

#E-064-22



Illinois General Assembly

October 5, 2022

Via Personal Delivery

Ms. Debra Savage, Chairwoman
IL Health Facilities & Services Review Board
525 W. Jefferson St., Second Floor
Springfield, IL 62761

Re: Support for Change of Ownership of Four Rural Illinois Hospitals in Our Legislative Districts – Crossroads Community Hospital, Heartland Regional Medical Center, Red Bud Regional Hospital, and Union County Hospital

Dear Chairwoman Savage:

We respectfully write in support of the change of ownership applications referenced above. The four involved hospitals are vitally important to their respective communities, which include constituents of ours. We are all of the Illinois state legislators who respectively represent the indicated hospitals:

Hospital	IL Senator	IL Representative
Crossroads Community Hospital Mt. Vernon, IL	Terri Bryant (58 th Dist.)	Paul Jacobs (115 th Dist.)
Heartland Regional Medical Center Marion, IL	Dale Fowler (59 th Dist.)	Dave Severin (117 th Dist.)
Red Bud Regional Hospital Red Bud, IL	Terri Bryant (58 th Dist.)	David Friess (116 th Dist.)
Union County Hospital Anna, IL	Dale Fowler (59 th Dist.)	Patrick Windhorst (118 th Dist.)

Except for Union County Hospital, whose real property will remain with the local hospital district, the hospitals' real estate and buildings will be acquired by the non-profit Deaconess Health System ("Deaconess"), which owns and operates 12 hospitals and serves patients in 26 counties in Indiana, Illinois, and Kentucky – all within 100 miles of the Deaconess headquarters in Evansville, Indiana. The hospitals' operational assets (equipment, contracts, etc.) will be held by Deaconess Regional Healthcare Services Illinois, Inc. ("Deaconess Illinois") with respect to Heartland Regional Medical Center and by separate,

direct subsidiaries of Deaconess Illinois with respect to the other three hospitals – and the Union County lease will likewise be assigned to the associated subsidiary.

Deaconess Illinois already has a positive affiliation with two Illinois hospitals: Lawrence County Memorial Hospital in Lawrenceville and Ferrell Hospital in Eldorado. Since their affiliation with Deaconess Illinois, these two critical access hospitals in Southern Illinois have added and expanded services, recruited new physicians, and improved access to care. The Deaconess entities share a mission to promote and support local healthcare in the rural markets they serve, investing in these local communities and facilities rather than relegating them to “satellite status” for a centralized, big-city hospital.

In its 130-year history, Deaconess has earned recognition as a high-quality, low-cost provider, and as a good employer, including these recent recognitions:

- ☒ Healthgrades’ “Top 250 Hospitals” nationwide – top 5% of more than 4,500 hospitals surveyed;
- ☒ ranked the #2 hospital in Indiana by the US News & World Report;
- ☒ 16th among healthcare organizations (and 67th overall) in the Forbes 2022 “Best Large Employers” list;
- ☒ Forbes’ 2022 “Best Diversity Employer” award; and
- ☒ Healthcare Information and Management Systems Society recognition for use of electronic medical record technology to support optimized patient care and secure data – fewer than 7% of hospitals have achieved this recognition.

It is noteworthy that Deaconess was a leader in regional pandemic response efforts while simultaneously providing \$95.6 million in community benefits in FY21 and maintaining its commitment to reducing healthcare costs.

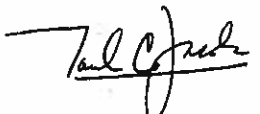
We have been advised that the Deaconess entities are fully committed to the continued viability of the four hospitals for which this change or ownership is sought, with both a local Illinois-based governing structure and an intention to expand services and make new investments in all four facilities. We have also been advised that substantially all existing staff will be retained and provided equal or better compensation and benefits.

Thank you for affording us this opportunity to share favorable comments on these proposed changes of ownership.

Respectfully submitted,

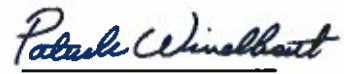

Sen. Terri Bryant


Sen. Dale Fowler


Rep. Paul Jacobs


Rep. David Friess


Rep. Dave Severin


Rep. Patrick Windhorst

Cc: John P. Kniery, HFSRB Administrator