



May 29, 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 am pleased to provide the second monthly update, which is intended to keep the Board informed of our ongoing community engagement efforts. Our initial update was submitted on April 30, 2025.

Over the past month, we have continued engaging with leaders in Ottawa and the surrounding region in a sincere effort to listen, understand, and thoughtfully respond to concerns raised by local officials and community members.

On **May 9**, 2025, a meeting was held with public safety officials from the City of Ottawa. During these meetings, Police Chief Cheatham highlighted several key points, including a strong, collaborative relationship with hospital security management and the value of ongoing, productive meetings that have helped resolve various operational issues. He also raised concerns regarding the transportation of discharged patients. They have given 12 rides back to the PADS homeless shelter and 10 more to get patients to their homes this calendar year. He acknowledged that such requests will never be zero; he was just wondering if we could try to reduce the number. OSF utilizes several options for transportation of discharged patients when they are not able to provide their own accommodations. OSF committed to working collaboratively with emergency department leaders and care management to try to reduce that number.

On **May 7 and 9**, meetings were held with Chief Bressner from the Ottawa Fire Department that were equally productive. The Bypass/Diversion policy for the Ottawa, Streater, and Peru Emergency Departments was distributed to all attendees. All present acknowledged that the written policy clearly outlines the process, addressing previous concerns and providing reassurance that bypass or diversion cannot be initiated arbitrarily. Additionally, the fire department confirmed adherence to updated OB transport and emergency birth protocols, along with mandatory OB training for EMS personnel. Concerns about potential delays in ED hand-off times were acknowledged, with both the EMS system and the fire department committing to ongoing monitoring and data verification.

On **May 20**, we met with City officials and leaders from the Citizens for Healthcare in Ottawa group to reaffirm our commitment to transparency, responsible planning, and collaboration.

Present at the May 20 meeting were:

1. Robert Hasty, Mayor – City of Ottawa
2. Wayne Eichelkraut, Commissioner – City of Ottawa
3. Tom Ganiere, Commissioner – City of Ottawa
4. Colleen Burns, Licensed Real Estate Broker
5. Ron Henson, Ottawa Insurance Agent
6. Jay McCracken, Executive Director – Ottawa Area Chamber of Commerce
7. Brian Rosborough – Retired Physician
8. George Shanley, Chair, OSF Saint Elizabeth Community Council
9. Steven Gonzalo, Member, OSF Saint Elizabeth Community Council
10. Robert Sehring, CEO and Board Member, OSF HealthCare
11. August Querciagrossa, CEO – Western Region, OSF HealthCare
12. Dawn Trompeter, President, OSF Saint Elizabeth
13. Heather Bomstad, MSN, RN, CNO, OSF Saint Elizabeth
14. Leonardo Lopez, MD, Chief Medical Officer, OSF Saint Elizabeth

In advance of the May 20 meeting, all parties agreed to focus forward rather than revisit prior discussions in the spirit of progress. Agenda items were to include the status of the Peru hospital, movement of services from Ottawa to Peru consistent with the regional health care plan, and inpatient census trends. However, a significant portion of the meeting did shift back to earlier topics.

Among the items revisited were the various proposals presented regarding a replacement facility in Ottawa. Continuing dialogue with Ottawa City officials led us to offer a good-faith enhanced plan for OSF Saint Elizabeth Hospital in Ottawa, which unfortunately was not supported. As a result, and by mutual agreement with the City of Ottawa, we requested—and were granted—a deferral of the Certificate of Need applications. During our discussions at the May 20th meeting, it was agreed that any future discussions regarding a new facility in Ottawa would be based on emerging data post the opening of expanded services (Inpatient OB, ICU, surgery, and additional Med/Surg beds) at the Peru campus in August 2025.

During the meeting, we addressed a range of additional questions, which are summarized below with responses paraphrased for clarity and brevity:

Q: What obstetric services will continue to be offered in Ottawa after the transition?

A: *Many OB services will remain in Ottawa, including comprehensive prenatal and postnatal care, as well as OSF OnCall (virtual) provider support. While labor and delivery services are transitioning to the Peru campus, we are maintaining a strong presence in Ottawa to support women throughout their pregnancy journey.*

Q: Will the Peru campus have a helicopter pad?

A: *Yes, the Peru campus has a fully equipped helipad that is already in use as part of its emergency transport capabilities, ensuring timely access to critical care and seamless coordination with regional air medical services.*

Q: Publicly available data shows that OSF Saint Elizabeth in Ottawa has been profitable. Can you



confirm that the hospital has been doing well financially?

A: *Publicly available data often reflects the hospital's financials in isolation, but it's important to understand that hospital and physician finances are reported separately. The hospital cannot function or generate value without its physicians, so looking only at the hospital's numbers provides an incomplete picture. A true assessment of financial performance must include both hospital and physician operations along with Ministry Services (back-office) overhead expenses.*

Q: How is OSF improving cancer care in Ottawa?

A: *We already have a cancer center in Ottawa because we understand how challenging travel can be during treatment. While our main cancer institute and specialized services are in Peoria, for FY26 one of our strategic initiatives is to expand the oncology support services from our cancer institute to our patients locally.*

After this initial discussion, we refocused on the original agenda and provided updates on the progress in Peru, including service developments and recent census data. For your reference, the latest census data is attached.

Surgeries at the Peru campus commenced on May 16, marking an important milestone. The ICU and inpatient OB services are planned to open in Peru by August 18, coinciding with the expansion of inpatient medical/surgical beds to the full 45 licensed bed capacity. Key construction projects, especially the ICU modernization and expansion, are advancing smoothly and remain on schedule to be completed ahead of the August transition.

We believe in our regional plan because it strengthens our ability to coordinate care, bring specialists together, and deliver the right services in the right place at the right time. It enables us to use our resources more efficiently while keeping more patients across the region closer to home.

Over the past year, OSF has introduced several important improvements to expand and enhance care across the region. We announced the availability of the Invenia ABUS 2.0, an FDA-approved automated breast ultrasound system, improving breast cancer screening for women with dense breast tissue. We strengthened women's health services by welcoming two new midwives. Four pulmonary/critical care physician positions were posted, with one employment agreement already signed to start in mid-2026. Resilient Healing, a program to help sexual assault survivors, will be launched in two locations in June. Additionally, OSF expanded wound care services in Peru with the addition of a hyperbaric chamber, ensuring more comprehensive care closer to home. We are also adding hospital tele-neurology beginning this October.

We are actively preparing for the upcoming June 10 public hearing on the discontinuation of inpatient OB and ICU services in Ottawa. The OSF plan to regionalize these inpatient services at our Peru campus has already been endorsed by the Illinois Health Facilities and Services Review Board. Census data is included with this report as an attachment. The ICU and OB census data for 2024 and 2025 to date indicate that the 8 ICU beds and 11 OB beds will provide ample capacity to accommodate inpatient volumes. This consolidation, supported by the data attached, reflects the understanding that maintaining duplicate services in facilities located so closely together is not sustainable either clinically or financially. As we consolidate services in Peru, it will give us better insights into access, outcomes, and overall system performance.



OSF leaders are scheduled to meet again with representatives of the City of Ottawa and Citizens for Healthcare in Ottawa group on June 27. During that meeting, we will continue our dialogue around efforts to stabilize health care and expand services in the region. A key focus of the discussion will be diagnostic imaging capabilities and service enhancements. Additional meetings are also scheduled for July and August to ensure our ongoing collaboration and progress.

We appreciate the continued work of the Illinois Health Facilities and Services Review Board to advance health care in Illinois. As we move forward with our regional plan, we remain committed to transparency, collaboration, and delivering solutions that meet the evolving needs of the communities we serve. We welcome any questions or feedback you may have and look forward to continued dialogue in the months ahead.

Sincerely,

A handwritten signature in dark ink, appearing to read "AJ Querciagrossa". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

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