From: Mary Beth LeSeure
To: Roate, George
Subject: [External] OSF St Elizabeth Ottawa
Date: Friday, July 19, 2024 3:24:33 PM

To whom it may concern:

I am sending this email because I have concerns about OSF St. Elizabeth's plans to downsize their hospital in Ottawa.

I have been a resident of Ottawa since 1985, and fortunately have only had to avail myself of the hospital services 4 times, 2 as inpatient with the birth of both of my children, the other 2 ER visits for an allergic reaction and broken ankle. The last was in 2008. My primary care physician is an OSF doctor and I think she is awesome!

I am a Mortgage Loan Originator for a local bank. Ottawa is a growing and thriving community. Since COVID, when working from home became a regular option for a lot of people, we've seen a number of families relocate from Chicago and the suburbs for all the good things that Ottawa has to offer. Our beautiful city and state parks, great restaurants, a good school system, lower property taxes and cost of living are attractive for people looking to relocate from the city and suburbs. We're still within an easy drive to Chicago for ballgames, culture, etc., as well as Peoria, Bloomington, Rockford and the Quad Cities for concerts and other activities. It's a very inviting place to be for people looking for a change of pace. Our visitor's center has branded Ottawa "The Middle of Everywhere", and I feel like that's pretty accurate. However, a reduction in the availability of quality healthcare will have a negative impact on our city.

I've viewed or listened to the community meetings, radio interviews, etc. OSF refers to this area as the I-39 Corridor, and their Peru facility is what they consider to be the center of that area. However, when I took a look at the actual population of towns in LaSalle and Bureau counties, west of I-39 has a population of approximately 36,000, while east of I-39 has a population just over 61,000. This is not anything official, I googled population of towns, and this is what the 2020 census showed, anyone outside of city limits is not included in this total. I'm assuming from those numbers, the OSF Peru facility is the geographic center, because obviously it is not based on population.

I also feel like the proposal for both campuses, Ottawa and Peru, is not sufficient for the population in this area. To completely remove OB from the Ottawa hospital and reduce inpatient beds and ICU is concerning. I've heard there might have been a revision, or one forthcoming, but I've seen nothing official on that yet. For the area west of I-39 to

have lost 2 hospitals in the last couple of years has been devastating for their communities, but that loss has been felt in Ottawa as well. OSF Ottawa has been overwhelmed since the closings of IVCH in Peru and St Margarets in Spring Valley. Ottawa has also absorbed the closing of St Mary's Hospital in Streator in 2016. All of these closures has had a negative impact on OSF Ottawa.

Thank you for taking the time to read this email, and for your consideration for the future of healthcare in Ottawa.

Sincerely,

MaryBeth LeSeure

OES **Ottawa Elementary School District 141**

Dr. Michelle Lee, Superintendent
Christine Buccarelli, Assistant Superintendent of Curriculum & Assessment
Dr. Jeremy Lambe, Assistant Superintendent of Special Services
BOARD OF EDUCATION
Sean Conley, Brenden Donahue, Mark Fisher, Mary Ganiere, Lori Kimes, Maribeth Manigold, Eric Ganiere

Administration Office
320 West Main Street, Ottawa, Illinois 61350
Telephone: 815-433-1133 Fax: 815-433-1888
www.oes141.org

July 17, 2024

To: Mr. George Roate

Enclosed, please accept this Resolution from the Ottawa Elementary Board of Education that was passed on July 16, 2024 at the Regular Board Meeting. This is in regards to opposition of the new proposed OSF Hospital in Ottawa, Illinois.
Thank you very much.

RESOLUTION NO. ____ - 2024

RESOLUTION OF OPPOSITION TO OSF HEALTHCARE's PLAN FOR OSF SAINT ELIZABETH MEDICAL CENTER IN OTTAWA, ILLINOIS

WHEREAS, on March 6, 2024, OSF HealthCare announced it would be constructing a new multi-million-dollar hospital in Ottawa to replace the current Saint Elizabeth Medical Center in Ottawa, Illinois, which it states is nearing the end of its useful life; and,

WHEREAS, with this new multi-million-dollar hospital, OSF HealthCare will be reducing the services provided at Saint Elizabeth Medical Center - Ottawa; and

WHEREAS, Saint Elizabeth Medical Center - Ottawa will lose vital services such as in-patient intensive care, in-patient Obstetric care, birthing rooms, several operating rooms, and other essential services to the Ottawa and surrounding communities; and

WHEREAS, OSF HealthCare is reducing the number of medical/surgical beds in Ottawa to only twelve beds, a significant decrease from its current bed capacity; and

WHEREAS, the lack of medical services being provided in Ottawa, will strain the Emergency Medical Services and Transport community as there will be a large flux of patients requiring transport to other locations, wasting the valuable time of Emergency Medical Service staff of not just Ottawa, but other local districts EMS providers also; and

WHEREAS, the reduction in medical services provided at Saint Elizabeth Medical Center – Ottawa will require longer transportation times for the citizens of Ottawa and surrounding communities who require services no longer provided in Ottawa; and,

WHEREAS, the reduction in medical services will have a direct negative effect on Ottawa's ability to attract quality health care providers; and,

WHEREAS, the lack of medical services being provided in Ottawa will have a direct negative effect on the ability of Ottawa to attract economic development; and,

WHEREAS, OSF HealthCare only informed City Officials a few hours prior to its public announcement of the new hospital and reduction of services at the new hospital; and

WHEREAS, at the time Ottawa Regional Hospital merged with OSF Healthcare, OSF stated residents will experience greater access to health care services, but OSF HealthCare's plan for Saint Elizabeth Medical Center - Ottawa is instead reducing vital health care services to our citizens; and

WHEREAS, the Council of the City of Ottawa finds OSF HealthCare's plans regarding the services to be offered at Saint Elizabeth Medical Center – Ottawa negatively affects the health, safety, and welfare of the citizens of Ottawa; and

WHEREAS, the Council of the City of Ottawa finds it in the best interests of the citizens of Ottawa to publicly oppose OSF HealthCare's plans regarding the services to be offered at the proposed new Saint Elizabeth Medical Center – Ottawa.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF OTTAWA, ILLINOIS, AS FOLLOWS:

Section One: The Council of the City of Ottawa hereby opposes OSF HealthCare's plans for the services to be offered at the proposed new Saint Elizabeth Medical Center – Ottawa and strongly urge for the health, safety, and welfare of the citizens of Ottawa, the surrounding communities, and EMS providers OSF HealthCare reconsiders their decision and provides Ottawa with the full-service hospital it deserves and currently has.

Section Two: Any resolution or part thereof in conflict herewith is hereby repealed.

Section Three: This resolution shall be in full force and effect from and after its passage, Approval, and publication in pamphlet form.

	Aye	Nay	Absent
Brenden Donahue, President			
Mr. Fisher	X		
Mrs. Ganiere			X
Mr.Conley	X		
Mr. Ganiere	X		
Mrs. Manigold	X		
Mrs. Kimes	X		
			X

PASSED and APPROVED this 16th day of July 2024.

Board President

ATTEST:

Board Secretary

OES **Ottawa Elementary School District 141**

Dr. Michelle Lee, Superintendent
Christine Buccarelli, Assistant Superintendent of Curriculum & Assessment
Dr. Jeremy Lambe, Assistant Superintendent of Special Services
BOARD OF EDUCATION
Sean Conley, Brenden Donahue, Mark Fisher, Mary Ganiere, Lori Kimes, Maribeth Manigold, Eric Ganiere

Administration Office
320 West Main Street, Ottawa, Illinois 61350
Telephone: 815-433-1133 Fax: 815-433-1888
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July 17, 2024

To: Mr. George Roate

Enclosed, please accept this Resolution from the Ottawa Elementary Board of Education that was passed on July 16, 2024 at the Regular Board Meeting. This is in regards to opposition of the new proposed OSF Hospital in Ottawa, Illinois.
Thank you very much.

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WHEREAS, the lack of medical services being provided in Ottawa will have a direct negative effect on the ability of Ottawa to attract economic development; and,

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Section Two: Any resolution or part thereof in conflict herewith is hereby repealed.

Section Three: This resolution shall be in full force and effect from and after its passage, Approval, and publication in pamphlet form.

	Aye	Nay	Absent
Brenden Donahue, President			
Mr. Fisher	X		
Mrs. Ganiere			X
Mr.Conley	X		
Mr. Ganiere	X		
Mrs. Manigold	X		
Mrs. Kimes	X		
			X

PASSED and APPROVED this 16th day of July 2024.

Board President

ATTEST:

Board Secretary

From: Abby Campbell
To: Roate, George
Subject: [External] Opposition Letter to CON 24-011 & CON 24-013
Date: Tuesday, July 16, 2024 1:56:49 PM

Dear Chairwoman Savage:

I am writing to you in opposition of OSF's plans to discontinue services at St. Elizabeth Medical Center ("SEMC") in Ottawa, and in opposition of OSF's plans to demolish the hospital and build a newer, smaller facility that greatly reduces access to inpatient hospital services.

In March 2024, OSF announced plans to build a new hospital in Ottawa and demolish the one built in the 70s. The new hospital would keep 26 mental health beds; but the 5-bed ICU and 14-bed OB units would be eliminated; and only 12 med/surg beds would remain (a 78% reduction from the 54 it has today). In stark contrast, OSF shared plans to re-open Peru's once shuttered hospital as the system's new inpatient hub on I-80, and increase the number of beds. Even with OSF re-opening the Peru hospital with an increase in beds, the severe reduction planned for SEMC-Ottawa still leaves the C-02 region short 24 med/surg beds and 2 OB beds, and will place all ICU beds West of I-39 - leaving a gaping hole in access in LaSalle County.
Please vote against OSF's projects to demolish our hospital in Ottawa and replace it with a smaller facility that eliminates our ICU and OB units, and severely reduces our medical surgical unit to one of the smallest in the state. OSF's plans do not align with the growth in our area – both traditional residential and also through tourism as Heritage Harbor looks to build 300 vacation homes. OSF's plans also do not align with the promises they made to our community 12 short years ago – and the promises stated in their exemption application to the IHFSRB in 2012. It is our hope that OSF takes the time to make a better plan for our hospital, one that is right-sized for our community's needs and honors the spirit of the partnership we entered into with their system and our local hospital.

Thank you,

Abby Campbell

Sent from my iPhone

From: Samantha Leix
To: Roate, George
Subject: [External] Opposition Letter to CON 24-011 & CON 24-013
Date: Tuesday, July 16, 2024 2:11:28 PM

Dear Chairwoman Savage:

I am writing to you in opposition of OSF's plans to discontinue services at St. Elizabeth Medical Center ("SEMC") in Ottawa, and in opposition of OSF's plans to demolish the hospital and build a newer, smaller facility that greatly reduces access to inpatient hospital services.

In March 2024, OSF announced plans to build a new hospital in Ottawa and demolish the one built in the 70s. The new hospital would keep 26 mental health beds; but the 5-bed ICU and 14-bed OB units would be eliminated; and only 12 med/surg beds would remain (a 78% reduction from the 54 it has today). In stark contrast, OSF shared plans to re-open Peru's once shuttered hospital as the system's new inpatient hub on I-80, and increase the number of beds. Even with OSF re-opening the Peru hospital with an increase in beds, the severe reduction planned for SEMC-Ottawa still leaves the C-02 region short 24 med/surg beds and 2 OB beds, and will place all ICU beds West of I-39 - leaving a gaping hole in access in LaSalle County. Please vote against OSF's projects to demolish our hospital in Ottawa and replace it with a smaller facility that eliminates our ICU and OB units, and severely reduces our medical surgical unit to one of the smallest in the state. OSF's plans do not align with the growth in our area – both traditional residential and also through tourism as Heritage Harbor looks to build 300 vacation homes. OSF's plans also do not align with the promises they made to our community 12 short years ago – and the promises stated in their exemption application to the IHFSRB in 2012.
It is our hope that OSF takes the time to make a better plan for our hospital, one that is right-sized for our community's needs and honors the spirit of the partnership we entered into with their system and our local hospital.

Thank you,
Samantha Riedesel

OTTAWA
POLICE DEPARTMENT

BRENT A. ROALSON
Chief of Police

301 W. LAFAYETTE ST.
OTTAWA, ILLINOIS
61350-2057

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ottawapoliceandfire
.com

7/17/2024

IL Health Facilities & Services Review Board ("IHFSRB")
Attn: Debra Savage, Chairwoman
525 West Jefferson, 2nd Floor
Springfield, IL 62761

RE: Opposition Letter for OSF St. Elizabeth Medical Center – Replacement hospital (CON Project #24-011); &
Opposition Letter for OSF St. Elizabeth Medical Center – Discontinuation of facility (CON Project #24-013)

Dear Chairwoman:

I am writing to you in opposition of OSF's plans to discontinue services at St. Elizabeth Medical Center ("SEMC") in Ottawa, and in opposition of OSF's plans to demolish the hospital and build a newer, smaller facility that greatly reduces access to inpatient hospital services.

In March 2024, OSF announced plans to build a new hospital in Ottawa and demolish the one built in the 70s. The new hospital would keep 26 mental health beds; but the 5-bed ICU and 14-bed OB units would be eliminated; and only 12 med/surg beds would remain (a 78% reduction from the 54 it has today).

As the Chief of Police since 2012 this new plan causes significant concerns for our department as well as the communities we serve. OSF St. Elizabeth currently operates understaffed as it pertains to security. This creates a dangerous situation for staff, those seeking medical attention, those being treated for mental health services and for the residents of Ottawa. The lack of proper staffing causes 2 to 3 patrol officers to be taken off the street to maintain unruly patients and stand by while waiting for mental health professionals to come to the emergency room to be evaluated for mental health inpatient services. This can take up to 3 hours at times. Staffing is cut in half during these calls. Our emergency room routinely has 3 to 4 rooms occupied by those seeking mental health services brought in from all over the surrounding areas as it stands now. The need for mental health services is increasing which I applaud OSF for recognizing however, they have neglected to look the impact the increase has on all aspects of health care. If you increase the number of beds for mental health patients, then the increase would have to be across the board in the emergency room. ICU, and regular patient rooms. Mental health patients by OSF's own admission are dual diagnosis often meaning mental health inpatient treatment is secondary until the patient is stable to be placed on the mental health services floor. So therefore, the increase in mental health beds but the reduction in others do not add up.

OTTAWA
POLICE DEPARTMENT

BRENT A. ROALSON
Chief of Police

301 W. LAFAYETTE ST.
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61350-2057

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ottawapoliceandfire
.com

I have personally met with OSF's administration several times over the years about the issues pertaining to the lack of staffing, safety and concerns related to the police response being used to supplement their security for non-criminal issues. I have been assured by OSF repeatedly that the issue would be addressed after each meeting. Unfortunately, it continues today. I have provided them numbers and call logs to support my concerns. Nothing has been done by OSF to correct the issue and in fact the issue has grown to the point where I have issued a directive that we will no longer respond for calls that are not criminal in nature. The lack of concern with our current situation only adds to the concern I have with a reduction in services that they are proposing and refusal to look at the impact across the board their actions will have.

When I spoke in opposition of this plan and shared my concerns at a community town hall at Central School with members of the OSF administration present they acted as if this was the first they had heard of this. I was later approached by OSF and assured again that they were in the process of resolving the issues I raised. They requested another meet. I met with them and presented them the supporting documentation again. Again, nothing to date has been done by OSF and the order I issued is in effect pertaining to our response procedure for OSF St. Elizabeth.

I would also like to point out that patients are being transferred out from the Ottawa location currently to Mendota and other OSF hospitals which fall under this consolidation request (as I refer to it). If this continues then a choice or an assumption could be made that with dual diagnosis patients seeking mental health would remain in Ottawa until stable to be moved to the mental health services floor while others seeking medical treatment would be transferred out. This would be a disservice to the citizens of Ottawa, Streator, Marseilles, and the rural areas close to these communities. Families would have to travel for inpatient services based on the reduction of those services locally or consumed by those seeking mental health services.

I would ask that you would vote against this project(s) which will impact our community's health services negatively. OSF's plan has not taken into consideration the needs of our community or those in our surrounding area. Looking solely at a map with circles and projected numbers which may be inaccurate and/or misrepresented is not the approach healthcare should not be using when you are dealing with the health and safety of people.

I pray that OSF will re-evaluate the projects and modify their request to better align with their mission statement and the needs of the communities they serve.

Thank you,

Brent Roalson
Chief of Police

From: Alyssa Varland
To: Roate, George
Subject: [External] Opposition Letter to CON 24-011 & CON 24-013
Date: Wednesday, July 17, 2024 1:03:58 PM

Dear Chairwoman Savage:

I am writing to you in opposition of OSF's plans to discontinue services at St. Elizabeth Medical Center ("SEMC") in Ottawa, and in opposition of OSF's plans to demolish the hospital and build a newer, smaller facility that greatly reduces access to inpatient hospital services.

In March 2024, OSF announced plans to build a new hospital in Ottawa and demolish the one built in the 70s. The new hospital would keep 26 mental health beds; but the 5-bed ICU and 14-bed OB units would be eliminated; and only 12 med/surg beds would remain (a 78% reduction from the 54 it has today). In stark contrast, OSF shared plans to re-open Peru's once shuttered hospital as the system's new inpatient hub on I-80, and increase the number of beds. Even with OSF re-opening the Peru hospital with an increase in beds, the severe reduction planned for SEMC-Ottawa still leaves the C-02 region short 24 med/surg beds and 2 OB beds, and will place all ICU beds West of I-39 - leaving a gaping hole in access in LaSalle County.
Please vote against OSF's projects to demolish our hospital in Ottawa and replace it with a smaller facility that eliminates our ICU and OB units, and severely reduces our medical surgical unit to one of the smallest in the state. OSF's plans do not align with the growth in our area – both traditional residential and also through tourism as Heritage Harbor looks to build 300 vacation homes. OSF's plans also do not align with the promises they made to our community 12 short years ago – and the promises stated in their exemption application to the IHFSRB in 2012. It is our hope that OSF takes the time to make a better plan for our hospital, one that is right-sized for our community's needs and honors the spirit of the partnership we entered into with their system and our local hospital.

ON A PERSONAL NOTE: I am a charge nurse on the labor and delivery floor at OSF SEMC and have been working in the hospital for 12 years. Our patient population has grown in the last couple of years with OB units closing around the area such at Sandwich, Pontiac, Spring Valley and Peru. Our unit can hold 14 patients total. Many times we have needed extra beds and used rooms outside of our unit for triage patients. We have had consistently 50 or more deliveries every month. Peru's OB unit that OSF plans to move us to is not big enough for our growing numbers. They have less beds and the unit does not function appropriately according to the RNs that came to SEMC following Peru's closure. The city of Ottawa is growing and our unit, as a whole, is very concerned with patient safety and traveling to Peru for OB care. I have talked with our midwife and some pediatricians and OBGYNs and very few of them are happy about this move. Some of which are looking for other employment. I have talked with our patients and people of pregnancy age and they say they will not travel to Peru, they would rather travel to Morris Hospital if our Ottawa OB closes. I have talked to ER nurses and doctors that say they will quit if this happens because of the increase in ER deliveries that will happen in Ottawa. Also, right now the transfer wait times in the ER in Ottawa well exceed 4 hours. Sometimes even 12-16 hours. This holds many beds up at a time making ER wait times through the roof. I have talked to medsurg nurses and they said they are at capacity almost every shift and that this plan will not benefit anyone and is dangerous. They said many of their patients are ICU qualifying patients because there is no room in the ICU. In all, we NEED to keep all of our services or even add more in Ottawa as that is the place that has the largest and growing patient population in the area. Please, please, consider keeping OSF SEMC in Ottawa open and functioning fully as we as a community and healthcare workers require that for patient safety.

Thank you,
A.M., RN, BSN

Sent from my iPhone

Citizens for Healthcare in Ottawa

Web: *https://saveottawahealthcare.com*
Facebook: *https://www.facebook.com/saveottawahealthcare*
Email: *info@saveottawahealthcare.com*

July 17, 2024

IL Health Facilities & Services Review Board ("IHFSRB")
Attn: Debra Savage, Chairwoman
525 West Jefferson, 2nd Floor
Springfield, IL 62761

RE: Opposition Letter for CON 24-014, OSF St. Elizabeth Medical Center – Peru

Dear Chairwoman & State Planning Board Members:

Citizens for Healthcare in Ottawa ("CHO") has been closely monitoring the plans OSF has submitted for Ottawa Hospital (CON 24-011 and CON 24-013), and the related plans for Peru Hospital (CON 24-014).

Originally OSF had requested that these three CON projects be reviewed by the board at the same meeting, due to their requests for Peru Hospital being directly related to the services OSF has been planning to eliminate at Ottawa Hospital. Excerpts of many (but by no means all) of OSF's references to the Ottawa projects within the Peru application are included below.

We are aware that OSF has asked for the Ottawa projects to be deferred until the September 19th board meeting, and we respectfully ask that this board also postpone review and voting on the Peru project to the September meeting as well. These three projects do not stand independent of one another. While CHO has supported the re-opening of Peru Hospital by OSF, we do not want any services to be eliminated from Ottawa's hospital as a result. This is especially true of OSF's plans to:

- Eliminate the 5-bed ICU at Ottawa, while doubling the size of Peru's ICU from 4 to 8;
- Eliminate the 14-bed OB unit at Ottawa, while increasing Peru's OB unit from 7 to 11
- Reduce Ottawa's 54 med/surg unit to 12 beds, while increasing Peru from 38 to 45

OSF has the ability today to re-open Peru with the beds it already has licensed, so we are in no way asking for operations to cease in that facility. But we believe the future plans OSF has for both Ottawa and Peru campuses (now under one license) will need to be considered by the board collectively.

We sincerely appreciate your time and consideration for this matter.

Sincerely,

Colleen Burns, MHSA
CHO Founding Member

Citizens for Healthcare in Ottawa

Excerpts from OSF's Peru CON (24-014) Referencing Ottawa CONs (24-011 & 24-013)

Many (but by no means all) of OSF's references to the Ottawa projects within the Peru application are included below.

As illustrated by the many references of plans for Ottawa within the Peru application, it is clear that these three projects do not stand independent of one another. CHO respectfully requests that the board postpones review and voting on the Peru project (24-014) to the September meeting when it can be reviewed collectively with Ottawa CONs (24-011 & -013).

(Revised) Narrative Description – Page 6

Narrative Description

In the space below, provide a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

The project is the expansion of clinical services at OSF Saint Elizabeth Medical Center in Peru ("SEMC-Peru"). The project involves the modernization of existing space to accommodate an 8-bed ICU unit, an increase of four ICU beds above the existing 4 ICU bed unit in space which is being converted to medical/surgical use. 7 medical/surgical beds are being added to the existing 38 medical/surgical beds, for a total of 45. The 11 bed Obstetrics service with 7 OB rooms and 4 LDRPs will be used as is. At the completion of the project, total bed complement will be 64 beds, an increase of 15 from the current 49.

There is no capital cost associated with the additional medical/surgical beds or the OB unit. Other clinical services continuing in existing space include a surgery department with 5 ORs and one procedure room, a C-section room in OB, diagnostic imaging, outpatient services, pharmacy, lab and supporting facility services. The existing emergency department has 10 treatment bays. 4 additional e-ED beds will be added in existing space to accommodate flexes in volume, but will not be open 24 hours a day. These "virtual beds" are a pilot program enabling staff to improve patient flow in peak times, especially addressing patients who leave without being seen due to extended waiting.

SEMC-Peru is the former St. Margaret's Health-Peru, which closed last year. The facility was acquired by OSF Healthcare System in November, 2023 (Certificate of Exemption for Change of Ownership #E-026-23). The acquisition allows Saint Elizabeth Medical Center to operate at two sites (SEMC-Peru and SEMC-Ottawa) under one license. The increased capacity at SEMC-Peru accommodates some of the current services at SEMC-Ottawa being discontinued or reduced in scale at the SEMC-Ottawa replacement hospital.

This Certificate of Need permit application is one of three related projects, each of which has a separate permit application. Permit application #24-011 addresses the establishment of the OSF Saint Elizabeth Medical Center-Ottawa replacement hospital. An additional CON application covers the discontinuation of the existing OSF Saint Elizabeth Medical Center-Ottawa that is being replaced. OSF requests that the Illinois Health Facilities and Services Review Board coordinates the reviews of these three projects at the same meeting later this year.

The ICU modernization is 2,674 clinical departmental gross square feet. Medical/surgical space is being expanded at no cost by 2,632 clinical dgsf. Over 87,000 sq ft of clinical space will be used as is without additional cost.

Total capital cost of the project is $5,594,105. $3,484,671 is clinical; $2,109,434 is non-clinical.

The anticipated completion date for the project is December 31, 2025.

The project is considered Substantive because it involves the addition of more than 10% to inpatient beds in existing categories of services.

Purpose of the Project - Page 54

PURPOSE OF THE PROJECT

1. Document that the project will provide health care services that improve the health care or well-being of the market population to be served.

Two St. Margaret's Health hospitals in the area closed in 2023. By purchasing one of the two hospitals, OSF restores needed access to care for communities in the I-80 corridor. OSF's purchase of St. Margaret's Health-Peru in 2023 enables OSF to plan delivery of health care services in a broader regional context. It allows OSF Saint Elizabeth Medical Center to operate at two sites – SEMC-Ottawa and SEMC-Peru - under one hospital license. This dual-campus arrangement enables clinical programs to be expanded at SEMC-Peru in coordination with the replacement of SEMC-Ottawa. With some of the Ottawa services transferring to Peru, the plan establishes SEMC at its two locations as the hub of a regional delivery system. The expansion of services at Peru enables a smaller scaled SEMC-Ottawa and the savings of capital cost compared to the plan originally contemplated.

The project accomplishes three purposes:

1) Coordination of service delivery at the two locations of OSF Saint Elizabeth Medical Center.

In 2021 and 2022, OSF Healthcare System was evaluating various options for replacing OSF Saint Elizabeth Medical Center in Ottawa. The 1972 hospital in Ottawa has significant facility deficiencies including aging infrastructure and inefficient space layouts making it increasingly difficult to meet current operational requirements. The options focused on building a new hospital in Ottawa or elsewhere in the I-80 corridor area, as presented in permit application #24-011 for the replacement of SEMC-Ottawa.

In 2023, St. Margaret's Health closed its two hospitals in the Planning Area C-02, including its hospital in Peru. This event led to OSF purchasing the hospital in Peru, and evolving a plan for operating Saint Elizabeth Medical Center as one hospital at two locations: a new replacement hospital in Ottawa across Route 6 from the current hospital, and at OSF SEMC-Peru, 17 miles to the west of Ottawa. With medical/surgical, ICU and OB services already in place, the Peru facility makes it possible to transfer ICU, obstetrics and part of the medical/surgical patient volume from Ottawa to the existing vacated Peru facility. This situation enables OSF to replace SEMC-Ottawa at a smaller scale and with less capital required than originally planned. Coordinating the delivery of services at both sites is accomplished because the two hospitals are planned to operate as one licensed entity.

2) Maintaining access in the region. The replacement SEMC-Ottawa hospital, along with the relocation of its intensive care and obstetrics services to the related SEMC-Peru hospital, restores some of the facilities and service deficits that resulted from the closures of SMH system's St. Margaret's Health-Peru and St. Margaret's Health-Spring Valley in 2023. The two closed hospitals had a total of 93 acute care beds, 49 in Peru and 44 in Spring Valley. These 93 beds were 39% of the total 242 authorized beds in Planning Area C-02.

OSF acquired St. Margaret's Health-Peru in 2023, keeping the 38 authorized medical/surgical beds, 4 ICU and 7 OB beds at that facility in the State inventory. The OSF-coordinated bed plan at SEMC-Ottawa and SEMC-Peru includes a total 57 medical/surgical beds, 12 of which will be located at SEMC-Ottawa. The plan at Peru is to increase medical/surgical beds there from the previous 38 to a total of 45. OSF tracking of hourly census by day during 2023 following the closures of the SMH hospitals demonstrates that 57 medical/surgical beds, coupled with services at OSF Saint Paul Medical Center in Mendota and

OSF Saint Clare Medical Center in Princeton, will meet the needs of the 146,020 residents of the I-80 corridor and of Planning Area C-02.

The plan also sustains ICU and obstetrics in the area by relocating them to Peru, thereby centralizing these services for easier access. The ICU service at Peru increases from 4 to 8 beds. The OB plan increases the 7 authorized beds in Peru to 11, invoking the 10% rule to add the existing 4 LDRPs in Peru to the bed count. The combined SEMC plan maintains the current 26 AMI bed count at Ottawa, as covered in CON permit application #24-011.

3) Sustaining rural health care. The challenges of rural health care are well known. Their small scale limits the ability to develop specialized programs, in part due to the difficulty of attracting and retaining clinical specialists. Financially, their relatively low patient volume makes it difficult to cover the cost of care. Most rural hospitals operate at a loss. The project proposes to operate OSF SEMC at its two locations as a hub of services in the three counties, with spokes at outlying hospitals. SEMC-Peru will be the hub for ICU and obstetrics relocated from Ottawa, with significant expansion of medical/surgical services there. SEMC-Ottawa will be the hub for acute mental illness inpatient care, as well as a downsized but appropriately scaled medical/surgical service. The spokes relating to SEMC will be OSF Saint Clare Medical Center in Princeton, OSF Saint Paul Medical Center in Mendota, and OSF Center for Health in Streator (outpatient; no inpatient beds at Streator). The map on the next page shows the locations of hospitals in Ottawa, Peru, Mendota and Princeton, as well as the outpatient OSF Center for Health in Streator.

By addressing these three issues, the project to replace the current SEMC with a new facility in Ottawa and operate SEMC-Peru as one licensed facility at two locations will improve the sustainability and access to needed inpatient services in the I-80 corridor area, thereby improving health care and the well-being of the area population.

2. Define the planning area or market area, or other relevant area, per the applicant's definition.

OSF has selected State hospital planning area C-02 as the planning area for the project. C-02 is comprised of LaSalle County (containing Ottawa and Peru), Bureau County, Putnam County, and the townships of Osceola and Elmira in Stark County.

As shown in the patient origin table on the page following the map of the I-80 corridor, the case volumes are a composite of inpatients and observation cases at OSF Saint Elizabeth Medical Center in 2023, and at St. Margaret's Health hospital in Peru in 2022, the last year of reported COMPdata information. The assumption is made that the distribution of patients served at SEMC-Peru in the future will mirror the patient origin distribution at St. Margaret's Health-Peru before it closed.

Because SEMC will operate as one licensed hospital at two locations, Peru and Ottawa, the planning area is a consolidation of the patient origin data of the hospitals in Ottawa and Peru. Collectively, the two hospitals had 7,821 inpatients and observation cases. 89.7% (rounded to 90%) of patients served at these two hospitals reside in the planning area, C-02.

SAINT ELIZABETH MEDICAL CENTER & SMH-PERU COMBINED
Table - Zip Codes of Patient Residence (Year: 2023)
Saint Elizabeth Medical Center - Otsav (All)
Source: OSF Internal Utilization (OSF Enterprise Explorer)

Patient County	Patient Zip Code	Patient City	CY 2023 Inpatient & Observation Cases SEMC - Ottawa	CY 2022 Inpatient & Observation Cases Peru	Combined	Percent of total	Cumulative percent
LA SALLE, IL	61350	OTTAWA	1,703	41	1,744	22.3%	22.3%
	61364	STREATOR	1,198	34	1,232	15.8%	38.1%
	61354	PERU	360	394	754	9.6%	47.7%
	61301	LA SALLE	428	301	729	9.3%	57.0%
	61341	MARSEILLES	416	7	423	5.4%	62.4%
	61348	OGLESBY	170	141	311	4.0%	66.4%
	61342	MENDOTA	176	95	271	3.5%	69.9%
	61373	UTICA	74	42	116	1.5%	71.3%
	61370	TONICA	63	49	112	1.4%	72.8%
	60518	EARLVILLE	66	10	76	1.0%	73.8%
	61360	SENECA	56	1	57	0.7%	74.5%
	61325	GRAND RIDGE	52	-	52	0.7%	75.1%
	61334	LOSTANT	21	21	42	0.5%	75.7%
	60551	SHERIDAN	33	3	36	0.5%	76.1%
	60549	SERENA	22	-	22	0.3%	76.4%
	60531	LELAND	16	-	16	0.2%	76.6%
	60470	RANSOM	13	2	15	0.2%	76.8%
	61316	CEDAR POINT	10	3	13	0.2%	77.0%
	61332	LEONORE	9	2	11	0.1%	77.1%
	61372	TROY GROVE	6	4	10	0.1%	77.3%
	61358	RUTLAND	3	-	3	0.0%	77.3%
	60557	WEDRON	3	-	3	0.0%	77.3%
	61321	DANA	2	-	2	0.0%	77.4%
	61371	TRIUMPH	1	-	1	0.0%	77.4%
LA SALLE, IL Total			4,901	1,150	6,051		
BUREAU, IL	61362	SPRING VALLEY	141	80	221	2.8%	80.2%
	61356	PRINCETON	113	94	207	2.6%	82.8%
	61322	DEPUE	48	27	75	1.0%	83.8%
	61329	LADD	39	20	59	0.8%	84.6%
	61330	LA MOILLE	21	15	36	0.5%	85.0%
	61379	WYANET	14	16	30	0.4%	85.4%
	61368	TISKILWA	16	8	24	0.3%	85.7%
	61312	ARLINGTON	8	13	21	0.3%	86.0%
	61320	DALZELL	8	11	19	0.2%	86.2%
	61317	CHERRY	8	9	17	0.2%	86.4%
	61361	SHEFFIELD	2	14	16	0.2%	86.6%
	61359	SEATONVILLE	5	4	9	0.1%	86.8%
	61376	WALNUT	7	-	7	0.1%	86.8%
	61337	MALDEN	4	3	7	0.1%	86.9%
	61315	BUREAU	3	4	7	0.1%	87.0%
	61314	BUDA	3	4	7	0.1%	87.1%
	61349	OHIO	2	3	5	0.1%	87.2%
	61338	MANLIUS	3	-	3	0.0%	87.2%
	61345	NEPONSET	1	2	3	0.0%	87.3%
	61374	VAN ORIN	1	-	1	0.0%	87.3%
BUREAU, IL Total			447	327	774		
PUTNAM, IL	61326	GRANVILLE	37	30	67	0.9%	88.1%
	61327	HENNEPIN	28	17	45	0.6%	88.7%
	61335	MC NABB	12	9	21	0.3%	89.0%
	61340	MARK	7	9	16	0.2%	89.2%
	61560	PUTNAM	8	5	13	0.2%	89.3%
	61336	MAGNOLIA	8	5	13	0.2%	89.5%
	61363	STANDARD	6	4	10	0.1%	89.6%
PUTNAM, IL Total			106	79	185		
STARK, IL	61421	BRADFORD	2	-	2	0.0%	89.7%
	61483	TOULON	2	-	2	0.0%	89.7%
	61449	LA FAYETTE	2	-	2	0.0%	89.7%
STARK, IL Total			6	-	6		
Total, Planning Area C-02			5,460	1,556	7,016		89.7%
Outside Planning Area C-02			716	89	805	10.3%	100.0%
Total Patients			6,176	1,645	7,821		

Attachment 12

3. Identify the existing problems that need to be addressed as applicable or appropriate for the project.

The introduction of this Purpose section outlined how the proposed project will improve health care delivery in the I-80 corridor by addressing the following problems:

- The significant capital cost of building a replacement hospital at SEMC-Ottawa to address the structural and infrastructure deficiencies and maintain all of its current services as well as replacing some of the services at the closed SMH hospitals;
- Threatened access to needed services in the region, following the closure last year of 93 beds at St Margaret's Health hospitals in Peru and Spring Valley, 39% of hospital capacity in C-02;
- Problems generally faced by rural areas in maintaining access to quality health care services.

A. The cost of replacing the existing SEMC-Ottawa hospital with all of its current services and the capacity to accommodate some of the patient volumes provided at the two closed St. Margaret's Health hospitals is significant.

This issue is addressed in permit application #24-011. The cost of a 75 to 100-bed replacement hospital is estimated at between $200 and $250 million. These options were not considered as financially viable. Some of the building options considered at this scale did not accommodate continuation of the 26-bed acute mental illness unit, the only inpatient AMI service in Planning Area C-02. The ability to acquire and utilize the closed SMH-Peru facility as part of OSF Saint Elizabeth Medical Center was critical to formulating solutions for building a smaller-scaled replacement hospital and meeting the increased needs for inpatient services in the I-80 corridor.

B. Closures of St. Margaret's Health-Peru and St. Margaret's Health-Spring Valley resulted in bed deficits in the area.

The two closed hospitals had a total of 93 acute care beds, 49 in Peru and 44 in Spring Valley. These 93 beds were 39% of the total 242 authorized beds in Planning Area C-02.

Of these 93 beds, 66 were medical/surgical beds, 10 were ICU, and 17 were OB. According to the State's *Inventory of Health Care Facilities and Services and Need Determinations* in October, 2021 (the last *Inventory* prior to the closures), there were excesses of 43 medical/surgical beds, 8 ICU beds and 10 OB beds, indicative of sufficient capacity in the region. The closures would have resulted in deficits in State Planning Area C-02 of 23 medical/surgical beds, 2 ICU beds and 7 OB beds (using data from the HFSRB *Inventory of Health Facilities and Services and Need Determinations,* October, 2021).

However, OSF's acquisition of St. Margaret's Health-Peru in 2023 (Change of Ownership Certificate of Exemption #E-026-23) keeps the authorized beds at that facility in the State inventory. The project at Peru increases the 38-bed medical/surgical unit in Peru to 45 beds, while reducing med/surg beds from 54 authorized beds to 12 at SEMC-Ottawa.

The plan also sustains ICU, obstetrics, and acute mental illness services in the area. St. Margaret's Health had a total of 10 ICU beds at the two hospitals. The new 8 bed ICU unit at SEMC-Peru, coupled with the 7 ICU beds in Mendota and Princeton, result in 15 ICU beds in C-02, comparable to the State's calculated need for 14 ICU beds. (*Inventory of Health Care Facilities and Services and Need Determinations, December 18, 2023*). St. Margaret's Health had a total of 17 OB beds at the two hospitals. The discontinuation of 14 OB beds in SEMC-Ottawa and re-opening of 11 OB beds at SEMC-Peru compares to the calculated need for 13 OB beds in C-02. Tracking of hourly OB census by day in 2023, following the

closure of St Margaret's in June, determined that 11 OB beds is sufficient to meet the obstetrics needs in the area. The plan replaces the existing 26 bed AMI unit at SEMC-Ottawa with the same sized AMI service.

C. Rural health care is threatened throughout the Unites States and in Illinois.

Rural health care is in stress throughout the United States. Since 2005, 195 rural hospitals have closed. (Cecil G. Sheps Center for Health Services Research, University of North Carolina.) 646 rural hospitals (30% of the total) are at risk of closure (Center for Healthcare Quality & Payment Reform). According to a May 17, 2023 statement by the American Hospital Association, over half of rural hospitals ended 2022 with a loss, over 65% of primary care Health Professional Shortage Areas are rural or partially rural, and only 10% of physicians in the US practice in rural communities.

Ottawa, Bureau and Putnam are rural counties and experience these conditions, as evidenced by the recent closures of the two Saint Margaret's Health hospitals. OSF's plan for the replacement of SEMC-Ottawa, the operation of SEMC-Ottawa and SEMC-Peru under one license, and the relocation of ICU and OB from Ottawa to Peru are intended to address the needs for health care in the I-80 corridor in a regional delivery system that is sustainable.

4. Cite the sources of information.

- HFSRB Hospital Profiles
- HFSRB *Inventory of Health Care Facilities and Services and Need Determinations*, December, 2023
- HFSRB *Inventory of Health Care Facilities and Services and Need Determinations*, October, 2021
- COMPdata, Illinois Hospital Association
- OSF Enterprise Explorer
- Internal Planning Documents, OSF Healthcare System
- OSF daily hourly logs of inpatient room utilization, OSF Saint Elizabeth Medical Center-Ottawa, OSF Saint Paul Medical Center-Mendota, and OSF Saint Clare Medical Center-Princeton
- 2022 Community Health Needs Assessment, LaSalle County
- Community Benefit Report, OSF Healthcare System, Fiscal Year 2022
- Center for Healthcare Quality & Payment Reform, Becker's Hospital CFO Report, May 22, 2023
- Cecil G. Sheps Center for Health Services Research, University of North Carolina, as reported in U.S. News and World Report, June 22, 2023
- Becker's Hospital Review, August 17, 2023

5. Detail how the project will address the previously referenced issues, as well as the population status and well-being.

The project is part of a regional solution to addressing the deficits created by the closures of St. Margaret's Health in Peru and Spring Valley, and addressing the facility deficits at SEMC through construction of a replacement hospital in Ottawa. Expanding the inpatient capacity of SEMC-Peru enables the relocation of ICU and OB and some of the medical/surgical volume from SEMC-Ottawa to the vacant hospital in Peru. Utilizing the available capacity at SEMC-Peru to meet part of the need for care in the area allows for construction of a smaller replacement facility in Ottawa, savings of tens of millions of dollars compared to a full replacement hospital, and continuation of the 26 bed AMI service currently in place at SEMC-Ottawa. Coordination of care is assured because the two sites will operate under one hospital license.

The regional health care delivery system will center on Peru and Ottawa as the hub in a hub and spoke model. It will provide appropriate access to area residents and stabilize the availability of health care services following the closure of the two St. Margaret's Health hospitals. The spokes in the system include OSF Saint Paul Medical Center in Mendota, OSF Saint Clare Medical Center in Princeton, and the OSF Center for Health in Streator. Specialized services not available in Ottawa and Peru can be accessed by referrals to other hospitals in the OSF network, such as OSF Saint Francis Medical Center in Peoria, OSF St. Joseph Medical Center in Bloomington and OSF Saint Anthony Medical Center in Rockford.

The capacity of Saint Elizabeth Medical Center-Peru will increase from 38 medical/surgical beds to 45, and from 4 ICU beds to 8. 11 OB beds will be in place in Peru, counting 4 LDRPs in the existing unit. The combined capacity of the two sites will be 100 inpatient beds: 57 medical/surgical beds, 8 ICU beds, 11 OB beds, and the 26 Acute Mental Illness at Ottawa. OSF tracking of hourly census by day during 2023 demonstrates that 57 medical/surgical beds in Ottawa and Peru, coupled with services at OSF Saint Paul Medical Center in Mendota and OSF Saint Clare Medical Center in Princeton, will meet the inpatient needs of the 146,020 residents of Planning Area C-02.

The plan sustains ICU, obstetrics, and acute mental illness services in the area. St. Margaret's Health had a total of 10 ICU beds at the two hospitals. The new 8 bed ICU unit at SEMC-Peru, coupled with the 7 ICU beds in Mendota and Princeton, result in 15 ICU beds in C-02, comparable to the State's calculated need for 14 ICU beds. (*Inventory of Health Care Facilities and Services and Need Determinations, December 18, 2023*). St. Margaret's Health had a total of 17 OB beds at the two hospitals. The discontinuation of OB beds in SEMC-Ottawa and re-opening of 11 OB beds at SEMC-Peru compares to the calculated need for 13 OB beds. Tracking of hourly OB census by day in 2023, following the closure of St Margaret's in June, determined that 11 OB beds is sufficient to meet the obstetrics needs in the area.

The surgery department at SEMC-Peru will have 5 ORs and one procedure room, meeting the projected need for surgical and procedure cases. The existing ten bays in the Emergency Department will be used as is. Four additional stations will be operated in existing space as an "e-ED," allowing virtual care during periods of peak utilization, in part to address excessive waiting times that have caused patients to leave without being seen in SEMC-Ottawa. A full range of diagnostic treatment equipment and outpatient services are reopening at the facility.

6. Provide goals with quantifiable and measurable objectives, with specific timeframes that relate to achieving stated goals as appropriate.

- Accommodate at least 2,500 medical/surgical admissions at OSF Saint Elizabeth Medical Center-Peru in years 2028 - 2029.
- Accommodate 785 ICU admissions at SEMC-Peru in 2028-2029.
- Accommodate over 1,000 OB admissions at SEMC-Peru in 2028-2029.
- Accommodate approximately 21,500 ED visits at SEMC-Peru in 2028-2029.

Size of the Project – page 65

The Obstetrics department will be used as is, and will accommodate patients from the former St. Margaret's Health hospitals as well as from SEMC-Ottawa, following the closure of the OB service in Ottawa. There are 7 OB postpartum rooms in the authorized bed count at the former St. Margaret's Health-Peru. 4 existing LDRPs are operational, but had not been included in the authorized bed count. OSF has sent a letter to the Illinois Health Facilities and Services Review Board dated April 4 requesting that these 4 beds be included in the SEMC-Peru OB bed count under the 20 bed/10% rule. That request is currently in process. All 11 beds are needed to meet the demand in Planning Area C-02. The OB service also has one existing C-section room.

The outpatient services space operated by SMH-Peru had 27 rooms for patient exam/treatment, in an area of 10,640 dgsf. This existing sizing and room count meets the State standard of up to 800 dgsf per room. SEMC-Peru intends to utilize 13 rooms – 12 for general outpatient visits, and one dedicated room for respiratory therapy. 13 rooms do not justify the existing space because of the fewer rooms to be utilized in the existing space. The calculated additional 240 sq ft of space above the standard is the result of the existing condition and will not be changed. The unused rooms will allow for the potential of future growth. If additional rooms are needed above the 13 requested, OSF will work with the State to obtain the necessary authorization.

PROJECT SERVICES UTILIZATION

The project is the conversion of the former St. Margaret's Health-Peru hospital to SEMC-Peru. The conversion includes the expansion of medical/surgical beds from 38 to 45, ICU from 4 to 8 beds, and continuing the existing Obstetrics service with 7 authorized beds and 4 LDRP rooms that were not in the State inventory but are being added under the 20 bed/10% rule. Clinical services that are not categories of services are being continued, including the surgical department, emergency department, diagnostic imaging, outpatient services, lab, and pharmacy.

The projected utilization of SEMC-Peru is a composite of inpatient and outpatient volumes from several sources: a) transfer of ICU and OB services from Ottawa that are being discontinued in Ottawa, as well as some of the medical/surgical historic volume in Ottawa; b) replacement of volumes formerly served by St. Margaret's Health hospitals that closed in 2023 in Peru and Spring Valley; and c) return of volumes to Peru that were dispersed from the two SMH hospitals to OSF Saint Paul Medical Center in Mendota and to OSF Saint Clare Medical Center in Princeton. The documentation of historic utilization and calculations of projected utilization are shown in sections 1110.200 and 1110.270 of this permit application.

Inpatient services

The table on the next page summarizes information presented in sections 1110.200 of this permit application, documenting the historic and projected utilization of the Medical/Surgical, ICU and OB beds. Historic information lists admissions, patient days and Average Daily Census for SMH-Peru for 2020 and 2021 (HFSRB profiles and AHQ), and COMPdata estimates for 2022. The table also provides this information for SEMC-Ottawa for reference. Calculations supporting the projections are documented in full in section 1110.200 of this permit application. The following summary information outlines how projected utilization is determined

Medical/surgical

The projected utilization of the 45 medical/surgical beds at SEMC-Peru is 2,502 annual admissions and 12,860 patient days. These volumes are the result of a) 1,353 historic admissions transferring from SEMC-Ottawa, b) an additional 275 Ottawa admissions to account for 6 months of dispersed patients from the SMH hospitals that were not counted in the partial year 2023, c) 150 patients dispersed to OSF Saint Clare Medical Center from the closures – to be returned to Peru in the future, d) 260 patients dispersed to OSF Saint Paul Medical from the closures – to be returned to Peru, and e) an estimated 464 admissions from SMH that were not counted in the above. The associated 12,860 patient days are an ADC of 35.2 patients, resulting in an occupancy of 78.2% of the 45 beds. This occupancy meets the State standard of 75% for modernization.

Intensive Care

The projected utilization of the 8 bed ICU unit at SEMC-Peru is 785 annual admissions and 1,844 patient days. These volumes are the result of a) 384 historic admissions (year 2023) transferring from SEMC-Ottawa, b) an additional 45 Ottawa admissions to account for 6 months of dispersed patients from the SMH hospitals that were not counted in the partial year 2023, c) 228 patients dispersed to OSF Saint Clare Medical Center from the closures – to be returned to Peru in the future, and d) 128 patients dispersed to OSF Saint Paul Medical from the closures – to be returned to Peru. The associated 1,844

patient days are an ADC of 5.05 patients, resulting in an occupancy of 63.2% of the 8 beds. This occupancy meets the State standard of 60.0% for intensive care.

Obstetrics

The projected utilization of the 11 OB at SEMC-Peru is 1,043 annual admissions and 2,420 patient days. These volumes are the result of a) historic admissions averaging 454 annually (2020-2022) transferring from SEMC-Ottawa, b) a volume of 321 OB admissions at SMH-Peru, year 2021, c) a volume of 268 OB admissions at SMH-Spring Valley, year 2021. The associated 2,420 patient days are an ADC of 6.63 patients, resulting in an occupancy of 60.3% of the 11 OB beds. This occupancy meets the State standard of 60% for OB services in Areas with ADCs of under 10 patients.

Table: Historic and Projected Utilization of SEMC-Peru - Med/Surg, ICU and OB
Sources: HFSRB Profiles and AHQs for 2020-2023

		Historic Utilization					Projected Utilization					After Completion		
		2020	2021	2022	2023		2024	2025	2026	2027		2028	2029	Occup
Medical/Surgical														
1	SEMC-Ottawa													
	Adm	1,880	1,911	1,778	2,053		2,328	2,328	1,030	1,030		700	700	
	Pt Days	7,901	8,410	8,704	10,562		11,966	11,966	5,335	5,335		3,598	3,598	
	ADC	21.6	23.0	23.8	28.9		32.8	32.8	14.6	14.6		9.9	9.9	82.1%
Medical/Surgical														
2	SMH-Peru until 2023; SEMC-Peru starting 2024													
	Adm	1,133	1,089	710	0		395	676	2,502	2,502		2,502	2,502	
	Pt Days	5,264	5,671	2,007	0		2,030	3,504	12,860	12,860		12,860	12,860	
	ADC	14.4	15.5	5.5	0		9.6	9.6	35.2	35.2		35.2	35.2	78.2%
							7 mo.	12 mo.						
Intensive Care														
3	SMH-Peru until 2023; SEMC-Peru start Oct 2025													
	Adm	261	241	157	0		--	146	785	785		785	785	
	Pt Days	993	1,041	408	0		--	417	1,844.3	1,844.3		1,844.3	1,844.3	
	ADC	2.72	2.85	1.12	0		--	4.57	5.05	5.05		5.05	5.05	63.2%
Intensive Care														
4	SEMC-Ottawa													
	Adm	460	448	451	384		585	439	--	--		--	--	
	Pt Days	1,151	1,261	1,239	1,321		1,669	1,252	--	--		--	--	
	ADC	3.15	3.45	3.4	3.62		4.57	4.57	--	--		--	--	
Obstetrics														
5	SMH Peru until 2023; SEMC-Peru start Oct 2025													
	Adm	362	321	271	0		--	261	1,043	1,043		1,043	1,043	
	Pt Days	787	681	569	0		--	605	2,420	2,420		2,420	2,420	
	ADC	2.16	1.87	1.56	0		--	6.63	6.63	6.63		6.63	6.63	60.3%
Obstetrics														
6	SEMC-Ottawa													
	Adm	446	505	411	585		759	782	--	--		--	--	
	Pt Days	1,047	1,125	974	1,309		1,698	1,815	--	--		--	--	
	ADC	2.87	3.08	2.37	3.59		4.65	6.63	--	--		--	--	

Attachment 15

Other clinical services

The table on page 70 addresses other clinical patient volumes that are not inpatient services. These include the surgery department, emergency department, diagnostic imaging, and outpatient services. All of the historic volume data in the table relates to St. Margaret's Health-Peru (SMH-Peru) and St. Margaret's Health-Spring Valley (SMH-SV). SMH-Peru reported data through 2021; SMH-SV reported data through 2022. 2021 is used for projecting many of the services volumed because that was the last year when both reported data. Historic data used for SEMC-Ottawa are displayed in permit application #24-011, page 84 for inpatient medical/surgical volumes and page 85 for Clinical Services that are not Categories of Service.

The plan is to move services to Peru by the end of 2025; accordingly, projections are made for years 2026 and 2027 (two years after project completion).

The following statements summarize the basis for the calculations of future volumes at SEMC-Peru:

Surgical Department – Operating Rooms (5 ORs):
- 5,681 hours in year 2023 less 3,930 hours remaining at SEMC-Ottawa = 1,751 hours
- 1,417 hours (SMH-Peru) + 3,018 hours (SMH-SV) in 2021 = 4,489 hours
- 4,489 + 1,751 = **6,186 hours**, for year 2026 and year 2027

Surgical Department – Procedure Rooms (1 room)
- 378 inpatient procedures hours from Ottawa, year 2023 volume
- 27 inpatient hrs at SMH-Peru + 338 GI hrs (SMH Peru 2021 AHQ) = 365 hrs
- 378 + 365 = **743 hours**, for year 2026 and for year 2027

Emergency Department
- Ottawa visits to remain in Ottawa
- 11,709 SMH-Peru + 9,144 SMH-SV = **20,853** visits
- Additional **855** pts to be accommodated based on 4.1% Ottawa patients Left Without Being Seen
  - 20,853 x 0.041 = 855 visits to be accommodated in e-ED bays, not available 24/7 but in flex times
- 20,853 + 855 = **21,708**

X-ray / fluoroscopy (3)
- 17,033 SMH-Peru + 40% of 11,353 SMH-SV = 17,033 + 4,541 = **21,574**
- Assumption is made that the remainder Spring Valley patients can be seen at OSF Saint Clare Medical Center, Princeton

Mammography (1)
- 2,438 SMH-Peru + 40% of 5,538 SMH-SV = 2,438 + 2,215 = **4,653**
- Assumption is made that remaining Spring Valley patients can be seen at OSF Saint Clare Medical Center

Ultrasound (3)
- 5,546 SMH-Peru + 40% of 5,783 = 5,546 + 2,313 = **7,858**
- Assumption is made that remaining Spring Valley patients can be seen at OSF Saint Clare Medical Center

1110.200 Medical/Surgical, Obstetric, Pediatric and Intensive Care

Service (Peru)	# of Existing Beds	# of Proposed Beds
Medical/Surgical	**38**	**45**
ICU	**4**	**8**
Obstetrics	**7 + 4**	**11**

OSF Saint Elizabeth Medical Center-Peru ("SEMC-Peru") is the former St. Margaret's Health-Peru. OSF Healthcare System acquired the former St. Margaret's Health-Peru in November, 2023. SEMC-Peru and OSF Saint Elizabeth Medical Center-Ottawa ("SEMC-Ottawa") will operate as one licensed hospital at these two locations. The service expansions listed in the above table involve the relocation of ICU and Obstetrics from SEMC-Ottawa and the transfer of some of the medical/surgical services volumes from SEMC-Ottawa. Separate but related CON permit applications address the replacement of the existing hospital SEMC-Ottawa with a new facility and discontinuation of the existing SEMC-Ottawa.

This section of the permit application covers the documentation required for the 45 medical/surgical beds, 8 ICU beds and 11 Obstetrics beds requested in Peru. As context for this project, the following table shows the effect of the three OSF projects (establishment of the replacement hospital at SEMC-Ottawa – CON Project 24-011, expansion at SEMC-Peru (this permit application) and discontinuation of the existing SEMC-Ottawa) on Medical/Surgical, ICU and OB bed counts in Planning Area C-02.

Change in Inpatient Bed Counts, Planning Area C-02

	Current supply	Future supply	Comment
Medical/Surgical			
SEMC-Peru	38	45	Add 7 beds
SEMC-Ottawa	54	12	Discontinue; Establish 12 bed unit
OSF Saint Paul	21	21	No change
OSF Saint Clare	22	22	No change
Total med/surg beds	135	100	
ICU			
SEMC-Peru	4	8	4 bed expansion
SEMC-Ottawa	5	0	Discontinue 5 beds
OSF Saint Paul	4	4	No change
OSF Saint Clare	3	3	No change
Total ICU beds	16	15	
Obstetrics			
SEMC-Peru	7	11	Add 4 beds (LDRPs not counted in inventory)
SEMC-Ottawa	14	0	Discontinue 14 beds
OSF Saint Paul	0	0	No change
OSF Saint Clare	0	0	No change
Total OB beds	21	11	

1110.200(b) Planning Area Need

1) Formula calculation
(Not required for Expansion of Existing Services)

2) Service to Planning Area Residents

OSF has selected State Hospital Planning Area C-02 as the planning area for the project. C-02 is comprised of LaSalle County (containing Ottawa and Peru), Bureau County (containing Spring Valley), Putnam County, and the townships of Osceola and Elmira in Stark County.

As shown in the patient origin table on the following page, the case volumes are a composite of inpatients and observation cases at Saint Elizabeth Medical Center in 2023, and at St. Margaret's Health hospital in Peru in 2022, the last year of reported COMPdata information. The assumption is made that the distribution of patients served at SEMC (combined Ottawa and Peru locations) in the future will mirror the patient origin distributions of SEMC-Ottawa and at St. Margaret's Health-Peru before it closed.

Because SEMC will operate as one licensed hospital at two locations, Ottawa and Peru, the planning area is a consolidation of the patient origin data of the hospitals in Ottawa and Peru. Collectively, the two hospitals had 7,821 inpatients and observation cases. 89.7% (rounded to 90%) of patients served at these two hospitals reside in the planning area, C-02.

The patient origin data show that the project meets the requirement that more than 50% of the projected patient volume will be residents of the Planning Area C-02.

3) Service Demand – Expansion of Existing Category of Service

Medical/Surgical

The current 38 authorized medical/surgical beds at SEMC-Peru will be increased to 45 beds, upon approval. This addition of beds at SEMC-Peru is part of the two-site plan that includes the replacement of 54 authorized medical/surgical beds at SEMC-Ottawa with a 12-bed unit. Together, the two sites will have 57 medical/surgical beds.

The 57-bed plan at the two combined hospitals should be considered in the context of the changes in the past year. At the start of 2023, there were 120 authorized medical/surgical beds at three of the five hospitals in the I-80 corridor part of the area: 38 at St. Margaret's-Peru, 28 at St. Margaret's-Spring Valley, and the 54 beds at SEMC-Ottawa. OSF's acquisition of St. Margaret's-Peru following its closure kept the 38 med/surg beds in the inventory. St. Margaret's-Spring Valley also closed last year, removing its 28 medical/surgical beds from the inventory. The result is a total of 92 inventoried medical/surgical beds (38 plus 54) at the beginning of 2024. (These numbers do not include two other hospitals in C-02: OSF Saint Paul's Medical Center in Mendota and OSF Saint Clare Medical Center in Princeton.)

The complete inventory of medical/surgical beds in Planning Area C-02 at the conclusion of the two-campus SEMC project will be 100: 57 at the combined SEMC campuses (12 at SEMC-Ottawa and 45 at SEMC-Peru), 22 at OSF Saint Clare Medical Center in Princeton and 21 at OSF Saint Paul Medical Center in Mendota.

Intensive Care

The 4 bed ICU unit at SEMC-Peru will be expanded to an 8-bed unit. In part, this expansion is planned to accommodate patients that have been admitted at the 5-bed ICU service at SEMC-Ottawa, which is being discontinued. Other ICU beds are located at OSF Saint Paul Medical Center in Mendota (4 beds) and OSF Saint Clare Medical Center in Princeton (3 beds). The complete inventory of ICU beds will be 15 following the completion of the SEMC-Peru and SEMC-Ottawa projects.

Obstetrics

The 7 bed Obstetrics service at SEMC-Peru will be expanded to 11 OB beds (7 OB and 4 LDRPs that are located at Peru but had not been included in the inventory when St. Margaret Health was the licensed operator). This expansion is planned to accommodate patients that have been admitted at the 14 bed OB service at SEMC-Ottawa, which is being discontinued, as well as OB patients at the former SMH hospitals in Peru and Spring Valley. The obstetrics program at SEMC-Peru is centrally located in Planning Area C-02, and is the only obstetrics service in C-02.

A) Historical Referrals

As part of its planning process, OSF evaluated the sufficiency of SEMC and the remaining hospitals to accommodate the demand in the area. The table below shows the historic medical/surgical utilization of SEMC-Ottawa and the two St. Margaret's Health hospitals. The analysis shows that the proposed 57 beds at SEMC-Ottawa and SEMC-Peru will accommodate the historic experienced volumes at SEMC and at the two shuttered hospitals. The average daily census for the three hospitals from 2020-2022 was 50.0 ADC. This census will be an 88% occupancy of the planned 57 beds. Additional capacity is available at OSF Saint Paul Medical Center in Mendota and OSF Saint Clare Medical Center in Princeton, if needed.

Historical Medical/Surgical Utilization

	2020			2021			2022			2023		
	Adm	Pt Days	ADC	Adm	Pt Days	ADC	Adm	Pt Days	ADC	Adm	Pt Days	ADC
SEMC - Ottawa	1,880	7,901	21.6	1,911	8,410	23.0	1,778	8,704	23.8	2,053	10,562	28.9
St Margaret's - Peru	1,133	5,264	14.4	1,089	5,671	15.5	710	2,007	5.5	--	--	--
St Margaret's - Spring Valley	1,122	5,442	14.9	993	5,143	14.1	954	6,234	11.0	--	--	--
Total	4,135	18,607	50.9	3,993	19,224	52.7	3,442	16,945	46.4	2,053	10,562	28.9

Sources: HFSRB Profile data and Annual Hospital Questionnaires

The planning also tested the utilization by applying State occupancy standards: 75% for the modernization of beds in Peru and 80% for the addition of beds at Ottawa. The allocation of future patient volumes between SEMC-Ottawa and SEMC-Peru is somewhat arbitrary. After various scenarios, it was decided that 700 annual admissions of the 2,053 admissions at SEMC-Ottawa is the anticipated future volume in the replacement hospital's 12 bed unit. At an average length of stay of 5.14 days (year 2003), the 700 patients equate to 3,598 patient days. This annual volume of patients is an ADC of 9.9

March 19, 2024

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

Re: Commitment to refer Medical/Surgical patients to SEMC Peru
from SEMC-Ottawa and Saint Paul Medical Center

Dear Mr. Kniery:

I am a physician specializing in Family Medicine. I am the Chief Medical Officer at OSF Saint Elizabeth Medical Center in Ottawa and at OSF Saint Paul Medical Center in Mendota. I support the proposed project to replace OSF Saint Elizabeth Medical Center with a new and smaller hospital facility. I also support the shift of selected inpatient services from SEMC-Ottawa to the campus of Saint Elizabeth Medical Center-Peru.

In 2023, there were 2,053 medical/surgical admissions at SEMC-Ottawa. This was an increase from 1,778 medical/surgical admissions the year before. I estimate that 1,353 of these 2,053 patients will be admitted annually to the 45-bed medical/surgical service at SEMC-Peru. (The remaining 700 will be patients at the new SEMC-Ottawa.) The attached table lists the zip codes of residence for these 1,353 patients.

An additional 999 medical/surgical patients will be admitted at SEMC Peru: a) 275 of these are additional patients admitted at SEMC-Ottawa following the closures of St Margaret's Health hospitals and not counted in the 2,063 volume above; b) an additional volume of 260 med/surg admissions at OSF Saint Paul Medical Center previously hospitalized at St. Margaret's; and c) 464 additional medical/surgical patients (one third of the remaining daily census at St. Margaret's unaccounted for). The patient origin table for these patients is also attached.

These referral counts have not been used to support another permit application for any other hospital's medical/surgical service.

Please contact me if you have any questions.

Sincerely,

Leonardo Lopez, MD
OSF Saint Elizabeth Medical Center – Ottawa
1100 E. Norris Drive
Ottawa, IL 61350
(815) 431-5598

Notarization:

Subscribed and sworn to before me
this 19th day of March 2024
Brenda L. Grobe
Signature of Notary

Seal

BRENDA L. GROBE
Official Seal
Notary Public - State of Illinois
My Commission Expires Apr 12, 2025

March 19, 2024

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

Re: Commitment to refer ICU patients to SEMC Peru
from SEMC-Ottawa and Saint Paul Medical Center in Mendota

Dear Mr. Kniery:

I am a physician specializing in Family Medicine. I am the Chief Medical Officer at OSF Saint Elizabeth Medical Center in Ottawa and at OSF Saint Paul Medical Center in Mendota. I support the proposed project to replace OSF Saint Elizabeth Medical Center with a new and smaller hospital facility. I also support the shift of selected inpatient services from SEMC-Ottawa to the campus of Saint Elizabeth Medical Center-Peru.

In 2023, there were 384 ICU admissions at SEMC-Ottawa. I estimate that 384 patients will be admitted annually to the 8-bed ICU service at SEMC-Peru. This volume includes an estimated 45 patients from St. Margaret's Health hospitals following their closures. The impact for a full year is 90 patients, or an additional 45 patients not already in the count. As a result, total ICU referrals from SEMC-Ottawa will be 429 patients (384 plus 45).

An additional volume of 114 ICU admissions occurred at OSF Saint Paul Medical Center in 2023 as a result of the St. Margaret's hospitals closures. The full year effect at OSF Saint Paul Medical Center of the closures is an increase of 228 ICU patients. As Chief Medical Officer at OSF Saint Paul Medical Center, I affirm that this annual volume of 228 ICU patients will be referred to the ICU at SEMC-Peru.

The patient origin table for these patients is also attached. These referral counts have not been used to support another permit application for any other hospital's medical/surgical service.

Please contact me if you have any questions.

Sincerely,

Leonardo Lopez, MD
OSF Saint Elizabeth Medical Center – Ottawa
1100 E. Norris Drive
Ottawa, IL 61350
(815) 431-5598

Notarization:

Subscribed and sworn to before me
this 19th day of March 2024
Brenda L. Grobe
Signature of Notary

Seal

BRENDA L. GROBE
Official Seal
Notary Public - State of Illinois
My Commission Expires Apr 12, 2025

Assurances (Obstetrics) – Page 93

April 16, 2024

Mr. John P. Kniery, Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

Dear Mr. Kniery:

Re: Commitment to Refer Obstetrics patients from
SEMC-Ottawa and the Closed St. Margaret's Health Hospitals

I am a physician specializing in Family Medicine. I am the Chief Medical Officer at OSF Saint Elizabeth Medical Center in Ottawa. I support the proposed project to replace OSF Saint Elizabeth Medical Center with a new and smaller hospital facility. I also support the shift of selected inpatient services, including obstetrics, from SEMC-Ottawa to the campus of Saint Elizabeth Medical Center-Peru.

In 2022, there were 411 obstetrics admissions at SEMC-Ottawa. With the closure of the obstetrics service at the two SMH hospitals, the volume increased to 585 OB patients at SEMC-Ottawa in 2023, a partial year increase of +174 patients, annualized to an increase of 348 patients above the 411 in 2022.

Obstetrics patients residing in the area served by the former St. Margaret's Health-Peru and St. Margaret's Health-Spring Valley are expected to utilize the new OB service at SEMC-Peru, the only hospital OB unit in the three-county area following the relocation. Geographically it will be the closest OB service for them. There were 589 deliveries in 2021 at the two SMH hospitals, patients expected to remain at the new SEMC-Peru OB service. I therefore commit to refer approximately 1,043 patients to the new OB service (454 from SEMC-Ottawa plus 589 from the two closed SMH hospitals).

The attached table lists the zip codes of residence for these patients. These referral counts have not been used to support another permit application for any other hospital's obstetrics service.

Please contact me if you have any questions.

Sincerely,

Leonardo Lopez, MD
OSF Saint Elizabeth Medical Center – Ottawa
1100 E. Norris Drive
Ottawa, IL 61350
815-431-5598

Notarization:

Subscribed and sworn to before me

this 15th day of April 2024

Signature of Notary

Seal

WENDI T. NAVARRO
OFFICIAL SEAL
Notary Public, State of Illinois