10/29/2025

RECEIVED
OCT 27 2025
HEALTH FACILITIES &

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

Re: Project 25-013 Discontinuation of ICU and OB Services OSF Saint Elizabeth Medical Center-Ottawa Supplemental Information

Dear Chairwoman Savage,

As a retired physician from Ottawa and former Chief Medical Officer of Saint Elizabeth Medical Center, I write today in opposition to CON Project # 25-013. For those familiar with healthcare, the challenges facing rural healthcare are particularly problematic. The common theme with hospitals closing or reducing services is the inability to maintain profitability and insufficient patient volumes. While this project primarily focuses on OB and ICU services, it is essential to address some of the key issues that affect these services.

The HFSRB mandated monthly meetings between OSF Healthcare, Ottawa city officials, and community leaders to try to resolve the impasse regarding OSF's plans for Ottawa. These meetings have been occurring and are appreciated. During one of the sessions, OSF Healthcare shared the operating margins since the acquisition of the Ottawa hospital in FY12. From FY12 to FY20, they had an operating loss of $50.3M. FY21 toFY23 saw an operating gain of $58.9M erasing those previous losses. If the rural hospitals coming before the HFSRB to close or reduce services, such as OB or ICU care, had operating margins like OSF Saint Elizabeth, it would probably be a safe bet they would not be asking to close or reduce those services. Patient growth has also not been declining. The hospital profiles on the HFSRB website clearly indicate that growth was occurring in medical, surgical, and obstetric services even before the closure of the St. Margaret's hospitals in Peru and Spring Valley.

Despite positive operating margins and patient growth, OSF Healthcare intends to discontinue OB and ICU services in Ottawa. Not only are they hoping to discontinue those services but they have either instituted or plan to institute the following changes: reduce inpatient medical surgical beds, reduce operating rooms from 5 to 2, eliminate 90% of inpatient surgery, reduce outpatient surgery by 20%, eliminate inpatient and outpatient orthopedic surgery, eliminate inpatient dialysis, severely reduce if not eliminate anesthesiologist services, eliminate invasive radiology procedures since there will no longer be an on-site radiologist (women will no longer be able to get a breast biopsy done in Ottawa). Interestingly, OSF initially proposed 12 medical-surgical beds in Ottawa with their CON, which is now deferred until next April. With significant community opposition and outrage, they suggested that they would increase that to 16 with 4 intermediate care beds, but never proceeded to modify their CON. They planned to implement

that in August, as well as close OB and ICU, but the current CON was deferred until November. Instead, they proceeded with 20 medical surgical beds and kept the ICU open. They have now said they are willing to staff up to 24 medical-surgical beds. To me, this raises a big red flag with their assumptions. If they have been so inaccurate with medical-surgical beds, what other assumptions are they making that are inaccurate?

Of all the clinical services that OSF has proposed to or has eliminated, consolidation of obstetrical services probably has the most credible rationale if you understand the current climate with obstetrics in healthcare.

Dating back to at least 2020, SEMC-Ottawa has had the largest number of OB admissions each year, even when all three hospitals (Ottawa, Peru, and Spring Valley) were open. OSF states that 56% of obstetrical patients from the C-02 region were admitted to hospitals outside the region. This does not take into account the number of maternal transfers or elective deliveries done at SFMC for high-risk maternal or fetal conditions. They do try to estimate the number referred for maternal fetal medicine in the application. In any event, OSF claims that this outmigration supports relocation of OB services. They also state that a large portion of this outmigration is to Morris because Morris Hospital has established an OB office in Ottawa.

The reality is that outmigration doesn't support relocation of OB services; however, it does indicate there are significant unmet needs of pregnant women in the C-02 region. Most organizations would consider outmigration as an opportunity to increase market share. Unfortunately, OSF feels moving OB services away from the source of the largest outmigration is the correct strategy. I believe there will likely be increased outmigration if OB services are relocated away from Ottawa. Legitimate arguments can be made for OB services to be in Peru or Ottawa. Unfortunately, not all sides were presented when the Peru CON was approved last year.

Moving on to ICU services, if OSF is successful and closes the ICU in Ottawa, there will be an inequitable distribution of ICU beds for the eastern half of LaSalle County, the most populous portion of the county. Going back to at least 2020, when all 5 hospitals in the region had ICUs open, SEMC-Ottawa had 50% or more of the total ICU admissions in the C-02 region. OSF claims that the 8 ICU beds in Peru, along with the 4 in Mendota and 3 in Princeton, meet the HFSRB projected need for ICU beds in our region. The Mendota ICU has an occupancy rate of 14.9% and the Princeton ICU has a rate of 6.2%. Both of those hospitals also do not have 24-hour in-house physician coverage like Ottawa has. Ottawa's occupancy rate has exceeded the HFSRB target even before the closure of the St. Margaret's hospitals. The ICU beds will be in the wrong location if the Ottawa ICU is closed. The logic behind this plan is suspect.

A recent international study [Ohbe, H., Kudo, D., Kimura, Y. *et al.* In-hospital mortality of patients admitted to the intermediate care unit in hospitals with and without an intensive care unit: a nationwide inpatient database study. *Crit Care* 29, 34 (2025)], found that patients admitted to intermediate care units in hospitals without ICUs had higher in-hospital mortality rates. This is the plan for Ottawa. While I would agree that one study by itself does not confirm this trend, it should at least be contemplated before making a change that might worsen health care outcomes.

OSF has talked about its planned approach of staffing the ICU in Peru with intensivists. This may be a novel concept in a rural community, but I at least have some concerns about the sustainability of this approach. Rural communities already struggle with recruiting basic medical and surgical specialists. An intensivist is trained and typically practices in larger, higher-volume hospitals, and typically the cities are larger as well. Intensivists typically work in conjunction with medical and surgical subspecialists. Many of these subspecialists are not available in rural communities, and this may indeed lead to difficulty retaining intensivists. To date, I have heard OSF has signed one intensivist to start the summer of 2026. Whether others are actually signed to a contract yet I have not heard. What is clear is that there is no intensivist service in place in Peru at this time.

There are 538 micropolitan statistical areas in the United States. The Ottawa micropolitan statistical area corresponds to the C-02 region. From a population standpoint, the Ottawa micropolitan statistical area is the 8th largest in the United States. The regional plan that OSF is proposing is certainly one way to address rural healthcare, but it is not the only plan. Maybe this is not the correct plan for our healthcare region. I have a hard time believing that anyone would agree that with Ottawa, the largest town in the region, having fewer services (fewer medical-surgical beds and no ICU) than the two critical care access hospitals in the region (Princeton and Mendota) is a good plan for the region.

In the meeting with City and community leaders that occurred just before the June HFSRB public hearing in Ottawa, OSF leaders expressed their confidence that this current CON would be approved and stated that it essentially was approved last year with the approval of the Peru CON. From a community standpoint, I certainly hope this is not the case. With all the deferrals, the board has not yet heard the full perspective of the Ottawa community regarding the OSF plan. It should also be pointed out that of the support letters that have been submitted to the HFSRB, few are from anyone who lives in Ottawa or the surrounding communities in eastern Lasalle County.

At one of the HFSRB meetings, one of the members questioned why the community would not be in favor of a large building project. That is a good question. Certainly, there are financial benefits with a $120-150M building project, but those are short-term benefits. In addition to the loss of clinical services, which have been discussed above, there are potential adverse long-

term financial impacts to the Ottawa community. First, there is the loss of jobs further west. But possibly more importantly, there is the impact on recruiting new business to Ottawa and the surrounding area. Availability of healthcare is important to business, and depending on the type of business, it could be crucial. Also, many employers look at multiple sites in the Illinois Valley to establish, and the vastly reduced inpatient and, to a lesser extent, outpatient services will only be used as leverage to not locate in Ottawa. This risk, while not quantifiable, could be very significant and negatively impact Ottawa, the only growing community in LaSalle County.

Since OSF originally filed their project plans for the C-02 region a year and a half ago, they have stated to city and community leaders, as well as to the HFSRB, that they were not negotiating with the City of Ottawa. On October 1, they, however, did propose a solution to the city and community leaders. That solution included maintaining ICU services for the "foreseeable" future in Ottawa. Foreseeable was defined as long as the current hospital in Ottawa was operational. There was no commitment for ICU services in a new hospital that they say they are going to build, or for maintaining the inpatient and outpatient services discussed above, which they are reducing. Without those medical and surgical services, the ICU care available today in Ottawa would not be able to be provided. They also demanded, in exchange for the ICU services, that city and community leaders would have to offer written and verbal support for the relocation of OB services to Peru. In addition, city and community leaders would not be able to offer any disparaging remarks at future public meetings.

After much discussion, city and community leaders concluded that the ICU services OSF was offering were no different than the intermediate care services they said they would implement in Ottawa. In addition, the attempt to silence or muzzle future oppositional remarks was found to be unacceptable. Once the offer was declined, OSF admitted in local media that they proposed "limited ICU services".

Finally, I would like to discuss a technical or procedural issue with this project request. Earlier this year, OSF requested and received an unprecedented 1-year deferral of CON 24-011. This was the project to build a new hospital in Ottawa. On page 11 of the project application, they detail that 14 OB beds and 5 ICU beds will be removed from the hospital. Shortly after that deferral was granted the current CON (25-013) was submitted. On page 7, OSF makes the following statement: "Permit applications 24-011 and 24-013 have been deferred, hence the need for this permit application to enable the discontinuation of ICU and OB this summer at SEMC-Ottawa". I find it hard to believe the HFSRB would allow this CON to proceed after granting the unprecedented 1-year deferral. If the City of Ottawa and Citizens for Healthcare Ottawa had known that this project could be submitted, I doubt there would have been any support for the OSF deferral, and there would have been vehement opposition.

I have attempted to clearly highlight the concerns with the reduction in OB and ICU services and the potential adverse economic impact and healthcare access that the community will face with

this OSF plan. I feel the concerns have significant merit. The community has become significantly frustrated with this piecemeal process. When the original 3 CONs were proposed, OSF asked that they be considered together because they were all interrelated. When significant opposition to the plans emerged, OSF asked and was granted the ability to hear the Peru CON separately. Then there were 3 deferrals, with the last one being for a year. OSF then submitted a new CON to close the Ottawa OB and ICU units because of the 1-year deferral. In addition, they have started and plan to discontinue clinical services as mentioned above, all without financial losses in Ottawa, a lack of adequate volumes or quality issues. In fact, their regional plan depends on the volumes from Ottawa to be successful. I ask that the HSFRB board deny this project application and encourage OSF to come up with a better plan that addresses the needs of all. Thank you.

Brian Rosborough, M.D.