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SENATOR DAVE SYVERSON ILLINOIS SENATE • 35TH DISTRICT Dean of the Illinois Senate COMMITTEES:

## REPUBLICAN SPOKESMAN:

- HEALTHCARE ACCESS AND AVAILABILITY
- INSURANCE
- HEALTH

### MEMBER:

- EXECUTIVE
- COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY
- TOURISM AND HOSPITALITY
- BEHAVIORAL AND MENTAL HEALTH

August 23, 2024

Illinois Health Facilities and Services Review Board 525 W. Jefferson St., Second Floor Springfield, IL 62761

Dear Chairwoman Savage and Board Members: Rex Budde, Kenneth Burnett, David Fox, Antoinette Hardy-Waller, Monica Hendrickson, David Katz, Gary Kaatz, Monica LeGrand, Dr. Audrey Tanksley and John P. Kniery, Administrator

# **RE:** Beloit Health System Application

I would like to add my name to the large, unified local voice expressing opposition to Beloit Health System's proposed North Pointe Hospital in Winnebago County, Illinois. This project will ultimately result in significant negative consequences for our community's healthcare delivery systems.

As a long-time member of the Senate Health & Human Services Committee and the Medicare Working Group, I spend significantly more time dealing with the overall healthcare delivery system in Illinois than other legislators. In that role, I see the importance and the impact that the Illinois Health Facilities and Service Review Board (IHFSRB) has on healthcare delivery in Illinois.

In looking at this project, I believe this application fails the needs test in almost every possible category. I will not go into detail about every concern this application raises, as I know your staff, as always, will do a thorough analysis of the application. I am confident the staff's homework will show that this project does fail the test of the mission of the IHFSRB. Your staff can articulate better than I the problems this project raises regarding unnecessary duplication, the risk to patients, and the fact that the project would lead to increased healthcare costs. However, I would like to raise two additional concerns that I think are worth noting.

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First, there are already three health systems in the same county as the proposed application. These three systems manage the largest amount of Medicaid in the State, outside of the Chicago area. To have an out-of-state hospital come and build in the wealthiest neighborhood in the county, thereby cherry picking the best healthcare mix, would have, without question, a negative impact on these current health systems, which are providing much needed safety net services and fulfilling their mission of serving everyone.

My second concern is more global in nature. If this application were approved, I fear it would set a precedent that would resonate statewide. This would open the floodgates of out-of-state health systems wanting to build in areas to improve their payor mix. They would use these new approved precedent guidelines to start building in profitable payor mix communities leading to chaos in our healthcare delivery system.

This could also lead many to question the role or mission of the IHFSRB and that is the last thing I would like to see. As a legislator, I not only support the role your Board currently plays, but I have also been vocal in Committee hearings on the need to give more overall authority to the Board in dealing with healthcare areas where your hands are tied.

I know your work can be tedious, and you may wonder at times if it will be impactful. However, healthcare is not only the largest part of our state's budget, but it is also the fastest-growing expenditure in our states' budget and in family pocketbooks. So yes, your role is vital and much appreciated. Thank you for allowing me to share my thoughts on this project and the work of the IHFSRB. As always, I am available for further conversation.

Best regards,

SENATOR DAVE SYVERSON
Dean of the Illinois Senate

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