

September 2, 2025

Ms. Debra Savage, Chairwoman
Mr. John P. Kniery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761

Re: Monthly Correspondence

Project 24-011 OSF Saint Elizabeth Medical Center – Ottawa, Replacement Hospital
Project 24-013 OSF Saint Elizabeth Medical Center – Ottawa, Discontinuation of Facility

Dear Chairwoman Savage and Mr. Kniery:

On behalf of OSF HealthCare, I'm pleased to share an update with the Board to keep them informed about our ongoing community engagement efforts. This report provides a summary of the in-person meeting held in Ottawa, Illinois, on Friday, August 29. The materials that were shared at the meeting are also attached with this report.

Community Representatives and Elected Officials:

- George Shanley – Member, OSF Saint Elizabeth Community Council
- Colleen Burns – Licensed Real Estate Broker
- Robert Hasty – Mayor, City of Ottawa
- Amy Murri Briehl – State Representative (76th District)
- Jay McCracken – Executive Director, Ottawa Area Chamber of Commerce
- Wayne Eichelkraut – Commissioner, City of Ottawa
- Tom Ganiere – Commissioner, City of Ottawa
- Ron Henson – Ottawa Insurance Agent

OSF HealthCare Representatives:

- Dawn Trompeter – President, OSF Saint Elizabeth Medical Center
- Bob Sehring – CEO and Board Member, OSF HealthCare
- August Querciagrossa – Western Region CEO, OSF HealthCare

Purpose

The meeting provided an opportunity for OSF HealthCare to share updates with community stakeholders on current operations, new services, and organizational priorities.

Key Discussion Points

- **Inpatient Census & Service Updates**

The meeting began on time with a review and discussion of inpatient census data (see attachment). OSF then provided updates on its Peru campus and broader service developments. Notably, the ICU and all 45 medical/surgical beds at the Peru campus opened on August 18. Since the last meeting with the Citizens for Healthcare in Ottawa group, Virtual ED services were launched on August 25 in both Ottawa and Peru, enhancing the in-person care already available. Looking ahead, new services are actively being introduced across the region, including tele-neurology, which will go live on October 1. This service will provide 24/7/365 immediate consult availability for emergency and inpatient care, with future expansion planned for ambulatory office visits. The addition is expected to strengthen neurologist coverage and capacity throughout the region.

- **Regional Model of Care for Obstetrics**

The discussion then turned to the regional model of care for obstetrics (see I-80 OB patient journey attachment). In addition to office visits, imaging, labs, and inpatient care, enhancements to OSF OnCall were highlighted. These include remote monitoring, a 24/7 call line with an OB advanced practice provider and expanded virtual visit options to reduce the need for in-person appointments. The new OSF OnCall Connect Mobile OB visit further enhances access, convenience, and support. Postpartum services will also be strengthened through follow-up appointments, education, continuity of care, and dedicated lactation support. Inpatient teams will focus on essential bedside care, supplemented by digital services. Social drivers of health assessments, addressing factors such as financial stress, transportation, and food insecurity, are also integrated into the model.

- **Financial Transparency & Pointcore Overview**

Following the discussion on the OB regional model of care, OSF shared financial data with the group as part of its commitment to transparency. Local operating performance was reviewed holistically, including specific operating losses (see attachment). The group also discussed Safety Net status, with OSF clarifying that it operates three hospitals designated as Safety Net facilities: OSF Saint Elizabeth Medical Center in Ottawa and Peru, OSF Sacred Heart Medical Center in Danville, and OSF Little Company of Mary Medical Center in Evergreen Park. The conversation then shifted to Pointcore, with an overview provided on how the entity functions and manages project costs. (Pointcore oversees projects but contracts the work externally, operating in a manner similar to a general contractor.)

- **Community Representative Input**

Colleen Burns, representing Citizens for Healthcare in Ottawa, shared her personal analysis of the ICU data that OSF had provided to the group in July.



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Next Steps

OSF agreed to review Colleen Burns' insights and include her analysis on the agenda for the next meeting, allowing time for full review. The group also requested a tour of the Peru campus, which OSF supported, noting that some members have already taken part in a visit.

Next Meeting: September 15, 2025, at 2:00 p.m. in Ottawa

Sincerely,

AJ Querciagrossa, Chief Executive Officer, Western Region, OSF HealthCare

c: Dawn Trompeter, President, OSF HealthCare Saint Elizabeth Medical Center – Ottawa
Mark Hohulin, Senior Vice President, Health Care Analytics, OSF HealthCare
Ralph Weber, CON Consultant
Mike Constantino, Chief, Project Review

OSF/Ottawa Community Meeting Agenda
August 29, 2025
2:30 p.m.

- I. Opening Prayer
 - II. Inpatient Census Data
 - III. Peru Updates
 - IV. Service Updates
 - V. OB Model of Care
 - VI. Financials
 - VII. PointCore
 - VIII. Colleen's Analysis
 - IX. Adjournment
-

Med/Surg

	<u>Ottawa</u>				<u>Peru</u>				<u>Ottawa/Peru Combined</u>			
	<u>Proj. Admits</u>	<u>Act. Admits</u>	<u>Proj. Pt. Days</u>	<u>Act. Pt. Days</u>	<u>Proj. Admits</u>	<u>Act. Admits</u>	<u>Proj. Pt. Days</u>	<u>Act. Pt. Days</u>	<u>Proj. Admits</u>	<u>Act. Admits</u>	<u>Proj. Pt. Days</u>	<u>Act. Pt. Days</u>
2024	2,328	2,320	11,966	12,555	395	407	2,030	1,764	2,723	2,727	13,996	14,319
2025 (Jan-July)		1,322		7,015		418		1,909		1,740		8,924
2025 Annualized	2,328	2,287	11,966	12,135	676	723	3,504	3,302	3,004	3,010	15,470	15,437
				32.8				9.6				42.4
				34.3				4.8				39.1
				33.2				9.0				42.3
				33.2				9.0				42.3

OB

	<u>Proj. Admits</u>	<u>Act. Admits</u>	<u>Proj. Pt. Days</u>	<u>Act. Pt. Days</u>	<u>Proj. Admits</u>	<u>Act. Admits</u>	<u>Proj. Pt. Days</u>	<u>Act. Pt. Days</u>
2024	759	672	1,698	1,444				
2025 (Jan-July)		391		801				
2025 Annualized	1,043	676	2,420	1,386				
				6.6				
				3.8				
				3.8				

ICU

	<u>Proj. Admits</u>	<u>Act. Admits</u>	<u>Proj. Pt. Days</u>	<u>Act. Pt. Days</u>	<u>Proj. Admits</u>	<u>Act. Admits</u>	<u>Proj. Pt. Days</u>	<u>Act. Pt. Days</u>
2024	585	418	1,669	1,416				
2025 (Jan-July)		253		812				
2025 Annualized	585	438	1,669	1,405				
				4.6				
				3.8				
				3.8				

	<u>Deliveries</u>
2024	653
2025 (Jan-July)	373
2025 Annualized	645

Peru Updates

- ICU and all 45 med/surg beds opened 8/18

Service Updates

Service changes:

- None

New services planned for the region:

- Virtual ED services begin 8/25/25 in Ottawa and Peru
 - Tele-neurology services begin 10/1/25
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I-80 OB Patient Journey

Meet Daphne!

Age: 28

Background: First pregnancy, unmarried with a supportive partner

Insight: Mary has Meridian insurance. Mary has difficulty getting to appointments which makes her an ideal candidate for the van. She plans to breastfeed.

SDoH Assessment:

- ☐ Financial stress
- ☐ Transportation
- ☐ Food insecurity

KEY:

- Touchpoint w/ gestational age (weeks)
- OnCall Connect Virtual Visit -Gray denotes current state
- 🚐 OnCall Connect Mobile OB Visit (Medicaid Only)
- 🏠 Patient's Primary Provider Visit
- 🧪 Testing / Labs
- 📺 Ultrasound scan
- 📱 Pregnancy and Postpartum Support App
- 💻 Virtual Nursing Discharge



Initial visit

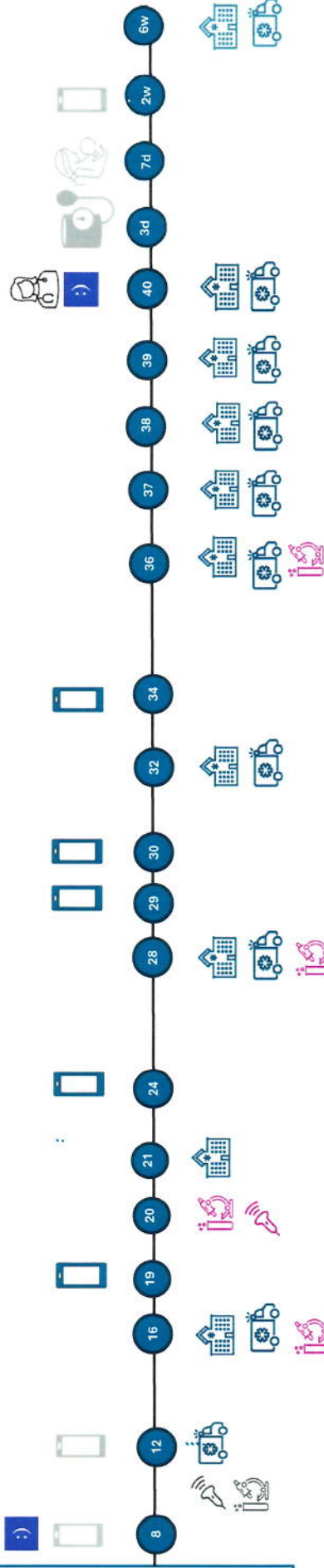
12-20 weeks

21-35 weeks

36-40 weeks

Postpartum

TOUCHPOINTS / EXPERIENCE



OSF Saint Elizabeth Market Operating Performance

The following comments are for the consolidated financial results for SEMC Hospital, Ottawa Medical Group, Ottawa OnCall, and Ottawa Home Care. (excludes Streater CFH)

- Cumulative financial results from FY12 (OSF transaction) to FY20 totaled an Operating Loss of \$50.3M.
- In FY20, SEMC attained Safety Net Status from Medicaid based, in large part, on the amount of inpatient behavioral health services provided at OSF Saint Elizabeth.
- In FY21 SEMC generated an operating gain for the first time of \$13.3M.
- In FY22 & FY23 the market generated an operating gain of \$16.0M and \$29.6M respectively. The Ottawa market achieved breakeven status on a cumulative basis during FY23. (FY12-FY23)
- The most significant driver of the market's financial performance improvement is Safety Net designation which currently adds over \$30M to annual revenue. Absent the inpatient behavioral health service line or if there is a significant reduction in patients who qualify for Medicaid because of Federal legislation, we would have a high likelihood of losing this additional reimbursement.

PointCore Construction

PointCore Construction operates as an "Owners Rep" for OSF. As such, the vast majority of project costs are distributed to subs, outside vendors, architects, etc. With regards to amounts paid to PointCore Construction on the Foundation funded projects, the amount was very minimal (\$1,402.50) as PointCore Construction was only involved in the Transportation Center project.