



OSF[®] HEALTHCARE

Proposal to Endorse State Approval of Clinical Services Delivery Model at OSF Saint Elizabeth Medical Center (Ottawa and Peru)

September 22, 2025

In the interest of moving forward with the provision of clinical services at Saint Elizabeth Medical Center – Ottawa and Peru campuses, OSF offers the following to representatives of the City of Ottawa and CHO.

Background

OSF and representatives of Ottawa and CHO have been meeting over the past year and a half, and regularly following the HFSRB March 2025 meeting. At that meeting, HFSRB approved deferral until March, 2026 the review of permit applications to replace the SEMC-Ottawa hospital, and to discontinue the existing hospital upon the opening of the new facility. Consistent with a related permit application approved in August 2024, OSF has opened a centralized ICU unit at SEMC-Peru in August, 2025. OSF is awaiting review of permit application 25-013 at the November 18 HFSRB meeting. Upon that review, OSF will operationalize OB at SEMC-Peru.

The meetings with the community since March, 2025 have provided the opportunity for all parties to share data and points of view. Unfortunately, a common understanding has not been achieved. The community focus has been primarily on Ottawa and towns in eastern LaSalle County. Starting with its initial communications about its clinical plans, OSF has explained its planned investments as a regional plan, serving LaSalle, Bureau, Putnam Counties and the Elmira and Osceola townships of Stark County. In part, the plan responds to the recent closures of two St. Margaret's Health hospitals in Peru and nearby Spring Valley and the resulting lack of inpatient care in that part of the region. The OSF plan includes centralizing ICU and OB services at SEMC-Peru and discontinuing those services at SEMC-Ottawa. In spite of open discussion and good intentions, the parties have not reached agreement on common ground.

Proposal

As a result, the parties agree to disagree. In order to move forward, OSF offers this proposal to **keep the existing ICU unit at SEMC-Ottawa open for the foreseeable future, rather than close the unit. The new 8-bed ICU service is and will remain open at SEMC-Peru. OSF still intends to discontinue the OB service in Ottawa, following review of the permit application for discontinuation by the HFSRB and operationalization of the 11 bed OB unit at SEMC-Peru.**

Commitments

In order to implement this offer, all of the following conditions are necessary to be agreed in advance by all parties:

- OSF will continue to operate ICU beds at SEMC-Ottawa.
- Based on clinical appropriateness, at times it will be necessary to transfer some ICU

patients from Ottawa to Peru or another facility for higher acuity ICU needs.

- OSF will prepare a modification to permit application 25-013, removing ICU as a service to be discontinued at SEMC-Ottawa; the permit application will continue to list OB as a service being discontinued, upon the opening of the new OB service at SEMC-Peru.
- **City of Ottawa and CHO will submit written letters of support for the revised plan to maintain ICU and discontinue OB at SEMC-Ottawa, and will testify at future public hearing(s) in support of the plan.** Support will be a complete endorsement and will not contain any conditions or statements of dissatisfaction.
- OSF will submit its modification of permit application 25-013 to HFSRB upon receipt of the City's and CHO's submission of support. The modification will remove ICU as a service being discontinued at SEMC-Ottawa. **Letters of support must be provided to OSF to be included with OSF's submission of the modification.** Time is of the essence given the schedule for the HFSRB staff to review.
- A critical condition is to maintain the schedule to review the permit application at the November 18 HFSRB meeting. Consequently, City of Ottawa and CHO must reach agreement, provide letters of support within approximately the next week, enabling OSF to submit its permit modification and arrange for a public hearing in a timeframe that allows the project to remain on schedule for November 18 review.
- **If there is not agreement or if a delay in completing the agreement prevents the Modification from being submitted for review at the November 18 HFSRB meeting, OSF will pursue review of the existing permit application, unmodified, on November 18.**

Conclusion

OSF makes this offer and submits this Agreement in good faith and in order to reach common ground with the City of Ottawa and CHO.