affiliation is defined by the Illinois Health  
17 Facilities and Services Review Board as a change  
18 of ownership of a health care facility.

19 Harrisburg Medical Center, Incorporated is  
20 a sole corporate member of the hospital,  
21 Harrisburg Medical Center, as well as the  
22 Harrisburg Medical Center Foundation and other  
23 related health care businesses. This transaction  
24 proposes the affiliation of Harrisburg Medical

1 Center, Incorporated, an Illinois not-for-profit  
2 corporation, with Southern Illinois Hospital  
3 Services, an Illinois not-for-profit corporation.

4 This affiliation will be accomplished by  
5 Southern Illinois Hospital Services becoming the  
6 sole corporate member of Harrisburg Medical  
7 Center, Incorporated, which is the licensed entity  
8 of Harrisburg Medical Center, a 77-bed general  
9 hospital in Harrisburg, Illinois.

10 Southern Illinois Healthcare Enterprises,  
11 also an Illinois not-for-profit corporation, is  
12 the sole corporate member of Southern Illinois  
13 Hospital Services. As a result of this  
14 affiliation, the bylaws of Harrisburg Medical  
15 Center, Incorporated will be amended to include at  
16 least two board members from Southern Illinois  
17 Hospital Services. And the bylaws of Southern  
18 Illinois Hospital Services will be amended to  
19 include at least one board member who is a  
20 resident of the Harrisburg Medical Center service  
21 area, nominated by its board of directors, and  
22 appointed by Southern Illinois Hospital Services.

23 No changes in ownership or liabilities  
24 will occur as a result of this affiliation.



1 Harrisburg Medical Center will join the following  
2 hospitals of which Southern Illinois Hospital  
3 Services is the sole corporate member: Memorial  
4 Hospital of Carbondale in Carbondale, Herrin  
5 Hospital in Herrin, St. Joseph's Memorial Hospital  
6 in Murphysboro. In addition, Southern Illinois  
7 Hospital Services owns 100 percent of a physician  
8 surgery center in Carbondale and a 49 percent  
9 ownership of the Southern Illinois Orthopedic  
10 Center in Herrin.

11 It is not anticipated that there will be  
12 any changes to the scope of the services or levels  
13 of care currently provided at Harrisburg Medical  
14 Center within the next 24 months after this  
15 transaction closes. We view this affiliation as a  
16 fulfillment of our commitment to improve access to  
17 high-quality, affordable health care.

18 This affiliation will enable Southern  
19 Illinois Healthcare to honor and extend its  
20 mission and values to communities in southeastern  
21 Illinois, thereby strengthening our services in  
22 those communities and improving Harrisburg Medical  
23 Center's ability to control health care costs. We  
24 are confident that as a result of this

1     affiliation, residents of Harrisburg Medical  
2     Center's service area will experience continued  
3     growth in quality and enhanced health care  
4     outcomes.

5             Thank you for the opportunity to present  
6     this testimony in support of this project.

7             MS. SIMMONS: Thank you. I believe next  
8     on the list is Don Hutson.

9             MR. HUTSON: Good morning. My name is  
10    Donald Hutson, and I have the honor of serving as  
11    the president and chief executive officer of  
12    Harrisburg Medical Center. I wish to express my  
13    wholehearted support of Harrisburg Medical Center  
14    joining Southern Illinois Healthcare.

15            Due to its size, geographic location, and  
16    financial situation, Harrisburg Medical Center has  
17    had a difficult time recruiting and retaining  
18    physician specialists and subspecialists needed to  
19    care for the population in southeastern Illinois.  
20    Southern Illinois Healthcare has committed to  
21    recruiting needed physicians across a wide range  
22    of medical and surgical specialties, which will  
23    allow people of this area to receive high-quality  
24    care close to their home.

1 Harrisburg Medical Center's inpatient  
2 behavioral health unit operates near full capacity  
3 at all times. Previous plans for expanding the  
4 number of inpatient behavioral health beds were  
5 halted due to financial reasons. Initial planning  
6 for a medical psychiatric unit were postponed as  
7 well due to funding issues. Harrisburg Medical  
8 Center's joining Southern Illinois Healthcare will  
9 ensure the resources are in place to expand  
10 behavioral health services in this region of the  
11 state.

12 In addition to expanding access to care,  
13 patient safety and quality will be greatly  
14 enhanced, as Southern Illinois Healthcare will  
15 install Epic as the electronic health record at  
16 Harrisburg Medical Center, replacing the current  
17 system with one which is an industry leader. The  
18 installation of Epic will enhance the flow of  
19 patient information with the patient as they  
20 progress through the complete continuum of health  
21 care services regardless of the geographic  
22 location in which the health care is provided.  
23 Harrisburg Medical Center's current electronic  
24 health record does not allow for that in a

1 consistent and comprehensive manner.

2 With the expansion of health care  
3 services, there will be an increased need for  
4 additional health care workers. That means more  
5 nurses, more radiology technicians, more  
6 laboratory technicians, and more support staff in  
7 areas of housekeeping and food service. These  
8 additional jobs will greatly benefit this rural  
9 community.

10 Once again, I want to express my  
11 wholehearted support of Harrisburg Medical Center  
12 joining Southern Illinois Healthcare. The  
13 patients, the staff, and the community will  
14 benefit greatly as this action will increase  
15 access to care, enhance quality of care, and  
16 increase patient safety. Thank you.

17 MS. SIMMONS: Thank you. Next, we have  
18 Senator Fowler.

19 SENATOR FOWLER: Good morning, everyone.  
20 It's great to be with you. I am State Senator  
21 Dale Fowler, and I represent the 59th District  
22 here in Southern Illinois, which encompasses both  
23 Southern Illinois Healthcare and the Harrisburg  
24 Medical Center. And it's an extreme privilege for

1 me to be able to speak in full support today on  
2 the merger of these two facilities, and I'm  
3 excited for the opportunities this collaboration  
4 will create.

5 The decision to merge Harrisburg Medical  
6 Center with SIH will increase access to health  
7 care, expand services, and improve health care  
8 costs. Especially after this past year with this  
9 pandemic, we have never had a better understanding  
10 about the vital role health care providers play in  
11 our communities.

12 This merger, I believe, will open the door  
13 for growing our health care workforce, attracting  
14 health care specialists, and grow technology  
15 advancements. SIH and Harrisburg Medical Center  
16 are major employers in this area. And through  
17 this change of ownership, we will only see further  
18 growth in our total local workforce. I'm  
19 extremely confident in that. New jobs and  
20 educational prospects will be created. We'll be  
21 able to recruit physicians and place the  
22 Harrisburg facility in a regional spotlight for  
23 development and continued opportunity.

24 I'm confident the facility will continue

1 to expand operations and services. In the past  
2 years -- five years, I believe, actually --  
3 Harrisburg Medical Center has undergone serious  
4 facility expansions and improvements. I know this  
5 firsthand, because I was actually the mayor of  
6 Harrisburg during this expansion opportunity. And  
7 it was an honor for me, as the mayor of  
8 Harrisburg, to be a strong proponent of this major  
9 expansion and opportunity for growth in our health  
10 care system here in Harrisburg.

11 I'm excited to see these facilities join  
12 together to streamline health care services and  
13 fully utilize the state-of-the-art facility that  
14 they currently have. And I look forward to this  
15 development, and I'm confident that this  
16 collaboration will be great for southern Illinois  
17 and especially the residents of southern Illinois.

18 I just want to say thank you so much for  
19 this opportunity to allow me to speak today in  
20 support of this merger, which I am so excited for  
21 for southern Illinois and for Southern Illinois  
22 Healthcare and for Harrisburg Medical Center. And  
23 thank you also very much for all that you do.

24 MS. SIMMONS: Thank you, Senator Fowler.

1           SENATOR FOWLER: Thank you.

2           MS. SIMMONS: Next, we have Cathy Blythe.

3           MS. BLYTHE: Good morning. My name is  
4 Cathy Blythe, and I serve as the assistant  
5 director for strategic services at Southern  
6 Illinois Healthcare. I'm pleased to support this  
7 affiliation agreement between our system and  
8 Harrisburg Medical Center.

9           We believe that Harrisburg Medical  
10 Center's affiliation with our system will improve  
11 the delivery of health care services to residents  
12 of Saline County, which is the county where  
13 Harrisburg Medical Center is located, as well as  
14 the extended region in southeastern Illinois that  
15 is served both through the hospital and its other  
16 facilities.

17          This transaction will strengthen the  
18 existing relationship between Harrisburg Medical  
19 Center and Southern Illinois Healthcare by  
20 deepening and broadening the services provided to  
21 the communities that Harrisburg Medical Center  
22 serves, and it will increase Harrisburg's ability  
23 to meet the clinical, financial, and technological  
24 needs of southeastern Illinois residents.

1 Residents of Harrisburg Medical Center's  
2 service area will benefit from the regional and  
3 tertiary care services that Southern Illinois  
4 Healthcare provides as well as the increased  
5 opportunities for Harrisburg Medical Center to  
6 recruit physician specialists.

7 As part of a larger system, Harrisburg  
8 Medical Center will be able to strengthen the  
9 depth and the breadth of services through  
10 increased access to specialists, resources, and  
11 advanced medical technologies. Enhancements in  
12 care coordination and clinical standardization  
13 will lead to improved quality of care and more  
14 effective delivery of health care services.

15 As a result of this affiliation, local  
16 residents will be provided with increased access  
17 to care, including an expansion of badly needed  
18 mental health services and an increase in quality  
19 of outcomes of care through enhanced facilities  
20 and technology.

21 It's important to note that this  
22 affiliation will also result in increased  
23 educational opportunities for health occupations,  
24 which will benefit the local workforce as well as



1 increase the availability of health care workers  
2 in southeastern Illinois.

3 Furthermore, as a result of this  
4 transaction, numerous opportunities for cost  
5 savings will be achieved. Harrisburg Medical  
6 Center's information technology and software will  
7 be transitioned to Southern Illinois Healthcare's  
8 platform, leading to increased efficiencies, an  
9 improved revenue cycle, and lower costs.

10 Becoming part of a larger health system  
11 will reduce Harrisburg Medical Center's costs to  
12 their economies of scale and reduction of overhead  
13 as well as the ability to access more competitive  
14 pricing for such things as supplies, drugs, and  
15 other services. Refinancing Harrisburg Medical  
16 Center's debt under Southern Illinois Healthcare's  
17 stronger credit rating will also generate material  
18 annual savings. This affiliation will improve  
19 Harrisburg Medical Center's financial performance  
20 and improve its ability to meet the community's  
21 health care needs.

22 Our system is committed to improving  
23 health outcomes, addressing health care needs, and  
24 maintaining community based for the region served

1 by Harrisburg Medical Center. Thank you for the  
2 opportunity to speak today.

3 MS. AVERY: Okay. Good morning, everyone.  
4 Sorry about the mess up. We have Woody Thorne  
5 next. Andrea, is he in a room with everyone else?

6 MR. THORNE: I am. And very much for the  
7 opportunity to be here today.

8 Hello. My name is Woody Thorne, and I'm  
9 privileged to serve in the role --

10 MS. AVERY: Okay. Please begin your  
11 comments.

12 MR. THORNE: I'm sorry. Yes, let me start  
13 over.

14 Hello. My name is Woody Thorne, and I'm  
15 privileged to serve in the role of vice president  
16 of community affairs for Southern Illinois  
17 Healthcare. I'm very happy to be providing  
18 testimony this morning in support of the  
19 affiliation between Harrisburg Medical Center and  
20 SIH.

21 Saline County, the county in which  
22 Harrisburg Medical Center is located, has a high  
23 elderly and poor population. The poverty rate is  
24 the seventh highest in the entire state and is

1 over 50 percent higher than the Illinois average.  
2 They have higher rates of cancer, diabetes, and  
3 other chronic diseases. Saline County has federal  
4 designations as both a health professional  
5 shortage area and a medically underserved area.  
6 The communities served by Harrisburg Medical  
7 Center are among the most vulnerable in the state  
8 of Illinois.

9 At Southern Illinois Healthcare, we are  
10 proud of our commitment to improving the health  
11 and well-being of all of the communities -- all of  
12 the people in the communities we serve. SIH  
13 provides a variety of community benefits to those  
14 in southern Illinois, investing in numerous  
15 programs and services to improve the health status  
16 of our region.

17 In fiscal year 2020, we provided nearly  
18 \$160 million in community benefits to our area.  
19 We work closely with federally qualified community  
20 health centers, local health departments, schools,  
21 local governments, faith-based institutions,  
22 senior centers, and other agencies to better meet  
23 the community needs and expand capacity of other  
24 organizations to serve those who are most in need.

1           We take our mission to heart, and this  
2           affiliation will enable Southern Illinois  
3           Healthcare to honor and extend that mission to the  
4           southeastern Illinois communities served by  
5           Harrisburg Medical Center. In addition, and over  
6           the past year, SIH has applied for and received  
7           over \$3.8 million in federal, state, and private  
8           grant funding for projects around infrastructure,  
9           educational and clinical programs, equipment and  
10          research.

11          We have a strong partnership with  
12          Washington University in St. Louis, as their rural  
13          perspective for their National Institute of Health  
14          grants provide funding for educational outreach  
15          and clinical efforts. SIH likewise partners with  
16          Southern Illinois University and the SIU medical  
17          school on numerous state and federal grant  
18          initiatives which are making a positive impact on  
19          the health status of the region.

20          The proposed affiliation will certainly  
21          lead to increased grant funding, opportunities for  
22          Harrisburg Medical Center, which will, in turn,  
23          have a substantial impact on improving the health  
24          care needs of vulnerable patients in southeastern

1 Illinois.

2 I strongly support the affiliation between  
3 Southern Illinois Healthcare and Harrisburg  
4 Medical Center, and I appreciate the opportunity  
5 to share this information with you today. Thank  
6 you very much.

7 MS. SIMMONS: Thank you. Next on the list  
8 is Matthew Businaro.

9 MR. BUSINARO: Good morning. Are you able  
10 to hear me okay?

11 MS. SIMMONS: I am. Yes. Please proceed.

12 MR. BUSINARO: Thank you. My name is  
13 Matthew Businaro, and I am privileged to serve as  
14 vice chairperson of the board of directors of  
15 Harrisburg Medical Center, and I wish to convey my  
16 support of HMC joining Southern Illinois  
17 Healthcare.

18 As a lifelong resident of Harrisburg, I  
19 have experienced firsthand the excellent medical  
20 services provided by HMC. As a director of HMC, I  
21 am excited about the opportunities this joining  
22 will afford HMC to not only continue but to  
23 enhance its tradition of excellence.

24 Among the benefits of the transaction will

1 be an opportunity to expand the variety of  
2 services available to patients in HMC's service  
3 area. Independent rural hospitals often find  
4 physician specialist recruitment to be a  
5 significant challenge. SIH has committed to help  
6 HMC in recruiting those specialists to HMC, which  
7 will allow the region greater access to  
8 much-needed care closer to home. This expansion  
9 of services is an extension of both organizations'  
10 mission of caring for the communities in southeast  
11 Illinois.

12 Another benefit will be growth and  
13 expansion of mental health services for all of  
14 southern Illinois. HMC's inpatient behavioral  
15 health unit is routinely operating at its maximum  
16 capacity, which illustrates the magnitude of need  
17 for behavioral health services. Joining with SIH  
18 will provide resources to expand these services  
19 for the greater good of the entire region.

20 In addition to the previous benefits  
21 mentioned, joining with SIH will allow for  
22 enhancements to HMC's facilities and technology.  
23 SIH will ensure that the resources are available  
24 to make capital improvements of HMC's facility,

1     for example, completion of additional build outs  
2     and equipment necessary to operationalize these  
3     build outs.

4             This joining will enhance the patient  
5     experience at SIH, as SIH will install Epic as  
6     HMC's electronic health record. Epic will greatly  
7     enhance the flow of patient information among the  
8     various health care providers patients will  
9     encounter wherever they may receive treatment in  
10    the SIH system.

11            Finally, in addition to the enhancements  
12    to patient services in southeast Illinois, the  
13    economic impact to the region must also be touted.  
14    Adding the aforementioned services will create  
15    several new jobs; physicians, nurses, technicians,  
16    and support staff. Creating quality jobs will  
17    help our local communities keep talented products  
18    of our local school systems at home.

19            Thank you for allowing me the opportunity  
20    to share my support of this transaction.

21            MS. SIMMONS: Thank you. Next, we have  
22    Dr. Matthew Winkleman.

23            MS. ROZRAN: I believe that he is not able  
24    to participate. He has submitted written

1 testimony, which is in the file.

2 MS. SIMMONS: Okay. All right. Thank  
3 you. So next on your list is Dr. Jonah Rice.

4 MS. ROZRAN: He may be -- he's either with  
5 Don Hutson or he's on the phone.

6 MS. SIMMONS: I see him. I see him. I  
7 will make him a panelist. Mr. Rice -- Dr. Rice,  
8 you are a panelist, and you can unmute yourself,  
9 because I have lost you.

10 DR. RICE: Okay. Can you hear me now?

11 MS. SIMMONS: Yes.

12 DR. RICE: Okay. Thank you very much for  
13 the opportunity to speak today. Again, I'm  
14 Dr. Jonah Rice, president of Southeastern Illinois  
15 Community College. We have had a long  
16 relationship with Harrisburg Medical Center as  
17 well as SIH. We have LPN, RN, and other allied  
18 health disciplines, and so this transaction, from  
19 our perspective, should provide many positive  
20 outcomes, not only for my college students, but we  
21 believe the region as a whole.

22 As for educational benefits, our  
23 Southeastern students will benefit from the  
24 transaction by having increased variety of



1 clinical opportunities closer to home, as the  
2 transaction will grow both the depth and breadth  
3 of medical services available to southeastern  
4 Illinois. Our students will have closer and  
5 greater access to specialists and benefit from  
6 learning in enhanced facilities and up-to-date  
7 technology.

8 The need for nurses and the growth in  
9 educational opportunities for our health  
10 occupation needs will be highly beneficial to SIC  
11 students. While the college boasts the highest  
12 NCLEX scores of all community colleges and most  
13 universities south of I-80, the increased clinical  
14 and educational opportunities for our students  
15 will be most welcome.

16 Now, more broadly speaking, this  
17 transaction between Harrisburg Medical Center and  
18 SIH will provide brought broader health care  
19 services to the people in this region of Southern  
20 Illinois. The mission of HMC can be extended  
21 through this transaction with SIH as the two  
22 entities focus on both affordable and accessible  
23 health care to make southeastern Illinois a better  
24 place to live.

1           This transaction also will have a positive  
2       economic impact on residents. We expect the  
3       transaction will result in HMC having not only  
4       streamlined operations and increased technological  
5       capabilities to meet the needs of patients,  
6       additionally, we believe this transaction will  
7       provide an increase in grant opportunities as a  
8       result of the transaction.

9           Finally, this union will provide an  
10      increased ability to grow the local workforce in  
11      health care occupations. So, in summary, please  
12      know that I, along with my staff, fully support  
13      this transaction between HMC and SIH. As a  
14      frequent user of both health care entities, I know  
15      that this union will provide great benefits for  
16      all involved. Thank you for allowing me the  
17      opportunity to testify today.

18           MS. SIMMONS: Thank you. Next is  
19      Dr. Larry Jones. Dr. Jones, I have unmuted you.  
20      And -- okay. There you go.

21           DR. JONES: Okay. Good morning.

22           MS. SIMMONS: Good morning.

23           DR. JONES: My name is Larry Jones. I'm a  
24      board-certified family physician and a board

1 member of Harrisburg Medical Center. I practiced  
2 primary care medicine, utilizing Harrisburg  
3 Medical Center as my main hospital, for 37 years.

4 Harrisburg Medical Center serves a rural  
5 population, many are poor, many are elderly, and  
6 having specialty services available close by will  
7 be a godsend for many of our patients.

8 During those 37 years, I observed  
9 firsthand that many health problems, which were  
10 formerly completely managed by primary care  
11 physicians like me, now require specialty care.  
12 Strokes and heart attacks are two very common  
13 examples which now essentially always require  
14 specialty care in neurology and cardiology,  
15 respectively. This change in practice patterns,  
16 coupled with the shortage of specialty care in  
17 rural areas like Harrisburg, creates a real  
18 barrier to timely access to care for many.

19 I vividly remember a lady I will call  
20 Gladys Murphy. Mrs. Murphy was in her late 80s  
21 and widowed. She lived alone in a small village,  
22 unfortunately, named Muddy, Illinois. When we  
23 found a small tumor suspicious for malignancy in  
24 her left kidney, I arranged for consultation with

1 a urologist. Sadly, Mrs. Murphy, having no family  
2 and no close friends, was completely unable to  
3 travel the 50 to 60 miles necessary to see a  
4 urologist. A significant care -- a significant  
5 delay in her care ensued. Finally, members of a  
6 local church agreed to drive her, and she received  
7 the care that she so desperately needed.

8 Ready availability of specialty services  
9 achieved by the affiliation of Harrisburg Medical  
10 Center and Southern Illinois Healthcare will  
11 eliminate challenges such as the one faced by  
12 Mrs. Murphy. Health care delivery will  
13 drastically improve in southeastern Illinois, and,  
14 yes, lives will be saved.

15 Another benefit of the planned affiliation  
16 between these two organizations will be the access  
17 to cutting-edge technology. As has been  
18 mentioned, Southern Illinois Healthcare utilizes  
19 an electronic medical record called Epic. Epic, a  
20 state-of-the-art technology, is simply not  
21 affordable for small, independent hospitals like  
22 Harrisburg Medical Center. Having personally  
23 spent countless hours trying to track down the  
24 medical records or test results of my patients, I

1 know for a fact that having instant access to  
2 health records through a system-wide electronic  
3 health record will improve efficiency and reduce  
4 health care costs.

5 The joining together of Harrisburg Medical  
6 Center and Southern Illinois Healthcare is a  
7 wonderful advancement for southeastern Illinois.  
8 Patients, physicians, and whole communities will  
9 benefit. I enthusiastically encourage the Board  
10 to approve this affiliation, and I thank you for  
11 the opportunity to present this testimony this  
12 morning.

13 MS. SIMMONS: Thank you. Before we move  
14 to the last one on your list, is there anyone else  
15 that would like to speak? If so, if you can  
16 please indicate by raising your hand. And I want  
17 to say for the call-in users, that may be star 6.  
18 Am I right, Mitch? Is that star 6 or star 3?

19 MR. MITCHELL: I was thinking 3, but I'm  
20 not exactly sure.

21 MS. SIMMONS: You may be right. Star 3.

22 MR. MITCHELL: We have Dr. Pliura who is  
23 wishing to present testimony on the attendee list.

24 MS. SIMMONS: I do not see that name. If

1 you can unmute Dr. Pliura.

2 MR. MITCHELL: It's Thomas Pliura down at  
3 the bottom of the list.

4 MS. SIMMONS: I see. Dr. Pliura, you are  
5 unmuted.

6 DR. PLIURA: Can you hear me okay?

7 MS. SIMMONS: Yes, we can. Thank you.

8 DR. PLIURA: Very good. I submitted some  
9 e-mail information last night via e-mail citing  
10 opposition to the project, and I want to clarify  
11 whether the -- whether the submissions were  
12 received or not. If not, I can make them  
13 available after this meeting, but I did e-mail  
14 them to the site.

15 My name is Tom Pliura. I've been a  
16 physician for 37 years, primarily practicing in  
17 rural areas throughout Illinois, also am an  
18 attorney. I've been practicing law for about 34  
19 years here in Illinois. I represent, at this  
20 point in time, Marion Healthcare and Marion  
21 Diagnostic Center and the various individuals who  
22 oppose the project.

23 I believe that the proposal violates both  
24 state and federal laws, and I would urge the

1 Planning Board or the Illinois Health Facilities  
2 Planning Board and financial services to delay  
3 acting on this until such time as they seek an  
4 opinion from the Illinois Attorney General's  
5 Office and the Department of Justice, at a federal  
6 level, to determine the legality of this.

7 Section 7 of the Clayton Act allows both  
8 state and federal entities as well as private  
9 actors to file in federal court seeking injunctive  
10 relief for a proposal that violates or may violate  
11 federal law or state law.

12 It is our position, at this point in time,  
13 that SIH and the entity that will ultimately  
14 become the owner of Harrisburg Medical Center is a  
15 monopolist. They maintain monopoly power. They  
16 have market power. And what that means is, is  
17 that they are in a position to -- to decrease  
18 competitive forces in the marketplace. The  
19 proposed merger or, we'll say, sale that is now  
20 before the Planning Board will only seek to  
21 increase their market power and decrease  
22 competition.

23 This is very similar to a case that  
24 occurred known as St. Luke's case out west, in the

1 western United States, where a federal district  
2 court and, ultimately, the appellate court at a  
3 federal level upheld that the proposal was illegal  
4 as a matter of law and illegal as a matter of fact  
5 and that the merger would act to decrease the  
6 competitive forces and it would result in  
7 increasing health care costs for the consumer.

8 Yesterday, I submitted to you a statement  
9 of interest that was previously filed by the  
10 federal government, the Department of Justice, in  
11 a challenge that Marion Healthcare and Marion  
12 Diagnostic had filed against SIH alleging  
13 antitrust violations in the exclusive dealings  
14 that they have had limiting various insurance  
15 companies from contracting with small, independent  
16 medical providers. That -- that case is still  
17 ongoing.

18 The Department of Justice filed its  
19 statement of interest in that, and the Board  
20 should consider that. Again, I think the proper  
21 course of action for the Board to avoid further  
22 litigation would be to voluntarily table this and  
23 seek input from the Illinois Attorney General's  
24 Office and the Federal Department of Justice and



1 the Federal Trade Commission.

2 Both the Federal Trade Commission and the  
3 Department of Justice are granted the authority to  
4 look at issues like this and determine the  
5 legality and -- and the likelihood of whether a  
6 proposal like this will actually harm the public,  
7 raise prices, further entrench an entity with  
8 market power to gain additional market power  
9 shares as a result of decreasing competition.

10 If the -- if the Planning Board does not  
11 choose to defer that, I fear that there will be  
12 long and protracted litigation that would be  
13 simply unnecessary. I believe these matters --  
14 and we submitted via e-mail a report from an  
15 economist, Dr. John Bowblis, who has testified as  
16 an economist in health care matters on several  
17 occasions.

18 And I won't bore the Board or this hearing  
19 with the details of it, but Dr. Bowblis gave his  
20 opinion that, currently, SIH and its affiliates  
21 have market power and monopoly power and there are  
22 specific examples of -- in his written report,  
23 which you should have, of how SIH and its market  
24 power is acting to increase the overall cost and

1 expenses to consumers in southern Illinois.

2           The county -- the number of counties -- I  
3 think -- is it 20 to 21 counties -- where SIH has  
4 monopoly power and market power, the power to  
5 drive up overall prices for the community. When  
6 you look at some of the information that I sent to  
7 you -- and it's information from the Illinois  
8 Department of Public Health, it's also information  
9 that we submitted from Blue Cross Blue Shield of  
10 Illinois and their cost comparisons -- it will  
11 show you that southern Illinois has  
12 extraordinarily high costs for health care, and it  
13 is because of, in our opinion and in my opinion  
14 and in the opinion of Dr. Bowlis, that SIH has  
15 monopoly power.

16           And by granting this additional ownership  
17 of Harrisburg, it will only seek to further  
18 entrench SIH into holding an incredible market  
19 power, likely approaching 80 to 85 percent, it  
20 remains to be seen how much, but pretty much  
21 across the United States when an entity exceeds 70  
22 percent market share, 75 percent, they have the  
23 ability to basically harm the public by becoming  
24 anticompetitive.

1 MS. AVERY: Dr. Pliura, please conclude  
2 your comments.

3 DR. PLIURA: Sure. I would urge the --  
4 the Planning Board to refrain from acting on this  
5 until it seeks advice and consultation with the  
6 Illinois Attorney General's Office, the Federal  
7 Trade Commission, and the United States Department  
8 of Justice Antitrust Division until such time they  
9 approve it.

10 MS. AVERY: Thank you for your comments.

11 DR. PLIURA: Thank you.

12 MS. AVERY: You're welcome. Are there any  
13 other individuals that would like to provide  
14 testimony?

15 MS. ROZRAN: We have one final witness.

16 MS. AVERY: Yeah. I'm trying to get your  
17 others in, because you wanted that person to be  
18 your last commenter.

19 MS. ROZRAN: Right. Thank you.

20 MS. AVERY: You're welcome. Are there any  
21 other individuals that would like to speak?  
22 Andrea, unless you want to wait until closer to  
23 noon, but we're not going to conclude even if we  
24 have your last speaker to speak. If someone wants

1 to speak after that, we would allow that. So if  
2 you want to wait a couple minutes, we can do that.  
3 I don't see anyone else with their hands raised to  
4 speak. But if you would like to proceed, we can  
5 go ahead with Mr. Schaefer.

6 MS. ROZRAN: (Indiscernible.)

7 MS. AVERY: I can't hear you. Would you  
8 like to proceed, Andrea?

9 MR. MITCHELL: You're muted, Andrea.

10 MS. AVERY: You're muted.

11 MS. ROZRAN: I'm sorry. I said, I think  
12 we would like to proceed. I think that we'll let  
13 Mr. Schaefer confirm that.

14 MR. SCHAEFER: That would be great. I'd  
15 be pleased to do so. Ms. Avery, can you hear me  
16 okay?

17 MS. SIMMONS: Yes. We can hear you just  
18 fine. Thank you.

19 MR. SCHAEFER: Okay. Very good, I'll go  
20 ahead and proceed.

21 Good morning. My name is Philip Schaefer.  
22 I'm a senior vice president with Southern Illinois  
23 Healthcare. I've been with SIH since 1996, and I  
24 am pleased to have the opportunity to speak today

1 to express my support for the project.

2 When I arrived in Southern Illinois from  
3 BroMenn Healthcare in Normal, outmigration of the  
4 patients from SIH's then service area was over 48  
5 percent. Said in other terms, almost one in two  
6 patients were leaving this region. In many cases,  
7 they were leaving the state for their health care.  
8 That outmigration for SIH's service area is now  
9 below 16 percent. This was accomplished through  
10 the growth of physician specialties here, staff  
11 growth and development, as well as prudent  
12 investment in facilities and technology. SIH will  
13 bring that approach to Harrisburg Medical Center  
14 with this proposed relationship.

15 Currently, one-third of all discharges  
16 originating from Saline County, the county in  
17 which Harrisburg Medical Center is located, leave  
18 Illinois for their care. They are leaving the  
19 state. We believe this high level of outmigration  
20 is because the majority of the hospitals located  
21 within one hour's drive of Harrisburg are critical  
22 access hospitals, and, unfortunately, don't offer  
23 the level of care needed for many of these  
24 patients.

1           By bolstering Harrisburg Medical Center's  
2 capabilities through increased access to medical  
3 specialties, resources, and technology, we can  
4 reduce the outmigration outside of Illinois, and  
5 these patients can stay home for their care.

6           Both SIH and Harrisburg Medical Center  
7 share a mission of providing the highest quality  
8 health care services to the communities that they  
9 serve. This proposed affiliation will strengthen  
10 the existing relationship between both entities  
11 and better streamline the clinical, financial, and  
12 technological needs of patients in southeastern  
13 Illinois.

14           Southern Illinois Healthcare has been  
15 affiliated with Harrisburg Medical Center since  
16 2012, partnering with them on such things as  
17 telemedicine, physician recruitment, and outreach.  
18 Formally bringing them in as part of the SIH  
19 family will allow us to strengthen medical  
20 services in the communities they serve. We can  
21 help with capital needs, technology, and  
22 infrastructure.

23           Overall, with improved medical  
24 collaboration and systematizing of best practice

1 protocols, we believe this affiliation will  
2 improve the quality of care, patient safety, and  
3 patient satisfaction. Smaller hospitals in rural  
4 Illinois and across the country are struggling to  
5 survive.

6 This transaction will improve Harrisburg  
7 Medical Center's financial performance and improve  
8 the -- its ability to meet its community's health  
9 care needs. Their utilization declined during the  
10 pandemic, and volumes have been slow to return.  
11 This has significantly impacted its financial  
12 performance. On a standalone basis, Harrisburg  
13 Medical Center would not be able to generate  
14 positive financial margins in the future, which  
15 would jeopardize its future as well as that  
16 community's access to care.

17 I would like to add to my previously  
18 submitted written testimony in response to the  
19 opposition that was submitted recently by Marion  
20 Healthcare and Dr. Pliura. Given his inaccurate  
21 statements, we would like to state for the record  
22 that Dr. Pliura and Marion Healthcare neglect to  
23 mention that his allegations of SIH's monopoly  
24 behaviors have been dismissed by the federal

1 district court, although its ruling is on appeal,  
2 and that the court struck many of the opinions of  
3 his expert that he cited in this testimony today.

4 This transaction has nothing to do with  
5 Dr. Pliura's unfounded allegations. I would  
6 respectfully submit that this exemption meets the  
7 rules of the Planning Board and is consistent with  
8 the Illinois Health Facilities Planning Act. The  
9 transaction will benefit the residents of southern  
10 Illinois to greater access to quality care.

11 I respectfully ask that this certificate  
12 of exemption be approved. Thank you very much for  
13 the opportunity to testify. I very much  
14 appreciate it.

15 MR. MITCHELL: April, it looks like we've  
16 lost Courtney's connection.

17 MS. SIMMONS: Yes, I see. Are there any  
18 others -- it seems like we have ten minutes left.  
19 Are there any other individuals that wish to  
20 provide testimony at this time? Please raise your  
21 hand or indicate if your phone -- if you're on the  
22 phone by pressing star 3.

23 I see none at this time, however, we will  
24 still be -- the hearing will still be in process



1     until noon. So when I see -- or, Mitch, if you  
2     see one, please chime in. Thanks.

3             MS. AVERY: Okay. We will resume. It is  
4     11:56.

5             I ask that everyone please take note of  
6     the dates that were given. This project is  
7     tentatively scheduled to be heard by the State  
8     Board on Tuesday, July 27th, 2021, at 9:00 a.m.  
9     Public comments and exemptions were submitted to  
10    the Board by July the 7th. The State Board staff  
11    report will be issued on Tuesday, July 13th.  
12    Comments on the State Board staff report must be  
13    submitted to the State Board no later than Monday,  
14    July 19th, 2021, by 9:00 a.m.

15            Also, the application, the exemption  
16    application, can be viewed on our website at  
17    hfsrb.illinois.gov. I ask that you please  
18    continue to review the website for any changes and  
19    updates and send any questions to the State Board  
20    staff at dph.hfsrb.publichearings@illinois.gov.

21            Are there any questions regarding the  
22    information that was just given? If so, please  
23    raise your hand.

24            (No response.)

1 MS. AVERY: Also, I ask that you please  
2 check the website for details regarding the July  
3 27th meeting.

4 Hearing no questions or a request to speak  
5 for further clarification at the hour of 11:59 and  
6 some seconds, I deem this public hearing complete  
7 and concluded. Thank you for joining us today.

8 Oh, wait. Did I see a question? Okay.  
9 Thank you. Have a good day, everyone.

10 (Off the record at 11:59 a.m.)  
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CERTIFICATE OF SHORTHAND REPORTER - NOTARY PUBLIC

I, Courtney Petros, Registered  
Professional Reporter, Certified Shorthand  
Reporter and Notary Public, the officer before  
whom the foregoing deposition was taken, do hereby  
certify that the foregoing transcript is a true  
and correct record of the testimony given; that  
said testimony was taken by me and thereafter  
reduced to typewriting under my direction; that  
reading and signing was not requested; 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 signed  
this 19th day of July, 2021.  
My commission expires May 6th, 2023.



COURTNEY PETROS, RPR, CSR  
NOTARY PUBLIC IN AND FOR THE  
STATE OF ILLINOIS