

Local Government Leaders
Supporting Change of
Ownership Four Illinois
Hospitals

Hon. John Lewis, Mayor Mt. Vernon, Illinois Home of Crossroads Community Hospital

Hon. Mike Absher, Mayor
Marion, Illinois
Home of
Heartland Community Medical Center

Hon. Susan Harbaugh, Mayor Red Bud, Illinois Home of Red Bud Regional Hospital

Hon. Steve Hartline, Mayor Anna, Illinois Home of Union County Hospital

October 5, 2022

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

Support by Local Officials for Change of Ownership of Crossroads Community Hospital, Heartland Regional Medical Center, Red Bud Regional Hospital, and Union Community Hospital

Dear Chairwoman Savage:

As local elected mayors of the involved communities, we write in support of these change of ownership applications.

The proposed co-applicants are non-profits Deaconess Health System ("Deaconess"), which owns and operates 12 hospitals and also serves patients in a 26-county region in Indiana, Illinois and Kentucky, and Deaconess Regional Healthcare Services Illinois, Inc. ("Deaconess Illinois"), which is affiliated with two critical access hospitals in Southern Illinois. They share a mission to promote and support local healthcare in the rural markets they serve, investing in these local communities and facilities rather than making them mere referral sources for a centralized, big-city hospital. That is good for both rural health care and our local communities.

Deaconess has earned recognition as a high-quality, low-cost provider, and as a good employer. Among its recent designations are: (i) Healthgrades "Top 250 Hospitals" – top 5% of over 4,500 hospitals surveyed; (ii) 16th among healthcare organizations in the Forbes 2022 "Best Large Employers" list; (iii) Forbes 2022 "Best Diversity Employer" award; and (iv) 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 earned this recognition.

Deaconess also was a regional leader in regional pandemic response efforts. They did so while also providing \$95.6 million in community benefits during 2021 and maintaining their commitment to reducing healthcare costs.

We have been briefed on this proposed change of ownership and assured that the Deaconess entities are fully committed to the continued viability of these four hospitals. We are pleased that a local, Illinois-based governing structure will be put in place. We are also happy that expanded services and new investments at all four facilities are planned. And we are especially glad that all or substantially all of the existing staff at these four hospitals will be retained while being providing with equal or better compensation and benefits. This is all good news for our local communities.

We urge your approval of these change of ownership applications.

Sincerely,

on John Lawis, Mayor

Mt. Vernon, Illinois

Hon. Mile Absher, Mayor Marion, Illinois

Hon. Susan Harbaugh, Mayor Red Bud, Illinois Hon. Steve Hartline, Mayor Anna, Illinois

Cc: John P. Kniery, HFSRB Administrator