



August 12, 2024

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

Dear Review Board Members,

As a City of Rockford Alderman, I am writing to express opposition to Beloit Health System, Inc's proposed NorthPointe Hospital in Winnebago County, Illinois. While the intention to expand healthcare infrastructure may seem beneficial at first glance, this project will ultimately result in significant negative consequences for our community's healthcare system, patient safety and the overall healthcare market in Illinois.

Unnecessary duplication of services

- Beloit Health System has proposed NorthPointe Neighborhood Hospital will serve individuals within a 17-mile geographic service area. This is unrealistic, as this 17-mile service area goes up to Janesville, Wisconsin, and the south side of Rockford, past the I39-I90 Interchange.
- There are seven hospitals in this area, including two Level 1 Trauma Centers and one Level 2 Trauma Center. It is also cited that there is an excess of 94 medical surgical beds in the Illinois service area, clearly indicating that additional beds are not needed.
- There are eight emergency departments, with a ninth under construction, as well as thirteen urgent care/immediate care/prompt care centers already providing care in this 17-mile patient catchment area.

Increased healthcare costs

- NorthPointe already offers urgent care services, a birthing center and ambulatory surgeries. By licensing this facility as a "hospital" while maintaining the current level of services, this will unnecessarily increase costs to patients, insurance companies, and the State and the Federal Government. As a hospital, their current rates would increase when the services can continue to be provided in a more affordable, outpatient setting.

Potential risk to patient safety

- Healthcare institutions without secondary emergency services—such as cardiac cath labs, trauma services and stroke care—are often misrepresented to the general public as being able to serve their needs. In reality, however, going to an emergency department like the one Beloit Health System is proposing will only delay tertiary medical care when minutes can mean the difference between life and death.
- It would also cause patient confusion. Patients understand the lower-level services offered in urgent care/immediate care/prompt care, ambulatory surgery centers and likely even an outpatient birthing center, however when a facility is labelled a "hospital" the expectation of necessary life-saving specialty services changes dramatically.
- Beloit Health System is taking advantage of the unsuspecting public who thinks "a hospital, is a hospital, is a hospital." This is clearly not the case. A patient coming to the Northpointe Neighborhood Hospital Emergency Department will not likely be able to have an emergency surgery at 3:00am. When a standard procedure like a cataract surgery is happening in the single operating room, there will be no

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opportunity for another patient to have their emergent, life-saving inpatient surgery. Minutes do count and this confusion, along with patient transfer time, will add minutes.

- While some ambulance services may understand the capabilities at Northpointe Neighborhood Hospital, patients will not. They will arrive in this "collection" emergency room, only to be transferred to Beloit Memorial Hospital in Wisconsin. This will waste precious time.

Threatened stability of the Illinois healthcare market

- Wisconsin-based Beloit Health System is cherry picking the higher income patients in Roscoe and Rockton, bedroom communities of Rockford, with the expectation of transfer to Beloit Memorial Hospital, and potentially to Madison, Wisconsin. The City of Rockford has an average median household income of \$53,994. Beloit and South Beloit have an average median income of \$62,273, while Roscoe and Rockton are \$98,750 and \$111,065 respectively. This project risks the migration of an overwhelmingly white, young and affluent demographic to a neighboring state, setting a precedent for others healthcare systems to mimic Beloit Health System's approach.
- The Beloit Health System's proposed project does not help the poor, minority, or older demographic.
- Existing tertiary healthcare facilities in this region rely on a favorably distributed payor mix to ensure appropriate financial margins to offset the care deliver necessary for the poor and underserved throughout Winnebago County. Beloit Health System's proposal jeopardizes other health system's ability to continue their service mission.
- The introduction of a new hospital will only exacerbate the already-challenged professional workforce in region. Hospitals, clinics and skilled care facilities throughout the area are struggling to maintain services, and many have already reduced services or closed due to staffing issues.

Considering these concerns, I strongly urge you to reconsider the establishment of a new hospital and instead focus on strengthening and supporting the existing healthcare infrastructure. By investing in the expansion and improvement of our current healthcare facilities, we can ensure that patients receive high-quality care without risking patient safety, increasing healthcare costs, or destabilizing the Illinois healthcare market.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "KFrost".

Kevin Frost
4th Ward Alderman, City of Rockford