



September 4, 2025

Debra Savage, Chair
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761



Re: Updated ICAHN Position Statement

Dear Ms. Savage,

Provisions within H.R. 1, the FY 2025 budget reconciliation act recently passed Congress, will have a significant impact on the nation's hospitals and in particular, Critical Access Hospitals (CAHs). While nearly 30% of Illinois rural hospitals already operate on negative or thin margins, all ICAHN members will be further financially challenged by the legislation's Medicaid payment reductions and eligibility changes.

As a result of even greater financial pressures, ICAHN respectfully reaffirms its position statement (previous letter attached) with an additional observation regarding the safety net impact information to be included in a CON application.

Pursuant to the Illinois Health Facilities Planning Act, applications must provide a safety net impact statement to describe, if reasonably known by the applicant, all of the following information:

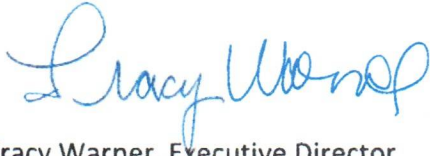
- A) the project's material impact, if any, on essential safety net services in the community.
- B) the project's impact on the ability of another provider or health care system to cross-subsidize safety net services; and
- C) how the discontinuation of a facility or service might impact the remaining safety net providers in a given community.

(77 Ill. Adm. Code 1110.110 (c)(1)).

The presence of this information, as required by law, is key piece of data for the Review Board to determine how new services, the expansion of existing services, and/or new surgery centers or facilities, will have on rural hospitals that are frequently the sole site for health care access in many communities across the state.

Thank you again for the opportunity to provide relevant information to the Review Board when reviewing current and future projects.

Respectfully,

A handwritten signature in blue ink, appearing to read "Tracy Warner". The signature is fluid and cursive, with the first name "Tracy" being more prominent than the last name "Warner".

Tracy Warner, Executive Director



May 19, 2025

Debra Savage, Chair
Illinois Health Facilities & Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761



Re: ICAHN Position Statement

Dear Ms. Savage,

The Illinois Critical Access Hospital Network (ICAHN) is a member-based, non-profit corporation comprised of 60 Medicare designated Critical Access Hospitals (CAHs) and small, rural facilities in Illinois. The overarching goal of ICAHN is to preserve access to rural health care while improving the vibrancy and viability of the rural communities served; our mission is to preserve the viability and strengthen the financial and operational foundation of critical access and small, rural hospitals in Illinois.

Of the state's eighty rural hospitals, 29.4% operate on negative or thin margins. Small and rural hospitals' reliance on Medicare and Medicaid, coupled with lower reimbursement rates, makes them financially vulnerable. This vulnerability necessitates careful consideration in policymaking to ensure these hospitals can continue to provide essential services to rural communities. With that goal and mission in mind, together with the statute and rules administered by the Illinois Health Facilities and Services Review Board (Review Board) I respectfully express concern regarding any Certificate of Need (CON) application that proposes to establish new services, an expansion of existing services, and/or new surgery centers or facilities that significantly relies upon patient volume from CAHs.

In that regard, the Illinois Health Facilities Planning Act:

- promotes "the orderly and economic development of health care facilities in the State of Illinois that avoids unnecessary duplication" (20 ILCS 2960/2); and
- requires the assessment of a project's impact on "the ability of another provider or health care system to cross-subsidize safety net services" (20 ILCS 2960/5.4(c)(2)).

Review Board rules mandate that an applicant "shall document" that a proposed project "will not lower, to a further extent, the utilization of other facilities that are currently operating below utilization standards." (77 Ill. Admin. Code 1110.235(c)(7)(C)(ii)).

We appreciate the opportunity to provide relevant information to the Review Board when reviewing current and future projects.

Respectfully,

Signed by:

Tracy Warner

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Tracy Warner

Executive Director