



August 22, 2024

Debra Savage, Chair  
Illinois Health Facilities and Services Review Board  
525 W. Jefferson, 2<sup>nd</sup> Floor  
Springfield, IL 62761

RE: E-015-24 Acquisition of KSB Hospital by OSF Healthcare – Opposition Letter

Dear Chair Savage:

This letter relates to the planned transaction for OSF Healthcare to acquire Katherine Shaw Bethea Hospital (KSB Hospital). CGH Medical Center is the other community hospital in the area of Illinois known as Dixon/Sterling. For 33 years, CGH Medical Center and KSB Hospital, have co-sponsored a cancer treatment center operating a linear accelerator for radiation therapy for the Dixon/Sterling community cancer patients. The center is called Northern Illinois Cancer Treatment Center (NICTC) and it is the operator of the only linear accelerator in the Dixon/Sterling community. The next closest linear accelerator in Illinois is in Freeport which is over 45 minutes away (approximately 36 miles). Radiation therapy for cancer patients involves up to 5 treatments per week and treatment can last for eight weeks. Many patients rely on a friend or family member for transport to and from the radiation therapy sessions. Approximately 75% of the inpatients CGH Medical Center cares for are either enrolled in a federal health program (Medicare/Medicaid) or receive charity care. KSB Hospital's payor mix is similar.

For many months, there have been discussions and other work for NICTC toward a plan to replace the existing linear accelerator due to its age. CGH representatives on the NICTC Board have not disputed the need to replace the equipment but the equipment replacement plan has not moved forward due to KSB delays which KSB has not explained. We are very wary about the intentions of OSF and KSB relative to this service and concerned that OSF may be inclined to move the services out of town or terminate its involvement in NICTC. As such, CGH Medical Center opposes the approval of the Certificate of Exemption for KSB Hospital to become a part of OSF Healthcare asking that it not be approved, until KSB agrees to fund 50% of the costs associated with the purchase and installation of a new linear accelerator for NICTC or until KSB Hospital and CGH Medical Center can come to other terms for an arrangement to move forward with a plan to retain these essential radiation therapy services in the community. Once that issue is resolved, CGH will not stand in the way of the KSB transaction with OSF Healthcare.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Paul H. Steinke', followed by a stylized flourish.

Dr. Paul Steinke  
CGH President & CEO