

December 27, 2024

Via Federal Express
Via Email

Mr. John Knierly
Administrator
Illinois Health Facilities and Services Review
Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

**Re: NorthPointe Neighborhood Hospital (Proj. No. 24-018)
Submission of Additional Information**

Dear Mr. Knierly:

As you know, Beloit Health System (“BHS”) is the applicant for the above-referenced proposal to establish NorthPointe Neighborhood Hospital, a 10-bed general acute care hospital to be located at 5605 East Rockton Road, Roscoe, Illinois (the “Planned Hospital”). I am writing to provide additional information subsequent to the Illinois Health Facilities and Services Review Board’s (the “State Board”) October 29, 2024 initial consideration. This information is provided pursuant to Section 1130.670 of the State Board’s Procedural Rules. The supplemental information in this letter provides some follow-up information on certain topics raised by State Board members during the hearing and BHS believes it provides the full clarity that the State Board members require to approve the Planned Hospital.

1. The Planned Hospital Supports the Health Planning Goal of Providing Modern Health Care Facilities to the Residents of the State of Illinois and, Crucially, Will Allow Those Residents to Stay in Illinois for Inpatient Care

Having modern and accessible hospitals and healthcare facilities within Illinois is crucial for the well-being of its residents. When residents have access to high-quality care close to home, they are more likely to seek preventive services, manage chronic conditions effectively, and receive timely treatment for acute illnesses or injuries. In this case, this accessibility would reduce the need for residents to travel to Wisconsin for care which I refer to as “outmigration.” Outmigration is typically more costly and time-consuming and can be detrimental to health outcomes. A more robust healthcare infrastructure in this area of the State of Illinois helps to ensure a better response to public health emergencies and comprehensive care for its diverse population. Illinois thrives when healthcare is more accessible, fostering healthier families and more robust communities. The presence of a hospital with inpatient and emergency services capabilities,

especially one emphasizing wellness and prevention like BHS, is a cornerstone of economic growth and community vitality. The impact of healthcare facilities extends far beyond medical services, serving as economic engines that generate jobs and stimulate local economies.

Illinois hospitals and health systems contribute a staggering \$117.7 billion annually to the state's economy. This substantial figure underscores the pivotal role of healthcare in driving economic prosperity across the state and providing the following community benefits.

- **Job Creation:** Healthcare facilities are major employers, offering a wide range of career opportunities.
- **Local Economic Stimulus:** These institutions often support local businesses through procurement and partnerships.
- **Improved Quality of Life:** Access to quality healthcare attracts residents and businesses, enhancing community development.

Healthcare systems that prioritize preventive care and wellness programs contribute to:

- Reduced healthcare costs in the long term
- Increased productivity due to a healthier workforce
- Enhanced community well-being and life satisfaction

The Illinois Health and Hospital Association emphasizes these benefits, highlighting the symbiotic relationship between a robust healthcare system and thriving communities. Its informational addressing this topic is attached as Exhibit A. By supporting the healthcare infrastructure, Illinois not only improves the health of its residents but also secures a foundation for sustained economic growth and community prosperity.

For every hospital job, an additional 1.4 jobs are created in other sectors, demonstrating the ripple effect of healthcare investment. Further, healthcare facilities that prioritize wellness and prevention can help reduce the long-term burden of chronic diseases, potentially lowering healthcare costs and improving community health outcomes. By allowing non-profit health systems to invest in modern healthcare infrastructure, Illinois not only enhances the quality of life for its residents but also strengthens its economic foundation and resilience. With the alternative of seeing this care flow out of the state to a neighboring state, BHS believes it has a compelling case for the State Board's approval of the NorthPointe Neighborhood Hospital (the "Planned Hospital") proposal.

2. NorthPointe Neighborhood Hospital is Mission-Based Endeavor by a Non-Profit Health System with Significant Ties to Illinois

As a non-profit community health system, BHS embodies a mission-driven approach to healthcare, prioritizing the well-being of the communities it serves over financial gains. BHS operates with a steadfast commitment to addressing healthcare needs where they are most pressing, unburdened by the constraints of profit maximization. The organization's ethos is deeply rooted in the principles of charity care, public trust, and community benefit, which guide its operations and decision-making processes. As representatives of BHS testified at the October 29, 2024 meeting, despite its smaller size, BHS reported nearly 3.5 times the financial assistance on its 2022 IRS 990 than Javon Bea Hospital (\$5,999,732 versus \$1,774,854).¹ Additionally, the cost of Medicaid care provided at BHS as a percentage of total expenses was 2 to 6 times higher than Javon Bea Hospital and OSF HealthCare,² which opposed the Planned Hospital to protect their market share.

As a non-profit health system, BHS has an established financial assistance policy and provides care to all patients regardless of ability to pay. It provides free or discounted care to uninsured and underinsured patients, including those not covered by Medicaid or other indigent care programs. BHS is both a Medicaid disproportionate share hospital ("DSH") and a Medicare DSH. These designations reflect that BHS serves low-income populations and has been challenged by lower reimbursement rates from Medicaid, Medicare and uninsured patients, necessitating the need for DSH payments to offset these financial burdens. Some have suggested that BHS would be cherry picking by expanding its services in Roscoe but the fact is that even if there was an improvement of its balance sheet by making minor changes to the payor mix, BHS expects to retain its DSH statuses. Also, it is important to note that the physical plant for a small hospital is readily available at the NorthPointe campus so it would not be logical to set up the Planned Hospital in another town. The cost of building from ground-up would be many times higher and would not make sense. With this sizable campus in Illinois, it is a member of the Illinois Health and Hospital Association and has been providing hospital care directly in Illinois for many years.

¹ Beloit Health System Inc., 2022 IRS Form 990 – Return of Organization Exempt from Income Tax, Schedule H: Part I; Javon Bea Hospital, 2022 IRS Form 990 – Return of Organization Exempt from Income Tax, Schedule H: Part I.

² Beloit Health System Medicaid care 9.84% of total expenses; Javon Bea Hospital Medicaid care 4.08% of total expenses; OSF HealthCare Medicaid care 1.64% of total expenses (see OSF HealthCare, 2022 IRS Form 990 – Return of Organization Exempt from Income Tax, Schedule H: Part).

3. The Planned Hospital has Substantial Community Support

The Planned Hospital has garnered substantial community backing as evidenced by:

- Many individuals submitted support letters backing the Planned Hospital to the State Board as part of the State Board's public comment process;
- A large group of supporters registered their endorsement at the public hearing held in August 2024 and spoke in support of the Planned Hospital at that hearing;
- An impressive number of people signed a petition in favor of establishing the Planned Hospital; and
- Multiple individuals provided public testimony supporting the Planned Hospital at the State Board meeting in October 2024.

This widespread show of support from various sectors of the community underscores the strong public interest in and endorsement of the Planned Hospital project.

Common themes among supporters include:

- Improved access to emergency services;
- Full-service emergency department will reduce transport times and keep advanced life support vehicles and staff in the district to better serve the residents of the community; and
- The Planned Hospital will keep residents who currently leave the state to use Beloit Memorial Hospital ("BMH") and other Wisconsin hospitals in Illinois for their care and closer to home, making it easier for loved ones to visit and participate in the care plan, which is crucial to improving patient outcomes.

The Planned Hospital has faced limited opposition, primarily from individuals affiliated with local health systems, MercyHealth and OSF HealthCare. With the small footprint proposed for the Planned Hospital, these competitors' claims of financial harm are disingenuous. Other negative sentiment has been minor. At the August public hearing, only two residents not affiliated with Mercy expressed reservations. Furthermore, during the State Board meeting on October 29, 2024, no community members voiced opposition to the Planned Hospital.

4. The Planned Hospital as Part of BHS Has a Track Record of High Quality and a Strong Focus on Patient Safety

The Planned Hospital will employ the same model of care as BMH and will provide the same level of quality. Like BMH, it will be Joint Commission accredited, which is recognized in

the healthcare industry and among policymakers as the pre-eminent health care accreditor and viewed as the “gold” standard by both payors and patients. BHS collaborations with leading institutions like the University of Illinois College of Medicine-Rockford and University of Wisconsin Hospital and Clinics strengthens its role as a vital healthcare provider dedicated to improving the overall health status of the communities it serves.

Finally, the Planned Hospital will implement industry-leading nurse staffing standards that establish specific, evidence-based registered nurse-to-patient ratios for acute care.³ These ratios will serve as a minimum baseline, with additional registered nurses added based on a comprehensive patient classification system. This system will measure patient needs and nursing care requirements, taking into account factors such as severity of illness, complexity of clinical judgment, and the need for specialized technology.

By adopting these rigorous staffing standards, the Planned Hospital will be able to dynamically adjust staffing levels based not only on patient census but also on acuity. This approach ensures that all patients receive the highest quality medical services close to home, with nursing care tailored to their individual needs. Our commitment to maintaining optimal nurse-to-patient ratios reflects our dedication to patient safety, quality of care, and positive outcomes in healthcare delivery.

As discussed in the Planned Hospital’s certificate of need permit application, BMH has received numerous awards and accolades from leading rating organizations, which includes, but is not limited to:

- **The Leap Frog Group “A” Rating**

- BMH earned an “A” for providing safe and high-quality care to its patients from The Leapfrog Group, a nonprofit organization committed to driving quality, safety, and transparency into the U.S. health care system. Importantly, it is the only hospital within the Planned Hospital’s 17-mile geographic service area with an A rating.⁴

- **High Medicare Compare Ranking**

- BMH received four stars on Medicare Compare indicating that it demonstrates strong performance across multiple quality domains: (i) clinical outcomes, (ii) patient experience, (iii) efficiency, (iv) safety of care and (v) timely and effective care. This rating is higher than the other Illinois hospitals in the area. Notably, 94% of patients

³ Modeled after the California Safe Staffing Requirements.

⁴ See THE LEAPFROG GROUP, LEAPFROG HOSPITAL SAFETY GRADE FALL 2024 available at https://www.hospitalsafetygrade.org/search?findBy=city&zip_code=&city=roscoe&state_prov=IL&hospital= (last visited Dec. 18, 2024).

who presented to the emergency department with stroke symptoms received brain scans within 45 minutes of arrival compared to 70% nationally and 71% in Illinois.

- **The Joint Commission Advanced Certifications**

Beyond general hospital accreditation, BMH possess the following advanced certifications:

- The Joint Commission's Certified Advanced Primary Stroke Center, featuring a comprehensive system for rapid diagnosis and treatment of stroke patients admitted to the emergency department.
- The Joint Commission's Gold Seal of Approval® and the American Heart Association/American Stroke Association's Heart-Check mark for [Advanced Certification for Primary Stroke Centers](#). The Gold Seal of Approval® and the Heart-Check mark represent symbols of quality from their respective organizations.
- The Joint Commission certified Perinatal Care program, which is only awarded to obstetrics programs exceeding strict standards of care for maternal, fetal, and newborn health.
- The Joint Commission's Gold Seal of Approval® for Advanced Certification for Total Hip and Total Knee Replacement. The advanced certification is for Joint Commission-accredited hospitals, critical access hospitals, and ambulatory surgery centers seeking to elevate the quality, consistency, and safety of their services and patient care.

- **American Heart Association/American Stroke Association Award**

- The American Heart Association/American Stroke Association's Get With The Guidelines®-Stroke Gold Plus Quality Achievement Award. The award recognizes BMH's success in ensuring stroke patients receive the most appropriate treatment according to nationally recognized research-based guidelines. To receive the Gold Plus Quality Achievement Award, hospitals must achieve 85 percent or higher adherence to all Get with The Guidelines-Stroke achievement indicators for two or more consecutive 12-month periods and achieved 75 percent or higher compliance with five of eight [Get With The Guidelines-Stroke Quality](#) measures.

5. The Planned Hospital Will Operate a Full- Service Emergency Department and Will Provide Stabilizing Care and Access to Specialists

Most questions at the October 29, 2024 State Board meeting concerned the operation of the Planned Hospital's emergency department, particularly stroke and cardiac stabilization and access to specialists.

a. The Planned Hospital Emergency Department Will Provide Myocardial Infarction and Stroke Stabilization

The Illinois Hospital Licensing Requirements mandate every hospital “provide adequate facilities for the provision of immediate life saving measures.”⁵ Like BMH, the Planned Hospital will be staffed by board-certified emergency physicians, physician assistants, and specially trained registered nurses who provide quality medical care to patients in all types of emergencies, including heart attack and stroke. Importantly, emergency physicians maintain certifications in advanced life support, advanced trauma support, and pediatric advanced life support. Additionally, they have extensive knowledge across various specialties that allows them to diagnose and treat diverse conditions. To the extent a patient requires a specialist consult, specialists from BMH will be involved in that patient’s care to create a care plan that best meets the needs of the patient.

Patients presenting to the emergency department with potential symptoms of a heart attack will promptly get an electrocardiogram (“EKG”). If the EKG reveals the patient is having a heart attack, he or she will quickly receive treatment, which can include supplemental oxygen, medication, or angioplasty. Patients requiring emergency angioplasty should receive it within the recommended 90-minute window of arrival at the Planned Hospital. As discussed more fully at the State Board meeting, cardiologists at BMH will read the EKG, and if an emergency angioplasty is needed, the patient will be quickly transported 10-15 minutes to BMH via private ambulance with advanced life support capability. Once the patient arrives at BMH, he/she will be immediately transported to a cardiac catheterization lab for the angioplasty procedure. Importantly, BHS anticipates the Planned Hospital’s door-to-balloon time will be 90 minutes or less. Accordingly, there will not be any treatment delays resulting from patients presenting to the Planned Hospital’s emergency department.

For patients presenting to the emergency department with signs of stroke, the first step is to determine the type of stroke, ischemic (blood clot) or hemorrhagic (brain bleed) by performing a CT scan to allow the physician to identify either the presence of a large blood clot or blood to identify the type of stroke. If a patient is diagnosed with an ischemic stroke, which accounts for 87% of all strokes, the patient will be immediately administered a clot-busting drug like tPA at the Planned Hospital. Studies show that patients with ischemic strokes who receive tPA within 3 hours of first symptoms are more likely to recover fully or have less disability than patients who do not receive the drug.⁶ Patients suffering from a hemorrhagic stroke will be promptly transferred to a comprehensive stroke center for endovascular services.

⁵ 77 Ill. Admin. Code § 250.720(a)

⁶ CENTERS FOR DISEASE CONTROL AND PREVENTION, TREATMENT AND INTERVENTION FOR STROKE (May 15, 2024) available at <https://www.cdc.gov/stroke/treatment/index.html> (last visited Dec. 11, 2024)

b. Planned Hospital will Provide Appropriate Stabilizing Care to Patients

The Planned Hospital, as part of BHS, will provide appropriate stabilizing care with immediate access to imaging, labs and specialist consults. The Emergency Medical Treatment and Labor Act requires that anyone coming to an emergency department requesting evaluation or treatment of a medical condition, receives a medical screening examination. If they have an emergency medical condition, each hospital must provide stabilizing treatment, regardless of the patient's insurance status or ability to pay. As discussed more fully above, the emergency department physicians who will be employed will be trained to provide advanced life support for both children and adults and trauma support, which allows them to treat or stabilize patients presenting to the emergency department. Depending on their condition, patients will either be admitted, discharged, or safely transported to a hospital that provides a higher level of care.

6. Women in Active Labor

At the October 29, 2024 State Board meeting, State Board members raised concerns regarding how the Planned Hospital would address an adverse event at the NorthPointe Birth Center or if a patient with a high-risk emergency birth presented to the Planned Hospital's emergency department.

a. Adverse Event at the NorthPointe Birth Center

Because obstetrics patients are carefully screened for eligibility to labor and delivery at the nearby birth center, an adverse event at the birth center is highly unlikely to occur. The Birth Center Licensing Code limits planned births to those occurring "*following a normal, uncomplicated, and low-risk pregnancy.*"⁷ According to a 2018 *New York Times* article on birth centers, only approximately 2% of women encounter emergency situations, requiring transfer to a hospital during labor or soon after giving birth.⁸ Importantly, to ensure a patient is a good candidate to deliver at a birth center each patient completes a risk assessment with her provider to determine whether her pregnancy constitutes a low-risk pregnancy. Criteria for admission include, but are not limited to:

- Pre-pregnancy body mass index greater than 18 and less than 40;
- No medical risk factors, including, but not limited to:
 - Uncontrolled chronic hypertension;

⁷ 77 Ill. Admin. Code § 264.1250(f) (emphasis added).

⁸ Alice Callahan, *Should You Give Birth at a Birth Center?*, NY TIMES, Sept. 25, 2018 available at <https://www.nytimes.com/2018/09/25/well/family/should-you-give-birth-at-a-birth-center.html> (last visited Dec. 10, 2024).

- Elevated blood glucose levels unresponsive to dietary management;
 - Positive HIV antibody test; or
 - Current drug or alcohol substance use disorder.
- Two or more prior cesarean sections;
 - Premature labor at less than 36 weeks;
 - Gestation beyond 42 weeks; and
 - Known fetal anomalies that may be affected by the site of birth.⁹

In addition to limiting admissions to women with low-risk pregnancies, procedures performed at birth centers are “limited to those normally accomplished in uncomplicated childbirth, including repairs of obstetric lacerations performed in accordance with the birth attendant's or birth assistant's scope of practice. Surgical procedures such as tubal ligation are prohibited at birth centers.”¹⁰ Moreover, the clinical director is available on the premises or in close proximity¹¹ in the event an emergent situation arises. Finally, in the rare case an emergency transfer is required, the NorthPointe Birth Center has a patient transfer agreement with UW Health SwedishAmerican Hospital in Rockford, which operates a Level III NICU.

b. High Risk Emergency Birth at the Emergency Department

The Illinois Hospital Licensing Requirements require each hospital to provide adequate facilities for the provision of immediate life saving measures.¹² While not required for hospitals without obstetric services, the Planned Hospital will provide yearly continuing education, which will include management of severe maternal hypertension and obstetric hemorrhage, addressing airway emergencies experienced during childbirth, and management of other leading causes of maternal mortality.¹³ Accordingly, the Planned Hospital's emergency department physicians will stabilize patients in active labor prior to transferring them a general acute care hospital providing obstetric and neonatal care. The emergency room physicians at the Planned Hospital stand ready to deliver infants in rare cases when birth is imminent and cannot be delayed.

⁹ 77 Ill. Admin. Code §264.1550(g)

¹⁰ 77 Ill. Admin. Code § 264.1250(l)

¹¹ 77 Ill. Admin. Code § 264.1250(n)

¹² 77 Ill. Admin. Code §250.720(a)

¹³ 20 Ill. Comp. Stat. 2310/2310-222(b)

7. Despite Technical Excess Bed Capacity, the Planned Hospital's Inpatient Beds are Needed

a. Additional Beds are Needed to Curb Outmigration to Wisconsin

While the State Board calculates a technical excess of medical/surgical/pediatric beds, the ten beds at the Planned Hospital will not significantly affect the planning area need. Notably, of the 37 planning areas in Illinois, only two have a need for beds and one is perfectly balanced, i.e., the planning area has neither a need or an excess of medical/surgical beds. Of the 34 planning areas with excess beds, 20 have an excess of over 100 beds.

While there is a technical excess of medical/surgical/pediatric beds in the B-01 Planning Area, as noted at the October 29, 2024 State Board meeting, the State Board's calculation does not include two underutilized pediatric units with a combined 17 beds that are not available for adult patients, 34 beds at an area hospital that does not have its licensed beds staffed and set up for inpatient care, and outmigration of B-01 patients to Wisconsin hospitals. In 2023, 2,579 patients from Winnebago County received medical/surgical care at Wisconsin hospitals, accounting for a total of 16,022 medical/surgical patient days (or an average of 44 Winnebago patients were treated in Wisconsin hospitals on a daily basis).¹⁴ Conservatively estimating a 50 percent recapture rate, 25 additional medical/surgical beds are required to curb this outmigration, which is more than sufficient to justify the 10 beds requested for the Planned Hospital. The fact that these patients are leaving Illinois for care generally demonstrates that beds in the B-01 Planning Area are not available for care for those out-migrating and that is the BMH staff's current experience as further described below.

Approximately 740 admissions to BMH annually are Illinois residents residing in the NorthPointe geographic service area. Assuming an average length of stay of 4.0 days for low acuity patients, annual inpatient days would be 2,960 (or an average daily census of 8.1), which is sufficient to justify the 10 medical/surgical beds which are planned.¹⁵

Finally, patients boarding in the BMH emergency department (referring to patients waiting for admission to an inpatient unit) has been problematic and continues to present challenges which would be alleviated for medical/surgical admissions with the establishment of the Planned Hospital. From July 1, 2024 to December 13, 2024, BMH boarded 128 patients in its emergency department due to a lack of an available medical/surgical bed. BMH emergency department utilization fluctuates from 96 patients on slower days to 129 on busier days. Since July 2024, BMH admitted 1,895 (or 12%) of patients that presented to its emergency department. Through September, it transferred 48 patients due to a lack of beds at the hospital. Transfers due to lack of beds have trended up over the past four years and presents ongoing challenges at BMH.

¹⁴ Wisconsin Hospital Association

¹⁵ NorthPointe Neighborhood Hospital Application for Permit (Proj. No. 24-018) 53 (Jun. 6, 2024).

2021: 26 transfers due to lack of beds at BMH
2022: 18 transfers due to lack of beds at BMH
2023: 39 transfers due to lack of beds at BMH
Through September 2024: 48 transfers due to lack of beds at BMH

The Joint Commission has identified boarding in the emergency department as a patient flow problem that can result in heightened risk for patients and inefficiencies for staff.¹⁶ Emergency Department boarding is a critical public health issue and is associated with adverse patient outcomes, such as delays in antibiotic administration, delays in pain medication administration, lower patient satisfaction, prolonged times to disposition among patients with acute asthma, and higher complication rates for cardiovascular events.¹⁷ Importantly, the addition of 10 medical/surgical beds at the Planned Hospital will alleviate Emergency Department boarding at BMH, which is expected improve patient outcomes.

b. Competition Lowers Prices and Improves Quality

Despite assertions to the contrary, a measure of competition between non-profit health systems is favorable relative to pricing and quality. In all industries, competition among businesses has long been encouraged as a mechanism to increase value for patients. It is well-established that patients, payors and employers benefit from competition in hospital care. Competition ensures the provision of better products and services to meet the needs of patients. **This is echoed in emails from Javon Bea to BHS, “patients deserve a choice for their health care needs . . . and study after study shows competition lowers health care costs and improves quality.”** The introduction of fixed payment reimbursement resulted in hospitals competing more on the basis of price. The cost of health care as absorbed by payors, patients, their families and employers will be lower when there is meaningful competition and high-quality services and innovation are important when vying for patients. The smaller format of the Planned Hospital reduces the impact of any market share changes while at the same time does not change the market dynamics enormously as might be the case if a larger hospital was built.

8. Improvements in EHR Interoperability Allow Health Care Providers to Exchange and Utilize Patient Data Across Multiple Systems

At the hearing, State Board member Tanksley inquired about BHS’s electronic health record interoperability given that there is more than one electronic health record vendor. While it is true that there are multiple EHR platforms, there has been a relatively rapid increase in improving data exchange between health care facilities. Interoperable exchange of health information or “interoperability” is critical for delivering appropriate care, reducing health care

¹⁶ THE JOINT COMMISSION, R³ REPORT: REQUIREMENT, RATIONALE, REFERENCE, PATIENT FLOW THROUGH THE EMERGENCY DEPARTMENT 2 (2012).

¹⁷ Zoubir Boudi et al., *Association Between Boarding in the Emergency Department and In-Hospital Mortality: A Systematic Review*, PLOS ONE, Apr. 15, 2020 at 15 available at <https://pmc.ncbi.nlm.nih.gov/articles/PMC7159217/pdf/pone.0231253.pdf> (last visited Dec. 17, 2024).

costs, and making health care more efficient. The Office of the National Coordinator for Health Information Technology (“ONC”) is executing on a number of health IT provisions from the 21st Century Cures Act, such as the Trusted Exchange Framework and Common Agreement (“TEFCA”) and Information Blocking provision that will advance interoperability. As these provisions are implemented, interoperability of information exchange is improving dramatically.

The engagement of hospitals in all four domains of interoperability (send, receive, find, and integrate) has increased substantially and BHS is fully invested in health information exchange. From 2018 to 2023, there was a 52% increase, with 70% of hospitals now engaged in all four domains. This marks a significant improvement in the ability of healthcare providers to exchange and utilize patient information across different systems. This will only improve going forward. By 2021, more than 6 in 10 hospitals were engaged in key aspects of electronically sharing health information, including sending, receiving, querying, and integrating summary of care records into EHRs. This represents a 51% increase since 2017. The availability and usage of electronic health information received from outside sources at the point of care also significantly increased, reaching 62% and 71% respectively in 2021.

9. Modification of the Application

a. Hospital Address

As requested by Board staff, BHS contacted the Winnebago County, Regional Planning & Economic Development Department to add a suite number for the Planned Hospital (Suite No. 101).

b. Project Completion Date and Project Costs

At the time the Planned Hospital CON permit application was filed, BHS anticipated the project would be completed by October 1, 2027. Due to the passage of time, the revised project completion date will be August 31, 2028. Additionally, BHS is working with its architect to revise the project costs based on a later construction start date.

BHS is submitting a modification to the Planned Hospital’s CON permit application under separate cover to address these changes.

Mr. John Kniery
December 27, 2024
Page 13

Thank you for allowing us to provide additional information on the NorthPointe
Neighborhood Hospital CON application.

Sincerely

A handwritten signature in black ink, appearing to read "Roger Kapoor", with a long horizontal flourish extending to the right.

Roger Kapoor
Senior Vice President
Beloit Health System

Attachments

Exhibit A

Illinois Health and Hospital Association 2024 Economic Impact Report

ILLINOIS HOSPITALS AND HEALTH SYSTEMS

\$117.7 BILLION
Statewide Economic Impact

445 THOUSAND
Jobs Supporting Working Families

Essential
to Illinois' Economic Growth

**2024
Economic
Impact
Report**

IHA Illinois Health
and Hospital
Association

Your trusted voice and resource



Essential to
Families

Essential to
Illinois

The vital role of Illinois hospitals and health systems in community health and well-being **is only part of the story.**

Illinois hospitals and health systems are also:

- ▶ **Powerful economic drivers** for their communities and for Illinois, infusing **\$117.7 billion annually** into state and local economies. They offer good-paying jobs for working families; create jobs in other sectors; and purchase goods and services in their communities.
- ▶ **Strong community anchors**, providing:
 - Economic development;
 - Neighborhood revitalization; and
 - Enhanced public health and safety through community partnerships.
- ▶ **Driving critical health equity initiatives to ensure access for all.**



State Economic Impact

\$117.7 Billion

Annual amount Illinois hospitals infuse into the state's economy



For every dollar hospitals spend on payroll, supplies and capital, an **additional \$1.40** is generated in spending in state and local economies.

	PAYROLL	SUPPLIES/SERVICES	CAPITAL
DIRECT	\$21.3 B	\$26.2 B	\$2.4 B
	+	+	+
INDIRECT	\$29.0 B	\$35.6 B	\$3.2 B
	=	=	=
TOTAL	\$50.3 B	\$61.8 B	\$5.6 B



For every Illinois hospital job, 1.4 jobs are created in other sectors.

445 Thousand

Jobs Supporting Working Families

	FTE JOBS GENERATED BY ILLINOIS HOSPITALS
DIRECT	190 K
	+
INDIRECT	255 K
	=
TOTAL	445 K



The Illinois Health and Hospital Association has modeled the full economic value of hospitals and health systems in the state of Illinois. Estimates of Illinois hospitals' economic benefits were based on the Regional Input-Output Modeling System (RIMS-II), developed by the U.S. Bureau of Economic Analysis (BEA). The final demand multipliers, obtained from BEA RIMS-II were applied to 2022/2023 Medicare cost report data of hospital jobs and spending to obtain the "ripple effect" of jobs and spending throughout the economy.

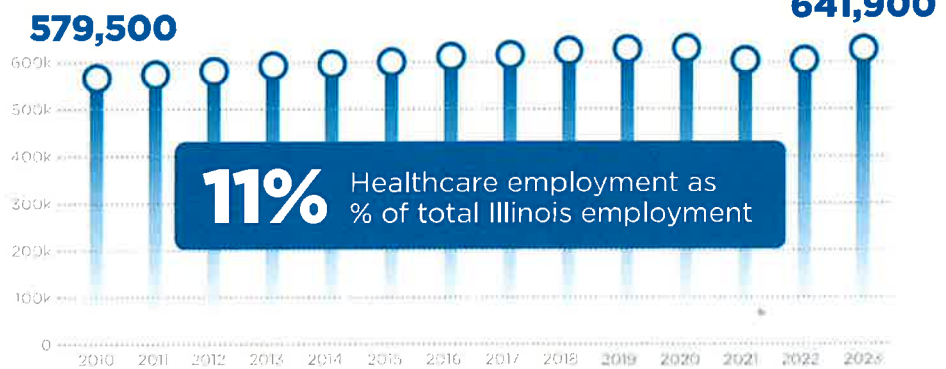
ILLINOIS HOSPITALS AND HEALTH SYSTEMS

Leading Illinois' Economic Growth



Consistent Creator of Good-paying Jobs

Illinois Healthcare Employment



Source: Illinois Department of Employment Security, 2023

INCREASED their economic impact even when operating in the RED

-3% Operating margin as % of net revenue (FY2022)
Operating margins are even lower for safety-net hospitals and academic medical centers.

For more information, contact:

David Gross SVP, Government Relations
Jordan Powell SVP, Health Policy and Finance

✉ dgross@team-iha.org
✉ jpowell@team-iha.org

📞 217.541.1161
📞 217.541.1185

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FOLD on this line and place in shipping pouch with **bar code and delivery address** visible

1. Fold the first printed page in half and use as the shipping label.
2. Place the label in a waybill pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.
3. Keep the second page as a receipt for your records. The receipt contains the terms and conditions of shipping and information useful for tracking your package.

Legal Terms and Conditions

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