

Illinois Health Facilities and Services Review Board
APPLICATION FOR PERMIT

ORIGINAL

25-026
RECEIVED

JUN 30 2025

HEALTH FACILITIES &
SERVICES REVIEW BOARD

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name:	OSF Heart of Mary Medical Center - Discontinuation of Pediatrics, ICU, Comprehensive Physical Rehabilitation, Open Heart Surgery and Cardiac Catheterization		
Street Address:	1400 W. Park Street		
City and Zip Code:	Urbana, IL 61801		
County:	LaSalle	Health Service Area: 4	Health Planning Area: D-01

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name:	OSF Healthcare System / dba OSF Heart of Mary Medical Center		
Street Address:	1400 W. Park Street		
City and Zip Code:	Urbana, IL 61801		
Name of Registered Agent:	Danielle McNear		
Registered Agent Street Address:	124 S.W. Adams Street		
Registered Agent City and Zip Code:	Peoria 61602		
Name of Chief Executive Officer:	John T. Barnhart		
CEO Street Address:	1400 W. Park Street		
CEO City and Zip Code:	Urbana, IL 61801		
CEO Telephone Number:	217-337-2682		

Type of Ownership of Applicants

<input checked="" type="checkbox"/>	Non-profit Corporation	<input type="checkbox"/>	Partnership		
<input type="checkbox"/>	For-profit Corporation	<input type="checkbox"/>	Governmental		
<input type="checkbox"/>	Limited Liability Company	<input type="checkbox"/>	Sole Proprietorship	<input type="checkbox"/>	Other

o Corporations and limited liability companies must provide an **Illinois certificate of good standing**.

o Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact [Person to receive ALL correspondence or inquiries]

Name:	John T. Barnhart		
Title:	President		
Company Name:	OSF Heart of Mary Medical Center		
Address:	1400 W. Park Street Urbana, IL 61801		
Telephone Number:	217-337-2682		
E-mail Address:	John.T.Barnhart@osfhealthcare.org		
Fax Number:	217-337-4541		

Additional Contact [Person who is also authorized to discuss the application for permit]

Name:	Ralph Weber		
Title:	CON Consultant		
Company Name:	Weber Alliance		
Address:	920 Hoffman Lane Riverwoods, IL 60015		
Telephone Number:	847-791-0830		
E-mail Address:	rmweber90@gmail.com		
Fax Number:	NA		

Additional Contact [Person who is also authorized to discuss the application for permit]

Name:	Mark Hohulin
Title:	Senior Vice President, Healthcare Analytics
Company Name:	OSF Healthcare System
Address:	124 S.W. Adams Street Peoria, IL 61602
Telephone Number:	309-308-9656
E-mail Address:	mark.e.hohulin@osfhealthcare.org
Fax Number:	309-308-0530

Additional Contact [Person who is also authorized to discuss the application for permit]

Name:	Michael Henderson
Title:	Senior Corporate Counsel
Company Name:	OSF Healthcare System
Address:	124 S.W. Adams Street Peoria, IL 61602
Telephone Number:	309-655-2402
E-mail Address:	michael.b.henderson@osfhealthcare.org
Fax Number:	309-308-5098

**Illinois Health Facilities and Services Review Board
APPLICATION FOR PERMIT**

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

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Street Address:	1400 W. Park Street		
City and Zip Code:	Urbana, IL 61801		
County:	Champaign	Health Service Area: 4	Health Planning Area: D-01

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name:	OSF Healthcare System
Street Address:	124 S.W. Adams Street
City and Zip Code:	Peoria, IL 60602
Name of Registered Agent:	Danielle McNear
Registered Agent Street Address:	124 S.W. Adams Street
Registered Agent City and Zip Code:	Peoria 61602
Name of Chief Executive Officer:	Robert C. Sehring
CEO Street Address:	124 S.W. Adams Street
CEO City and Zip Code:	Peoria, IL 61602
CEO Telephone Number:	309-655-2850

Type of Ownership of Applicants

<input checked="" type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship
<input type="checkbox"/> Other	
<ul style="list-style-type: none"> Corporations and limited liability companies must provide an Illinois certificate of good standing. Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner. 	
APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

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Name:	John T. Barnhart
Title:	President
Company Name:	OSF Heart of Mary Medical Center
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E-mail Address:	John.T.Barnhart@osfhealthcare.org
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Address:	920 Hoffman Lane Riverwoods, IL 60015
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Telephone Number:	309-655-2402
E-mail Address:	michael.b.henderson@osfhealthcare.org
Fax Number:	309-308-5098

Post Permit Contact

[Person to receive all correspondence after permit issuance-THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960]

Name:	John T. Barnhart
Title:	President
Company Name:	OSF Heart of Mary Medical Center
Address:	1400 W. Park Street Urbana, IL 61801
Telephone Number:	217-337-2682
E-mail Address:	John.T.Barnhart@osfhealthcare.org
Fax Number:	217-337-4541

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	OSF Healthcare System
Address of Site Owner:	124 S.W. Adams Street Peoria, IL 61602
Street Address or Legal Description of the Site:	1400 W. Park Street Urbana, IL 61801
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.	
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Operating Identity/Licensee

[Provide this information for each applicable facility and insert after this page.]

Exact Legal Name:	OSF Heart of Mary Medical Center
Address:	1400 W. Park Street Urbana, IL 61801
<input checked="" type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship <input type="checkbox"/>
Other	
<ul style="list-style-type: none">Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Organizational Relationships

Provide (for each applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

APPEND DOCUMENTATION AS ATTACHMENT 4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements, please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov or www.illinoisfloodmaps.org. **This map must be in a readable format.** In addition, please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2006-5 (<http://www.hfsrb.illinois.gov>). **NOTE: A SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM has been added at the conclusion of this Application for Permit that must be completed to deem a project complete.**

APPEND DOCUMENTATION AS **ATTACHMENT 5**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

APPEND DOCUMENTATION AS **ATTACHMENT 6**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

DESCRIPTION OF PROJECT**1. Project Classification**

[Check those applicable - refer to Part 1110.20 and Part 1120.20(b)]

Part 1110 Classification :

- ☒ Substantive
☐ Non-substantive

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 discontinuation of Pediatric beds, Intensive Care, Comprehensive Physical Rehabilitation, Open Heart Surgery and Cardiac Catheterization categories of service at OSF Heart of Mary Medical Center, 1400 W. Park Street, Urbana. The preferred timing is to implement the discontinuations in January, 2026.

As part of the reconfiguration of services at the hospital, the 110 authorized Medical/Surgical beds will be reduced to a count of 25 beds. It is also planned to close the surgery department with 15 operating rooms.

The hospital's current authorized bed count is distributed in the following categories: 110 Medical/Surgical beds, 6 Pediatric beds, 15 ICU beds, 25 Comprehensive Physical Rehabilitation beds, and 40 Acute Mental Illness beds (an increase of 10 AMI beds was approved by the HFSRB chair in June, 2025, increasing the AMI bed count from the previous 30). The discontinuations of services reduce the bed capacity by 46 beds.

Following the reduction of Medical/Surgical beds later this year, the bed complement will be a total of 65 beds: 25 Medical/Surgical beds and 40 AMI beds. The hospital will continue its emergency department, diagnostic imaging, outpatient services, lab and pharmacy.

There is no capital cost associated with the discontinuation project.

The project is considered Substantive because it is the discontinuation of clinical services.

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must be equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)			
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs to Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS			
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities			
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS			

NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Related Project Costs

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Purchase Price: \$	_____	
Fair Market Value: \$	_____	
The project involves the establishment of a new facility or a new category of service		
	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If yes, provide the dollar amount of all non-capitalized operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.		
Estimated start-up costs and operating deficit cost is \$ 0 _____.		

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.	
Indicate the stage of the project's architectural drawings:	
<input checked="" type="checkbox"/> None or not applicable	<input type="checkbox"/> Preliminary
<input type="checkbox"/> Schematics	<input type="checkbox"/> Final Working
Anticipated project completion date (refer to Part 1130.140): <u>January, 2026</u>	
Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140): Not applicable	
<input type="checkbox"/> Purchase orders, leases or contracts pertaining to the project have been executed. <input type="checkbox"/> Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies	
<input type="checkbox"/> Financial Commitment will occur after permit issuance.	
APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

State Agency Submittals [Section 1130.620(c)]

Are the following submittals up to date as applicable?
<input checked="" type="checkbox"/> Cancer Registry
<input type="checkbox"/> APORS Not applicable
<input checked="" type="checkbox"/> All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
<input checked="" type="checkbox"/> All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the **Departmental Gross Square Feet (DGSF)** or the **Building Gross Square Feet (BGSF)** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the departments or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Not Reviewable Space [i.e., non-clinical]: means an area for the benefit of the patients, visitors, staff, or employees of a health care facility and not directly related to the diagnosis, treatment, or rehabilitation of persons receiving services from the health care facility. "Non-clinical service areas" include, but are not limited to, chapels; gift shops; newsstands; computer systems; tunnels, walkways, and elevators; telephone systems; projects to comply with life safety codes; educational facilities; student housing; patient, employee, staff, and visitor dining areas; administration and volunteer offices; modernization of structural components (such as roof replacement and masonry work); boiler repair or replacement; vehicle maintenance and storage facilities; parking facilities; mechanical systems for heating, ventilation, and air conditioning; loading docks; and repair or replacement of carpeting, tile, wall coverings, window coverings or treatments, or furniture. Solely for the purpose of this definition, "non-clinical service area" does not include health and fitness centers. [20 ILCS 3960/3]

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
NON-REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							

APPEND DOCUMENTATION AS **ATTACHMENT 9**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Facility Bed Capacity and Utilization

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert the chart after this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which data is available**. Include **observation days in the patient day totals for each bed service**. Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

FACILITY NAME: OSF Heart of Mary Medical Center		CITY: Urbana			
REPORTING PERIOD DATES: From: January 1, 2024 to: December 31, 2024					
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical	110*	1,656	9,141	0	110
Obstetrics	0	0	0	0	0
Pediatrics	6	0	0	-6	0
Intensive Care	15	536	1,943	-15	0
Comprehensive Physical Rehabilitation	25	303	3,928	-25	0
Acute/Chronic Mental Illness	30**	1,121	4,912	0	30
Neonatal Intensive Care	0	0	0	0	0
General Long-Term Care	0	0	0	0	0
Specialized Long-Term Care	0	0	0	0	0
Long Term Acute Care	0	0	0	0	0
Other (identify)					
TOTALS:	186	3,616	19,924	-46	140

NOTES:

* Later this year or in January, 2026, OSF intends to reduce the medical/surgical authorized beds by 85, from 110 beds to 25. That change is referenced in this permit application, but is not a discontinuation of the service.

** At the June 24, 2025 HFSRB meeting, it was announced that the chair approved the addition of 10 AMI beds, increasing the bed count from 30 to 40 AMI beds.

These two changes are not reflected in the above table, which provides bed counts as of December 31, 2024.

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- in the case of a corporation, any two of its officers or members of its Board of Directors.
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist).
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist).
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

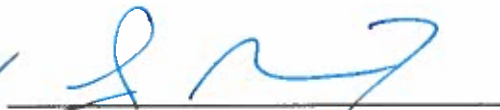
This Application is filed on the behalf of OSF Heart of Mary Medical Center *
in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.



SIGNATURE

Carol A. Friesen
PRINTED NAME

Chief Executive Officer, Eastern Region
PRINTED TITLE



SIGNATURE

John T. Barnhart
PRINTED NAME

President
PRINTED TITLE

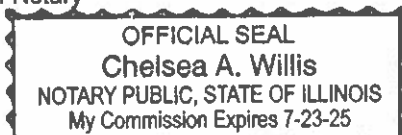
Notarization:

Subscribed and sworn to before me
this 29th day of June 2025



Signature of Notary

Seal



*Insert the EXACT legal name of the applicant

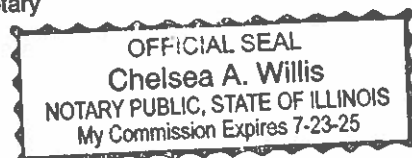
Notarization:

Subscribed and sworn to before me
this 29th day of June 2025



Signature of Notary

Seal





OSF HEALTHCARE

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors.
- o in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist).
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist).
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of OSF Healthcare System *
in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

Robert C. Sehring
SIGNATURE

Robert C. Sehring
PRINTED NAME

Chief Executive Officer
PRINTED TITLE

Michael A. Cruz, MD
SIGNATURE

Michael A. Cruz, MD
PRINTED NAME

Chief Operating Officer
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 18th day of June

Julie A. Harbison
Signature of Notary

Seal

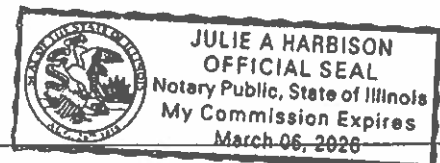


*Insert the EXACT legal name of the applicant

Notarization:
Subscribed and sworn to before me
this 18th day of June

Julie A. Harbison
Signature of Notary

Seal



SECTION II. DISCONTINUATION

This Section is applicable to the discontinuation of a health care facility or the discontinuation of more than one category of service in a 6-month period. If the project is solely for a discontinuation of a health care facility the **Background of the Applicant(s) and Purpose of Project** **MUST** be addressed. A copy of the Notices listed in **Item 7** below **MUST** be submitted with this Application for Discontinuation <https://www.ilga.gov/legislation/ilcs/documents/002039600K8.7.htm>

Criterion 1110.290 – Discontinuation

READ THE REVIEW CRITERION and provide the following information:

GENERAL INFORMATION REQUIREMENTS

1. Identify the categories of service and the number of beds, if any that are to be discontinued.
2. Identify all the other clinical services that are to be discontinued.
3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.
4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued and the length of time the records will be maintained.
6. Provide copies of the notices that were provided to the local media that would routinely be notified about facility events.
7. **For applications involving the discontinuation of an entire facility, provide copies of the notices that were sent to the municipality in which the facility is located, the State Representative and State Senator of the district in which the health care facility is located, the Director of Public Health, and the Director of Healthcare and Family Services. These notices shall have been made at least 30 days prior to filing of the application.**
8. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 90 days following the date of discontinuation.

REASONS FOR DISCONTINUATION

The applicant shall state the reasons for the discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.290(b) for examples.

IMPACT ON ACCESS

1. Document whether the discontinuation of each service or of the entire facility will have an adverse effect upon access to care for residents of the facility's market area.
2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within the **geographic service area**.

APPEND DOCUMENTATION AS **ATTACHMENT 10**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION III. BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

1110.110(a) – Background of the Applicant

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.
3. For the following questions, please provide information for each applicant, including corporate officers or directors, LLC members, partners, and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.
 - a. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application.
 - b. A certified listing of each applicant, identifying those individuals that have been cited, arrested, taken into custody, charged with, indicted, convicted, or tried for, or pled guilty to the commission of any felony or misdemeanor or violation of the law, except for minor parking violations; or the subject of any juvenile delinquency or youthful offender proceeding. Unless expunged, provide details about the conviction, and submit any police or court records regarding any matters disclosed.
 - c. A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude.
 - d. A certified listing of each applicant with one or more unsatisfied judgements against him or her.
 - e. A certified and detailed listing of each applicant who is in default in the performance or discharge of any duty or obligation imposed by a judgment, decree, order or directive of any court or governmental agency.
4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
5. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant can submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT 11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

Criterion 1110.110(b) & (d)**PURPOSE OF PROJECT**

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other relevant area, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed as applicable and appropriate for the project.
4. Cite the sources of the documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals **as appropriate**.

For projects involving modernization, describe the conditions being upgraded, if any. For facility projects, include statements of the age and condition of the project site, as well as regulatory citations, if any. For equipment being replaced, include repair and maintenance records.

NOTE: Information regarding the "Purpose of the Project" will be included in the State Board Staff Report.

APPEND DOCUMENTATION AS ATTACHMENT 12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

ALTERNATIVES

- 1) Identify **ALL** the alternatives to the proposed project:

Alternative options **must** include:

- A) Proposing a project of greater or lesser scope and cost.
- B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes.
- C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
- D) Provide the reasons why the chosen alternative was selected.

- 2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality, and financial benefits in both the short-term (within one to three years after project completion) and long-term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED, THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
- 3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

APPEND DOCUMENTATION AS ATTACHMENT 13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE**Criterion 1110.120 - Project Scope, Utilization, and Unfinished/Shell Space**

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative and it shall include the basis used for determining the space and the methodology applied.**
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:
 - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies and certified by the facility's Medical Director.
 - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.
 - c. The project involves the conversion of existing space that results in excess square footage.
 - d. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?

APPEND DOCUMENTATION AS ATTACHMENT 14, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions, or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. **A narrative of the rationale that supports the projections must be provided.**

A table must be provided in the following format with Attachment 15.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MEET STANDARD?
YEAR 1					
YEAR 2					

APPEND DOCUMENTATION AS ATTACHMENT 15, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

UNFINISHED OR SHELL SPACE:

Provide the following information:

1. Total gross square footage (GSF) of the proposed shell space.
2. The anticipated use of the shell space, specifying the proposed GSF to be allocated to each department, area, or function.
3. Evidence that the shell space is being constructed due to:
 - a. Requirements of governmental or certification agencies; or
 - b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.
4. Provide:
 - a. Historical utilization for the area for the latest five-year period for which data is available; and
 - b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT 16, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

ASSURANCES:

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.
2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and
3. The anticipated date when the shell space will be completed and placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT 17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VI. SERVICE SPECIFIC REVIEW CRITERIA

Not applicable to the discontinuation. There is no establishment, expansion or modernization associated with this project.

This Section is applicable to all projects proposing the establishment, expansion, or modernization of categories of service that are subject to CON review, as provided in the Illinois Health Facilities Planning Act [20 ILCS 3960]. It is comprised of information requirements for each category of service, as well as charts for each service, indicating the review criteria that must be addressed for each action (establishment, expansion, and modernization). After identifying the applicable review criteria for each category of service involved, read the criteria, and provide the required information APPLICABLE TO THE CRITERIA THAT MUST BE ADDRESSED:

A. Criterion 1110.200 - Medical/Surgical, Obstetric, Pediatric and Intensive Care

1. Applicants proposing to establish, expand and/or modernize the Medical/Surgical, Obstetric, Pediatric and/or Intensive Care categories of service must submit the following information:
2. Indicate bed capacity changes by Service: Indicate # of beds changed by action(s):

Category of Service	# Existing Beds	# Proposed Beds
<input type="checkbox"/> Medical/Surgical		
<input type="checkbox"/> Obstetric		
<input type="checkbox"/> Pediatric		
<input type="checkbox"/> Intensive Care		

3. READ the applicable review criteria outlined below and **submit the required documentation for the criteria:**

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.200(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (Formula calculation)	X		
1110.200(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.200(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.200(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.200(b)(5) - Planning Area Need - Service Accessibility	X		
1110.200(c)(1) - Unnecessary Duplication of Services	X		
1110.200(c)(2) - Maldistribution	X	X	
1110.200(c)(3) - Impact of Project on Other Area Providers	X		

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.200(d)(1), (2), and (3) - Deteriorated Facilities			X
1110.200(d)(4) - Occupancy			X
1110.200(e) - Staffing Availability	X	X	
1110.200(f) - Performance Requirements	X	X	X
1110.200(g) - Assurances	X	X	

APPEND DOCUMENTATION AS ATTACHMENT 19, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. SAFETY NET IMPACT STATEMENT

SAFETY NET IMPACT STATEMENT that describes all the following must be submitted for ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE HEALTH CARE FACILITIES [20 ILCS 3960/5.4]:

1. The project's material impact, if any, on essential safety net services in the community, *including the impact on racial and health care disparities in the community*, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in each community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.
3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 37.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)	Year	Year	Year
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Medicaid (revenue)	Year	Year	Year
Inpatient			

	Outpatient				
	Total				

APPEND DOCUMENTATION AS ATTACHMENT 38, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. CHARITY CARE INFORMATION

Charity Care information **MUST** be furnished for **ALL** projects [1120.20(c)].

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.
3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer (20 ILCS 3960/3). Charity Care **must** be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 39.

CHARITY CARE			
	Year	Year	Year
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

APPEND DOCUMENTATION AS **ATTACHMENT 39**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION XI -SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM

In accordance with Executive Order 2006-5 (EO 5), the Health Facilities & Services Review Board (HFSRB) must determine if the site of the CRITICAL FACILITY, as defined in EO 5, is in a mapped floodplain (Special Flood Hazard Area) or a 500-year floodplain. All state agencies are required to ensure that before a permit, grant or a development is planned or promoted, the proposed project meets the requirements of the Executive Order, including compliance with the National Flood Insurance Program (NFIP) and state floodplain regulation.

1. Applicant: _____
(Name) (Address)

(City) (State) (ZIP Code) (Telephone Number)

2. Project Location: _____
(Address) (City) (State)

(County) (Township) (Section)

3. You can create a small map of your site showing the FEMA floodplain mapping using the FEMA Map Service Center website (<https://msc.fema.gov/portal/home>) by entering the address for the property in the Search bar. If a map, like that shown on page 2 is shown, select the **Go to NFHL Viewer** tab above the map. You can print a

copy of the floodplain map by selecting the  icon in the top corner of the page. Select the pin tool icon  and place a pin on your site. Print a FIRMETTE size image.

If there is no digital floodplain map available select the **View/Print FIRM** icon above the aerial photo. You will then need to use the Zoom tools provided to locate the property on the map and use the **Make a FIRMette** tool to create a pdf of the floodplain map.

IS THE PROJECT SITE LOCATED IN A SPECIAL FLOOD HAZARD AREA: Yes ___ No ___?

IS THE PROJECT SITE LOCATED IN THE 500-YEAR FLOOD PLAIN?

If you are unable to determine if the site is in the mapped floodplain or 500-year floodplain, contact the county or the local community building or planning department for assistance.

If the determination is being made by a local official, please complete the following:

FIRM Panel Number: _____ Effective Date: _____

Name of Official: _____ Title: _____

Business/Agency: _____ Address: _____

(City) (State) (ZIP Code) (Telephone Number)

Signature: _____ Date: _____

NOTE: This finding only means that the property in question is or is not in a Special Flood Hazard Area or a 500-year floodplain as designated on the map noted above. It does not constitute a guarantee that the property will or will not be flooded or be subject to local drainage problems.

If you need additional help, contact the Illinois Statewide Floodplain Program at 217/782-4428

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant Identification including Certificate of Good Standing	26-27
2	Site Ownership	28
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	29
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	30
5	Flood Plain Requirements	31
6	Historic Preservation Act Requirements	32
7	Project and Sources of Funds Itemization	33
8	Financial Commitment Document if required	--
9	Cost Space Requirements	34
10	Discontinuation	35-48
11	Background of the Applicant	49-54
12	Purpose of the Project	55-61
13	Alternatives to the Project	62-64
14	Size of the Project	--
15	Project Service Utilization	--
16	Unfinished or Shell Space	--
17	Assurances for Unfinished/Shell Space	--
	Service Specific:	NA
18	Medical Surgical Pediatrics, Obstetrics, ICU	
19	Comprehensive Physical Rehabilitation	
20	Acute Mental Illness	
21	Open Heart Surgery	
22	Cardiac Catheterization	
23	In-Center Hemodialysis	
24	Non-Hospital Based Ambulatory Surgery	
25	Selected Organ Transplantation	
26	Kidney Transplantation	
27	Subacute Care Hospital Model	
28	Community-Based Residential Rehabilitation Center	
29	Long Term Acute Care Hospital	
30	Clinical Service Areas Other than Categories of Service	
31	Freestanding Emergency Center Medical Services	
32	Birth Center	
	Financial and Economic Feasibility:	
33	Availability of Funds	--
34	Financial Waiver	--
35	Financial Viability	--
36	Economic Feasibility	--
37	Safety Net Impact Statement	66 – 70
38	Charity Care Information	71
39	Flood Plain Information	--

File Number

0107-414-8



To all to whom these Presents Shall Come, Greeting:

I, Alexi Giannoulis, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

OSF HEALTHCARE SYSTEM, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JANUARY 02, 1880, ADOPTED THE ASSUMED NAME OSF HEART OF MARY MEDICAL CENTER ON JUNE 16, 2025, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 17TH day of JUNE A.D. 2025 .

Authentication #: 2516800554 verifiable until 06/17/2026

Authenticate at: <https://www.ilsos.gov>

Alexi Giannoulis

SECRETARY OF STATE

Attachment 1



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I, Alexi Giannoulis, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

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In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 5TH day of FEBRUARY A.D. 2025 .

Authentication #: 2503602492 verifiable until 02/05/2026

Authenticate at: <https://www.ilsos.gov>

Alexi Giannoulis

SECRETARY OF STATE

Attachment 1



OSF HEALTHCARE

June 17, 2025

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

Re: Site Ownership
OSF Heart of Mary Medical Center
1400 W. Park Street
Urbana, IL

Dear Chair Savage

I affirm that OSF Healthcare System is the owner of the property at 1400 W. Park Street. The property is the location of OSF Heart of Mary Medical Center.

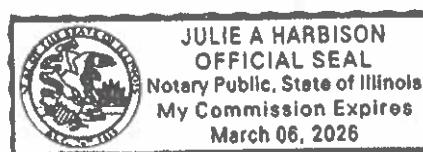
If you have any questions about the ownership of the property, please contact Mark Hohulin, Senior Vice President, Healthcare Analytics, at 309-308-9656, or at mark.e.hohulin@osfhealthcare.org.

Sincerely,

Robert C. Sehring, Chief Executive Officer
OSF Healthcare System
124 S.W. Adams Street
Peoria, IL 61602

Notarization:
Subscribed and sworn to before me
this 18th day of June

Signature of Notary
Seal



Attachment 2

File Number

0107-414-8



To all to whom these Presents Shall Come, Greeting:

I, Alexi Giannoulis, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

OSF HEALTHCARE SYSTEM, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JANUARY 02, 1880, ADOPTED THE ASSUMED NAME OSF HEART OF MARY MEDICAL CENTER ON JUNE 16, 2025, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 17TH day of JUNE A.D. 2025 .

Authentication #: 2516800554 verifiable until 06/17/2026

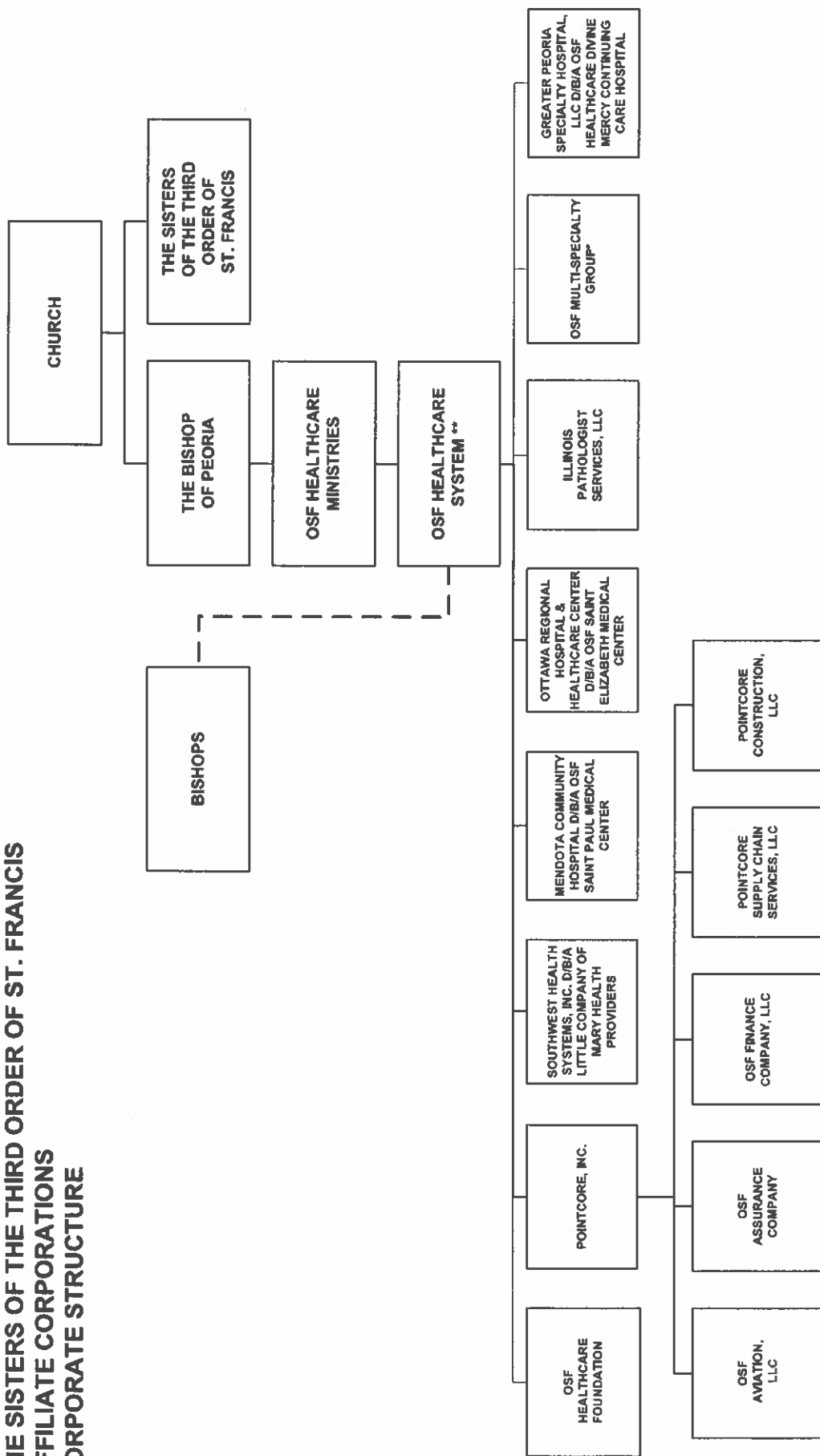
Authenticate at: <https://www.ilsos.gov>

Alexi Giannoulis

SECRETARY OF STATE

Attachment 3

THE SISTERS OF THE THIRD ORDER OF ST. FRANCIS AFFILIATE CORPORATIONS CORPORATE STRUCTURE



** OSF Healthcare System

OSF St. Francis Hospital – Escanaba, Michigan
 OSF Little Company of Mary Medical Center – Evergreen Park
 OSF Saint James-John W. Albrecht Medical Center – Pontiac
 OSF St. Joseph Medical Center – Bloomington
 OSF Heart of Mary Medical Center – Urbana
 OSF Sacred Heart Medical Center – Danville
 OSF Saint Francis Medical Center – Peoria
 OSF Saint Anthony Medical Center – Rockford
 OSF Saint Clare Medical Center – Princeton
 OSF Saint Luke Medical Center – Kewanee
 OSF St. Mary Medical Center – Galesburg
 OSF Holy Family Medical Center – Monmouth
 OSF Saint Anthony's Health Center – Alton
 OSF Saint Katharine Medical Center – Dixon
 OSF Home Care Services

* OSF Multi-Specialty Group
 OSF Medical Group
 OSF OnCall

Legend:
 — Direct Responsibility
 - - - Advisory

Flood Plain Requirements

There is no construction or modernization of the facility for this discontinuation project. As a result, this section is not applicable.

Historic Resources Preservation Act Requirements

There is no construction or modernization of the facility for this discontinuation project. As a result, this section is not applicable.

Project Costs and Sources of Funds

There is no construction or modernization of the facility for this discontinuation project. As a result, this section is not applicable.

Cost/Space Requirements

There is no construction or modernization of the facility for this discontinuation project. As a result, this section is not applicable.

SECTION II. DISCONTINUATION

GENERAL INFORMATION REQUIREMENTS

1. Identify the categories of service and the number of beds, if any, that are to be discontinued.

OSF Heart of Mary Medical Center, 1400 W. Park Street, Urbana, ("HMMC-Urbana") has three clinical inpatient bed services that are being discontinued, as well as the open heart surgery and cardiac catheterization categories of service.

- 6 Pediatrics beds
- 15 ICU beds
- 25 Comprehensive Physical Rehabilitation beds
- 1 Open Heart Surgery category of service
- 4 Cardiac Catheterization rooms

2. Identify all the other clinical services that will be discontinued.

The surgery department with 15 operating rooms is being closed.

OSF plans to continue the following clinical services at OSF Heart of Mary Medical Center:

- Inpatient medical/surgical service (reduction of 85 beds, from 110 to 25)
- Inpatient acute mental illness service (capacity to be increased to 40 beds)
- Emergency Department
- Diagnostic Imaging
- Outpatient services
- Lab
- Pharmacy

3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.

The discontinuation of the three inpatient units and the two categories of service specified in Item 1 above is intended to be accomplished by January, 2026. Operating the inpatient units and services during the remaining months of 2025 may be affected by the ability to maintain physician coverage and staffing. Exact timing depends on the ability to manage operations during months of anticipated declining patient volumes and staff coverage.

4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.

Following discontinuation of the three units and two categories of service, the vacated space will be maintained in good condition. Some of the vacated pediatrics and medical/surgical bed areas will be converted to inpatient psychiatry. For other space being vacated, it is not anticipated that it will be converted to other clinical use. As of this time, a specific plan for utilization of space has not been determined.

Medical equipment and furnishings will be evaluated later this year, to determine condition and future suitability. Equipment and furnishings that will not be needed or used within the OSF system will either be traded in, sold, donated to Mission work, or discarded.

5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued and the length of time the records will be maintained.

OSF has an integrated electronic medical records system (EPIC) for all locations and services. All medical records and patient records are stored and maintained within the electronic medical records system located in Peoria, IL. EPIC has replaced printed paper records. Electronic access to medical records will continue, uninterrupted. The current medical record retention policies will be continued.

6. Provide copies of the notices that were provided to the local media that would routinely be notified about facility events.

Attachment 10A shows the notification that was sent to *The News Gazette*, for publication in the local paper.

7. For applications involving the discontinuation of an entire facility, provide copies of the notices that were sent to the municipality in which the facility is located, the State Representative and State Senator of the district in which the health care facility is located, the Director of Public Health, and the Director of Healthcare and Family Services. These notices shall have been made at least 30 days prior to the filing of this application.

Not applicable. The permit application does not allow for discontinuation of the entire facility.

8. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g.: annual questionnaires, capital expenditures, surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 90 days following the date of discontinuation.

Not applicable. The permit application does not allow for the discontinuation of the entire facility.

REASONS FOR DISCONTINUATION

The applicant shall state the reasons for the discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.290(b) for examples.

There are three main reasons for the discontinuation of the Pediatrics, ICU and Comprehensive Physical Rehabilitation inpatient services and the open heart surgery and cardiac catheterization categories of service.

1. Low utilization volumes and significant volume decline in several of the services.
2. Inability to recruit and retain specialty physicians to sustain hospital admissions and patient services at appropriate levels.
3. Annual financial losses that are not sustainable.

1. Low utilization volumes and significant volume decline in several of the services.

The following table displays utilization data for inpatient services for the past four years at OSF Heart of Mary Medical Center ("HMMC-Urbana").

Inpatient Clinical Services
OSF Heart of Mary Medical Center
Source: Annual Hospital Questionnaires, HFSRB
Profiles

	Beds	2021			2022			2023			2024		
		Adm	Pt Days	ADC	Adm	Pt Days	ADC	Adm	Pt Days	ADC	Adm	Pt Days	ADC
Med/Surg	110	2200	12351	33.8	1989	11624	31.8	1701	9539	26.1	1656	9141	25
Pediatrics	6	0	0	0	0	0	0	0	0	0	0	0	0
Intensive Care	15	464	1735	4.8	467	1744	4.8	409	2047	5.6	536	1943	5.3
Rehabilitation	25	334	4252	11.6	309	4178	11.4	309	4116	11.3	303	3928	10.7

The data show the following:

- For Medical/Surgical beds, an inpatient service that is not being discontinued but reduced in scale, there has been a 26% decline in patient days over the four years. The ADC of 25.0 in 2024 is 23% utilization of the 110 authorized medical/surgical beds.
- For Pediatrics, there have been no inpatient admissions to the 6-bed unit for the past four years.
- ICU has experienced a consistently low volume average daily census, ranging from 4.8 to 5.3 patients. The average for the four years was 5.1 patients, an occupancy of 34%, and significantly below the State standard of 60% for ICU.
- Utilization of the Comprehensive Physical Rehabilitation service has been relatively constant, declining slightly from 11.6 to 10.7. The average census for the past four years has been 11.3, 45% occupancy of the unit and significantly below the State's standard of 85%.

These low and declining volumes have made it difficult to staff and operate the units.

The decision to discontinue the Comprehensive Physical Rehabilitation service is based in part on the limited demand for this service at the hospital. This condition is attributed to the fact that trauma and stroke cases are most often the major source of patients requiring inpatient rehabilitation. HMMC-

Urbana sees limited trauma cases in its emergency department, classified as a basic service. Similarly, HMMC-Urbana is not a designated stroke center.

The data show a similar experience for the categories of service. The annual numbers of open heart surgery cases are low, and do not justify keeping the surgery program open. Cardiac cath cases in the four room cath lab have declined consistently over the past four years, and continued annual declines are anticipated. The weekday volume in 2024 averaged less than 6 cases. The following table displays utilization for the open heart surgery and cardiac catheterization programs.

Categories of Service

OSF Heart of Mary Medical Center

Source: Annual Hospital Questionnaires, HFSRB Profiles

	2021	2022	2023	2024
Open Heart Surgery	89	60	57	67
Cardiac Catheterization	1,673	1,794	1,679	1,490

The operating rooms are also being closed. HMMC-Urbana has 15 ORs; there are no procedure rooms. While surgery is not considered a category of service, the historic utilization is reported in this section as part of the information presented regarding changes at the hospital.

Surgery Department

OSF Heart of Mary Medical Center

	2021		2022		2023		2024	
	Cases	Hours	Cases	Hours	Cases	Hours	Cases	Hours
Inpatient	1,496	3,232	1,444	3,142	1,266	2,627	327	545
Outpatient	2,901	4,508	2,711	4,003	2,635	3,949	1,425	1,503
Total	4,397	7,740	4,155	7,145	3,901	6,576	1,752	2,048

The data show significant decline in surgical case volumes over the four years. In 2024 there was less than one inpatient surgical case per day, and in total less than 5 cases per day in the 15 operating rooms. In 2024, the volume of 2,048 hours justifies 2 of the 15 ORs.

2. Inability to recruit and retain specialty physicians to sustain hospital admissions and patient services at appropriate levels.

The number of physicians on staff at OSF HMMC has declined over the past decade. There are 39 active physicians now on staff, down from 80 in 2018. Active physicians are defined as having at least 25 admissions or patient encounters.

For example, there were 58 surgeons in 2018 who performed inpatient and/or outpatient surgeries at HMMC. In 2025, there are 27 surgeons at HMMC. Surgery cases have declined from 3,903 in 2018 to a projected 2,100 cases this year (based on 1,225 cases for the first 7 months of this fiscal year).

The ability to attract and retain physicians is affected by practices in place at other providers in the area. Some providers have required their physicians to be exclusively on staff at their facility, leaving no opportunity for salaried doctors or private practitioners to have admitting privileges at other providers like HMMC-Urbana.

The patient base associated with HMMC-Urbana is no longer sufficient to sustain a full-service hospital. The count of patients using HMMC-Urbana was only 26,139 last year. According to the US Census County Population Estimates, the total population of Champaign County is 204,594; adding Vermilion County's 70,750 persons is a total of 275,344. HMMC-Urbana serves less than 10% of the population of the two counties. The primary care physician panel is now only 5,599 persons. HMMC-Urbana's market share has fallen to 8.5%, down from 20% in 2018. In comparison, Carle Foundation Hospital has grown from 65.6% in 2018 to 76%.

3. Annual financial losses that are not sustainable.

Combined, OSF's investment in Heart of Mary Medical Center in Urbana and Sacred Heart Medical Center in Danville have totaled \$650 million since 2017. HMMC-Urbana's losses have totaled over \$361 million since OSF acquired the hospital from Presence in September 2017. This amount includes the acquisition price, capital investment and annual operating losses. The five programs being discontinued have significant operating expenses that are not covered by the decline in revenues associated with these programs. OSF's continued subsidization of these services is not sustainable, since there are many other competing demands for financial resources by its ministry programs in other communities.

IMPACT ON ACCESS

1. Document whether the discontinuation of each service or of the entire facility will have an adverse impact upon access to care for residents of the facility's market area.

The following tables document the services that are in place in the relevant State planning areas for the affected inpatient and categories of service.

Medical/Surgical and Pediatrics

Medical/Surgical and Pediatrics

Hospital Planning Area D-01

	Beds	2021			2022			2023			2024		
		Adm	Pt Days	ADC	Adm	Pt Days	ADC	Adm	Pt Days	ADC	Adm	Pt Days	ADC
Medical/Surgical													
OSF Heart of Mary Medical Center	110	2,200	12,351	33.8	1,989	11,624	31.8	1,701	9,539	26.1	1,656	9,141	25.0
Gibson Community Hospital	17	635	3,373	9.2	558	3,252	8.9	516	3,285	9.0			
Kirby Medical Center	16	108	717	2.0	163	1,026	2.8	153	1,067	2.9			
The Carle Foundation Hospital	295 / 331	19,203	103,773	284.3	19,115	113,382	310.6	19,063	106,253	291.1			
OSF Sacred Heart Med Center (D-03)	134	3,266	18,653	51.1	2,757	17,143	47.0	1,964	11,834	32.4			

Pediatrics													
OSF Heart of Mary Medical Center	6	0	0	0	0	0	0	0	0	0	0	0	0
The Carle Foundation Hospital	20	1,038	3,695	10.1	980	4,050	11.1	1,024	3,877	10.6			
OSF Sacred Heart Med Center (D-03)	9	2	3	0.01	0	0	0	0	1	0	0	0	0

There is significant capacity in Planning Area D-01 for medical/surgical and pediatrics patients. HMMC-Urbana proposes to maintain a 20-bed medical/surgical service, downsized from the current authorized bed count of 110 medical/surgical beds. The medical/surgical bed service is not being discontinued, but right-sized. ADC at HMMC-Urbana was 25.0 patients in 2025. The plan is to transfer most of HMMC's general surgery, orthopedics, gastroenterology and pulmonology cases to OSF Sacred Heart Medical Center in Danville ("SHMC-Danville"), which is being structured as one licensed hospital with HMMC-Urbana on two campuses. Danville is in hospital planning area D-03. However, D-01, the planning area for Urbana, has sufficient capacity at Carle Foundation Hospital, Gibson Community Hospital and Kirby Medical Center to accommodate what medical/surgical volume is not remaining at HMMC.

According to the State's Inventory and Need Determinations, there is a current excess of 193 medical/surgical and pediatrics beds in D-01 as of 12/18/2023. The reduction of 85 beds at HMMC will reduce the excess medical/surgical beds in D-01 from 193 to 108. The reduction of 6 pediatric beds will further reduce the excess of med/surg and pediatrics beds to 102.

Intensive Care

The 15 bed ICU unit at HMMC-Urbana has had an average daily census of 5.1 patients for the past four years. There are two other hospital ICU units in the planning area – a 58-bed service at Carle Foundation Hospital and a 3-bed unit at Gibson Community Hospital. The 58 beds at Carle had an ADC of 26.3 patients for the most recent reported year, 2023. At the 60% State utilization standard, Carle has capacity for an ADC of 35 patients. The ADC difference of 8.7 patients implies that there is local capacity for the patients from HMMC's unit. Looking at the past three years at Carle, ADC averaged 29.3, or 5.7 ADC available, more than sufficient to accommodate the additional 5.1 patients from HMMC-Urbana.

Intensive Care Hospital Planning Area D-01	Beds	2021			2022			2023			2024		
		Adm	Pt Days	ADC	Adm	Pt Days	ADC	Adm	Pt Days	ADC	Adm	Pt Days	ADC
Intensive Care													
OSF Heart of Mary Medical Center	15	464	1,735	4.8	467	1,744	4.8	409	2,047	5.6	536	1,943	5.3
Gibson Community Hospital	3	17	66	0.2	33	72	0.2	33	62	0.2			
The Carle Foundation Hospital	58	3,113	12,953	35.5	2,659	9,518	26.1	1,915	9,603	26.3			
OSF Sacred Heart Med Center (D-03)	14	697	1,858	5.1	302	573	1.6	656	1,632	4.5	526	1,290	3.5

The HFSRB Inventory and Need Determinations stated that there is an excess of 17 ICU beds in Planning Area D-01. The closure of a 15 bed ICU at HMMC will reduce the excess to 2 ICU beds.

Comprehensive Physical Rehabilitation

The following table shows the utilization of the four hospitals providing Comprehensive Physical Rehabilitation in State Planning Area HSA 4, including St. Mary's Hospital which closed in June 23.

Comprehensive Physical Rehabilitation
Planning Area HSA 4

	Beds	2021			2022			2023			2024		
		Adm	Pt Days	ADC	Adm	Pt Days	ADC	Adm	Pt Days	ADC	Adm	Pt Days	ADC
OSF Heart of Mary Medical Center	25	334	4,252	11.6	309	4,178	11.4	309	4,116	11.3	303	3,928	10.7
Carle BroMenn Medical Center	15	232	3,716	10.2	213	2,936	8.0	251	3,084	8.4			
St. Mary's Hospital	20	176	2,597	7.1	168	2,400	6.6	1	66	0.2			
The Carle Foundation Hospital	20	316	5,334	14.6	342	4,944	13.5	350	5,123	14.0			
OSF Sacred Heart Med Center (D-03)	0	--	--	--	--	--	--	--	--	--	--	--	--

Average daily census for rehabilitation at HMMC-Urbana during the past four years was 11.25 patients. The two remaining hospitals in HSA 4, Carle Foundation Hospital and Carle BroMenn Medical Center, have a combined 35 rehabilitation beds. Capacity at those two hospitals based on the 85% standard is 29.75 patients (30 ADC). The average combined utilization of the two hospitals for these years was 22.9 (23 ADC). Accordingly, there is capacity for an additional 7 patients ADC.

The following table shows a possible placement of the 301 inpatients who received Comprehensive Physical Rehabilitation care at HMMC-Urbana in 2024. The source of the some of the table information is Compdata and is comparable to the information presented above based on the State's Hospital Profiles.

Average Daily Census at HMMC was 11.3, as reported above. Highlights of the table are as follows:

- There is capacity for an additional ADC of 7.3 patients at the two Carle hospitals in the immediate area. This volume is the majority of rehabilitation patients hospitalized at HMMC-Urbana.
- This is more than ample to accommodate all 171 HMMC rehab patients from Champaign and Vermilion counties (6.23 ADC), the Planning Area for the project.
- The remaining 130 patients from the other counties (4.79 ADC) are accommodated in available capacity at the Carle hospitals (about 1 more ADC) and in 9 other selected hospitals with inpatient rehabilitation programs. This estimated available capacity is based on comparing rehabilitation unit volumes to the State standard of 85% occupancy. The table shows that there is capacity for up to 77 additional patients a day (77.2 ADC) at these nine facilities.
- These other nine hospitals were selected based on their proximity to the counties of residence of HMMC rehabilitation patients. In some cases, patients in counties on the perimeter of HSA 4 are closer to rehabilitation services at hospitals in adjacent HSAs.

The HFSRB Inventory and Need Determinations indicates that there is an excess of 8 rehabilitation beds in planning area HSA 4, due to the closure of the St. Mary's unit in 2023. The closing of the 25 beds at HMMC will result in a calculated deficit of 17 Comprehensive Physical Rehabilitation beds.

Redistribution of HMMC Rehabilitation Patients

(Demonstration that there is available capacity at other rehabilitation facilities)

Sources: HFSRB Profiles, Compdata

County	HSA	HMMC Rehabilitation Admissions - 2024	Assign to rehab units		Name of rehab unit	Rehab beds	Occupancy (yr 2023)	Available ADC
			cases	ADC				
Champaign	4	90	90	3.28	Carle Foundation Hospital	20	70.1%	3.0
Vermillion	4	81	81	2.95	and Carle BroMenn	15	56.3%	4.3
Other counties								
Coles	4	14	14	0.51	Carle Foundation or BroMenn			
Ford	4	14	14	0.51	St. Joseph - Joliet	41	58.7%	10.8
Douglas	4	12	12	0.44	Carle Foundation or BroMenn			
Macon	4	10	10	0.36	Springfield Memorial	30	55.5%	8.9
McLean	4	9	9	0.33	Carle Foundation or BroMenn			
Shelby	4	6	6	0.22	Springfield Memorial			
Piatt	4	6	6	0.22	Carle Foundation or BroMenn			
Iroquois	4	5	5	0.18	Springfield Memorial			
Cumberland	4	5	5	0.18	SSM Good Samaritan - Mt V	10	7.2%	7.6
Peoria	2	4	4	0.15	Carle Methodist	25	64.2%	5.2
Effingham	5	4	4	0.15	Herrin	29	56.8%	8.2
Livingston	4	4	4	0.15	St. Joseph - Joliet			
Tazewell	2	3	3	0.11	Carle Methodist			
LaSalle	2	3	3	0.11	Carle Methodist			
Moultrie	4	3	3	0.11	Springfield Memorial			
Stephenson	1	2	2	0.07	Van Matre	65	84.9%	0.1
Edgar	4	2	2	0.07	Carle Foundation or BroMenn			
Christian	3	2	2	0.07	Springfield Memorial			
Clark	4	2	2	0.07	Herrin			
Boone	1	1	1	0.04	St. Joseph - Elgin	40	49.7%	22.4
Dewitt	4	1	1	0.04	Springfield Memorial			
Crawford	5	1	1	0.04	SSM Good Samaritan - Mt V			
Will	9	1	1	0.04	St. Joseph - Joliet			
Mercer	10	1	1	0.04	Quad Cities Rehabilitation Inst	40	55.5%	11.8
Winnebago	1	1	1	0.04	Van Matre			
Adams	3	1	1	0.04	Blessing Hospital	18	72.6%	2.2
Fayette	5	1	1	0.04	SSM Good Samaritan - Mt V			
Rock Island	10	1	1	0.04	Quad Cities Rehabilitation Inst			
Sangamon	3	1	1	0.04	Springfield Memorial			
Cook	6	1	1	0.04	many Chicago area options			
Ogle	1	1	1	0.04	Van Matre			
Fountain	Indiana	3	3	0.11	in Indiana			
Vermillion	Indiana	2	2	0.07	in Indiana			
Warren	Indiana	1	1	0.04	in Indiana			
Manatee	Florida	1	1	0.04	in Florida			
Marin	California	1	1	0.04	in California			
Outside Champaign and Vermillion		130	130	4.79				77.2
Total Volume		301	301	11.02				84.5

Open Heart Surgery and Cardiac Catheterization

Catheterization volumes at HMMC-Urbana have been declining, from 1,673 in 2021 to 1,490 last year. Heart surgery volumes at HMMC-Urbana have ranged between 57 and 89 for the past four years, below the minimum standard of 200 cases for a new heart surgery program. OSF's plan is to shift its heart cases at HMMC-Urbana to the developing cardiac care service hub at St. Joseph Medical Center in Bloomington.

The tables below provide information on the heart surgery and cath programs in Planning Area HSA 4.

Open Heart Surgery Planning Area HSA 4

	2021	2022	2023	2024
OSF Heart of Mary Medical Center	89	60	57	67
Carle BroMenn Medical Center	29	41	46	
Decatur Memorial Hospital	0	0	0	
OSF St. Joseph Medical Center	76	67	70	
Carle Foundation Hospital	262	235	204	

Cardiac Catheterization Services Planning Area HSA 4

	CC Labs	2021				2022				2023				2024			
		Total	Diag	Interv en	EP	Total	Diag	Inter v	EP	Total	Diag	Interv	EP	Total	Diag	Interv	EP
Cardiac Catheterization																	
OSF Heart of Mary Medical Center	4	1,673	1,344	329	0	1,794	1,082	712	0	1,679	1,014	665	0	1,490	772	317	40
Carle BroMenn Medical Center	3	1,306	727	311	268	942	635	221	86	860	580	193	87				
Decatur Memorial Hospital	2	525	321	198	6	533	357	170	6	1,014	746	268	0				
OSF Sacred Heart Medical Center	1	0	0	0	0	54	54	0	0	69	69	0	0	0	0	0	
Sarah Bush Lincoln Health Center	2	770	646	124	0	0	0	0	0	1,483	932	551	0				
OSF St. Joseph Medical Center	2	1,325	925	351	49	1,319	885	365	69	1,589	1,012	451	126				
St. Mary's Hospital	3	1,940	1,627	313	0	1,216	909	307	0	1,161	852	309	0				
The Carle Foundation Hospital	12	4,669	1,465	2,425	779	5,826	1,338	3,690	797	6,004	1,378	3,821	805				

Cath labs have the ability to accommodate a range of volumes, with utilization above 500 per year common for active labs. There are several relevant State standards: a) a minimum of 200 cath within two years after initiation; b) no new cath labs can be added in the region until each existing facility operates at a level of at least 400 annually, and c) 750 annual procedures per lab are needed to justify an institutional variance. There are eight catheterization services in the Planning Area. Utilization is good at most of the facilities in the area, but there is ample available capacity.

2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within the geographic service area.

Letter were sent to the following providers of services within the 17-mile geographic service area:
Carle Foundation Hospital

The letter is included in this section, Attachment 10B.

AFFP

OSF Heart of Mary Medical Cent

Affidavit of Publication

STATE OF ILLINOIS }
COUNTY OF CHAMPAIGN } SS

Paul Barrett, being duly sworn, says:


That he is Publisher of the News-Gazette, a daily newspaper of general circulation, printed and published in Champaign, Champaign County, Illinois; that the publication, a copy of which is attached hereto, was published in the said newspaper on the following dates:

June 24, 2025, June 25, 2025, June 26, 2025

OSF Heart of Mary Medical Center, located at 1400 W. Park Street, Urbana, intends to discontinue its 6-bed Pediatrics service, its 15-bed Intensive Care Unit (ICU) and 25-bed Comprehensive Physical Rehabilitation Unit, as well as its cardiac catheterization lab and open-heart surgery program. The medical service will be continued as a reduced-size 25-bed unit. The changes are due to low and declining patient volumes in these service areas at OSF Heart of Mary Medical Center. The changes are anticipated to be implemented in January 2026.

OSF Heart of Mary Medical Center will submit a Certificate of Need permit application to the Illinois Health Facilities and Services Review Board for the discontinuation of these services. Once the permit application is deemed complete, a copy will be available on the IHFSRB website at <https://hfsrb.illinois.gov/project/project-search.html>.

1153942 6/24,25,26



, Authorized Agent, Champaign County, Illinois

99247241 01153942

Shelly Ramirez
OSF Healthcare
124 Southwest Adams Street
Peoria, IL 61602

Attachment 10A



June 17, 2025

James Leonard, MD
President, Chief Executive Officer
Carle Foundation Hospital
611 W. Park Avenue
Urbana, IL 61801

Re: Request for Impact Statement
Discontinuation of selected services
at OSF Heart of Mary Medical Center

Dear Dr. Leonard:

This letter is sent to invite your comments on the impact of the planned discontinuations of several clinical services at OSF Heart of Mary Medical Center. The Certificate of Need process requires us to notify hospitals providing the same services and are located within the geographic service area.

The following table lists the services proposed for discontinuation, and the patient volumes of those services for the past 24 months, as required by regulation 1110.290(d).

<i>Clinical Service</i>	2023	2024
Inpatient Pediatrics	0 admissions	0 admissions
Intensive Care	409 admissions	536 admissions
Comprehensive Physical Rehabilitation	309 admissions	303 admissions
Open Heart Surgery	57 surgeries	67 surgeries
Cardiac Catheterization	1,679 procedures	1,490 procedures

The discontinuations are part of a realignment of services at the hospital. Our preferred timing is to implement the discontinuations in January 2026. OSF is also increasing the size of its Acute Mental Illness service from 30 to 40 beds and reducing the Medical/Surgical service to a complement of 25 authorized beds.

The plan for cardiac care includes the shifting of some of the cases at Heart of Mary Medical Center to the OSF heart program at St. Joseph Medical Center in Bloomington.

Please contact me if you have questions or would like to discuss our plans.

Sincerely,

Robert C. Sehring
Chief Executive Officer
OSF Healthcare System
124 S.W. Adams Street
Peoria, IL 61602

C: John T. Barnhart, President, OSF Heart of Mary Medical Center
Carol Friesen, Chief Executive Officer, Eastern Region, OSF Healthcare System
Mark Hohulin, Senior Vice President, Healthcare Analytics, OSF Healthcare System

Attachment 10B

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<input type="checkbox"/> Adult Signature Restricted Delivery	\$
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Send to James Leonard, MD	
Street and Apt. No. or PO Box No. 111 W. Park Avenue	
City, State, ZIP+4 [®] Urbana, IL 61801	
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

Background of the Applicant

This attachment includes the following:

IDPH License, OSF Heart of Mary Medical Center
Joint Commission Accreditation

OSF Healthcare System list of facilities in Illinois and license information

Letter of certification that there have been no adverse actions against OSF Healthcare System or any facility owned or operated by OSF; authorization of access to information.



ILLINOIS DEPARTMENT OF
PUBLIC HEALTH

HF132588

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

Sameer Vohra, MD,JD,MA

Director

Issued under the authority of
the Illinois Department of
Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
2/1/2026	General Hospital	0006080
Effective: 02/02/2025		

OSF HealthCare System
dba OSF Heart of Mary Medical Center
1400 West Park Avenue

Urbana, IL 61801

Attachment 1

← DISPLAY THIS PART IN A
CONSPICUOUS PLACE

Exp. Date 2/1/2026
Lic Number 0006080

Date Printed 12/31/2024

OSF HealthCare System
dba OSF Heart of Mary Medical Center
1400 West Park Avenue
Urbana, IL 61801

FEE RECEIPT NO.

The face of this license has a colored background. • Printed by Authority of the State of Illinois • P.O. #4024001 2M 4/24

OSF HealthCare System OSF Heart of Mary Medical Center

Urbana, IL

has been Accredited by



The Joint Commission

Which has surveyed this organization and found it to meet the requirements for the
Hospital Accreditation Program

October 6, 2023

Accreditation is customarily valid for up to 36 months.


Jane Englebright, PhD, RN, CENP, FAAN
Chair, Board of Commissioners

ID #4968
Print/Reprint Date: 12/12/2023


Jonathan B. Peltin, MD, PhD, MSHA, MACP, FACMI
President and Chief Executive Officer

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in accredited organizations. Information about accredited organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding accreditation and the accreditation performance of individual organizations can be obtained through The Joint Commission's web site at www.jointcommission.org.



AMA
AMERICAN
MEDICAL
ASSOCIATION



Attachment 11

OSF Healthcare System List of Facilities in Illinois

OSF HealthCare Holy Family Medical Center

1000 W. Harlem Avenue

Monmouth, Illinois 61462

License #: 0005439, Expiration 4/11/26

Joint Commission: Critical Access Hospital-no Joint Commission Certificate

OSF HealthCare Saint Francis Medical Center

530 NE Glen Oak Avenue

Peoria, Illinois 61637

License #: 0002394, Expiration 12/31/25

Joint Commission: 4/22/23, 36 months

OSF HealthCare Saint Anthony's Health Center

One Saint Anthony's Way

Alton, Illinois 62002-0340

License #: 0005942, Expiration 10/31/25

Joint Commission: 11/2/23, 36 months

OSF HealthCare Saint James-John W. Albrecht Medical Center

2500 W. Reynolds Street

Pontiac, Illinois 61764

License #: 0005264, Expiration 3/2/26

Joint Commission: 4/8/23, 36 months

OSF HealthCare St. Joseph Medical Center

2200 E. Washington Street

Bloomington, Illinois 61701

License #: 0002535, Expiration 12/31/25

Joint Commission: 3/25/23, 36 months

OSF HealthCare Saint Anthony Medical Center

5666 E. State Street

Rockford, Illinois 61108-2472

License #: 0002253, Expiration 12/31/25

Joint Commission: 3/11/23, 36 months

OSF HealthCare Saint Luke Medical Center

1051 West South Street

Kewanee, Illinois 61443

License #: 0005926, Expiration 3/31/26

Joint Commission: Critical Access Hospital-no Joint Commission Certificate

OSF HealthCare Saint Elizabeth Medical Center – Ottawa and Peru

1100 E. Norris Drive

925 West Street

Ottawa, Illinois 61354

License #: 0005520, Expiration 5/14/25

Joint Commission: 6/3/23, 36 months-Ottawa/Peru

OSF Saint Elizabeth Medical Center Freestanding Emergency Center

111 Spring Street

Streator, Illinois 61364

License #: 22006, Expiration 8/8/25

Joint Commission: 6/3/23, 36 months (included with Saint Elizabeth Medical Center)

OSF Healthcare System List of Facilities in Illinois - continued

OSF HealthCare St. Mary Medical Center

3333 N. Seminary Street
Galesburg, Illinois 61401
License #: 0002675, Expiration 12/31/25
Joint Commission: 2/24/23, 36 months

OSF HealthCare Saint Paul Medical Center

1401 E. 12th Street
Mendota, Illinois 61342
License #: 0005819, Expiration 12/6/25
Joint Commission: Critical Access Hospital-no Joint Commission Certificate

OSF Healthcare Sacred Heart Medical Center

812 N. Logan Avenue
Danville, Illinois 61832
License #: 0006072, Expiration 2/1/26
Joint Commission: 5/26/23, 36 months

OSF HealthCare Heart of Mary Medical Center

1400 W. Park Street
Urbana, Illinois 61801
License #: 0006080, Expiration 2/1/26
Joint Commission: 10/6/23, 36 months

OSF Little Company of Mary Medical Center

2800 W. 95th Street
Evergreen Park, Illinois 60805
License #: 0006163, Expiration 1/31/26
Joint Commission: 5/6/22, 36 months

OSF Saint Clare Medical Center

530 Park Avenue East
Princeton, Illinois 61356
License #: 006254, Expiration 6/30/25
Joint Commission: Critical Access Hospital-no Joint Commission Certificate

OSF Divine Mercy Continuing Care Hospital

500 W. Romeo B. Garrett Avenue
Peoria, Illinois 61605
License #: 0006262, Expiration 9/30/25
Joint Commission: 5/6/22, 36 months

OSF Saint Katharine Medical Center

403 E. First Street
Dixon, Illinois 61021
License #: 006420, Expiration 12/31/25
Joint Commission: Not JC Certified



OSF HEALTHCARE

June 17, 2025

Ms. Debra Savage, Chairwoman
Illinois Health Facilities and Services Review Board
525 West Jefferson Street - 2nd Floor
Springfield, IL 62761

Re: No Adverse Actions / Authorized Access to Information

Dear Chairwoman Savage:

I hereby certify that no adverse action has been taken against OSF Healthcare System ("OSF") or any facility owned or operated by OSF, directly or indirectly, within three years prior to the filing of this application. For the purpose of this letter, the term "adverse action" has the meaning given to it in the Illinois Administrative Code, Title 77, Section 1130.

I hereby authorize the Health Facilities and Services Review Board ("Board") and the Illinois Department of Public Health ("IDPH") to access any documentation they find necessary to verify any documentation or information submitted, including but not limited to official records of IDPH or other State agencies and the records of nationally recognized accreditation organizations. I further authorize the Board and IDPH to obtain any additional documentation or information that the Board or IDPH deems necessary to process the application.

If you have any questions, please contact Mark Hohulin, Senior Vice President, Healthcare Analytics, at 309-308-9656 or at mark.e.hohulin@osfhealthcare.org.

Sincerely,

Robert C. Sehring
Chief Executive Officer
OSF Healthcare System
124 S.W. Adams Street
Peoria, IL 61602

Notarization:

Subscribed and sworn to before me
this 18th day of June

Signature of Notary
Seal

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.

The project is the discontinuation of the 6-bed inpatient pediatric unit, the 15-bed ICU unit and 25-bed comprehensive physical rehabilitation service. The project is the result of low or declining census in these categories of service. These low volumes are not reversible, and have resulted in escalating operating losses that are detrimental to the viability of the hospital. Following the closures of these units, inpatient care at the hospital will feature a 40-bed Acute Mental Illness service and 25 medical/surgical beds, a reduction of 85 medical/surgical beds from the current authorized count of 110. Other services being discontinued are the 4-room cardiac cath service and the open-heart surgery program.

OSF Heart of Mary Medical Center ("HMMC-Urbana") will be renamed OSF Sacred Heart Medical Center-Urbana ("SHMC-Urbana"). It will operate as part of one licensed hospital on two campuses – OSF Sacred Heart Medical Center-Urbana ("SHMC-Urbana") and OSF Sacred Heart Medical Center-Danville ("SHMC-Danville"). Certificate of Need rules are applicable at each of the separate hospital sites. The two hospitals are a lineal distance of 34 miles apart. Several medical/surgical specialties (general surgery, orthopedics, gastroenterology and pulmonology) will shift from Urbana to Danville. There are no capital projects or category of service changes needed at Danville to accommodate the shift.

The restructuring of the hospitals under one operating license and the discontinuation of the services with low and declining volumes at SHMC-Urbana are strategies that will allow OSF to continue to provide sustainable and needed care in the area. HMMC-Urbana's share of inpatient care has declined from 20% in 2018 to 8.5%, while Carle Foundation Hospital, located just one mile from HMMC-Urbana, has increased to 76%. This shift mandates that HMMC-Urbana makes some significant changes. Its losses over the past 7 years are approaching \$400 million, meaning that scarce health care resources are not being used to benefit the area population.

Consequently, the time has come to discontinue services that are being provided effectively by other providers in the immediate area. HMMC-Urbana will be able to invest in expanding its behavioral health services, to address a growing need in the community and the highest priority stated in the most recent Champaign County Health Needs Assessment. The reduced-scale medical/surgical service will support both the clinical needs of the acute mental illness inpatient service, as well as admissions from the emergency department. These changes will redistribute resources to better serve the needs and improve 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 Champaign and Vermilion Counties as the planning area for the project. As shown in the patient origin table on the following two pages, the two counties are the source of 66.3%, or two thirds of the patient admissions at OSF Heart of Mary Medical Center. 46.7% of the patients reside in Champaign County; 19.6% reside in Vermilion County.

OSF is in the process of restructuring OSF Heart of Mary Medical Center in Urbana and OSF Sacred Heart Medical Center in Danville to operate as one licensed hospital at two locations. OSF Heart of Mary

OSF Heart of Mary Medical Center Inpatient & Observation Utilization
CY 2024 - All Cases

Patient Zip Code	Patient Community	Patient County	Cases	% of Ttl
61821	CHAMPAIGN	CHAMPAIGN, IL	427	9.30%
61820	CHAMPAIGN	CHAMPAIGN, IL	341	7.40%
61802	URBANA	CHAMPAIGN, IL	284	6.20%
61801	URBANA	CHAMPAIGN, IL	241	5.20%
61822	CHAMPAIGN	CHAMPAIGN, IL	222	4.80%
61866	RANTOUL	CHAMPAIGN, IL	209	4.50%
61853	MAHOMET	CHAMPAIGN, IL	89	1.90%
61874	SAVOY	CHAMPAIGN, IL	58	1.30%
61880	TOLONO	CHAMPAIGN, IL	51	1.10%
61873	SAINT JOSEPH	CHAMPAIGN, IL	42	0.90%
61843	FISHER	CHAMPAIGN, IL	24	0.50%
61847	GIFFORD	CHAMPAIGN, IL	22	0.50%
61849	HOMER	CHAMPAIGN, IL	20	0.40%
61878	THOMASBORO	CHAMPAIGN, IL	17	0.40%
61859	OGDEN	CHAMPAIGN, IL	15	0.30%
61863	PESOTUM	CHAMPAIGN, IL	12	0.30%
60949	LUDLOW	CHAMPAIGN, IL	12	0.30%
61877	SIDNEY	CHAMPAIGN, IL	10	0.20%
		ALL OTHER CHAMPAIGN	53	1.20%
		TOTAL CHAMPAIGN COUNTY	2,149	46.70%
61832	DANVILLE	VERMILION, IL	479	10.40%
61834	DANVILLE	VERMILION, IL	82	1.80%
61846	GEORGETOWN	VERMILION, IL	65	1.40%
61883	WESTVILLE	VERMILION, IL	53	1.20%
61833	TILTON	VERMILION, IL	29	0.60%
61858	OAKWOOD	VERMILION, IL	27	0.60%
60942	HOOPESTON	VERMILION, IL	23	0.50%
61841	FAIRMOUNT	VERMILION, IL	18	0.40%
61817	CATLIN	VERMILION, IL	16	0.30%
61844	FITHIAN	VERMILION, IL	13	0.30%
60963	ROSSVILLE	VERMILION, IL	11	0.20%
61865	POTOMAC	VERMILION, IL	10	0.20%
61850	INDIANOLA	VERMILION, IL	10	0.20%
61870	RIDGE FARM	VERMILION, IL	10	0.20%
		ALL OTHER VERMILION	58	1.30%
		TOTAL VERMILION COUNTY	904	19.60%
	ALL OTHER COUNTIES	FORD, IL	142	3.10%
		DOUGLAS, IL	121	2.60%
		PEORIA, IL	120	2.60%
		PIATT, IL	112	2.40%
		MCLEAN, IL	108	2.30%

		COLES, IL	92	2.00%
		IROQUOIS, IL	76	1.70%
		COOK, IL	64	1.40%
		MACON, IL	64	1.40%
		DEWITT, IL	43	0.90%
		LIVINGSTON, IL	40	0.90%
		CHRISTIAN, IL	39	0.80%
		SHELBY, IL	32	0.70%
		TAZEWELL, IL	32	0.70%
		FOUNTAIN, IN	31	0.70%
		LA SALLE, IL	27	0.60%
		KNOX, IL	24	0.50%
		WINNEBAGO, IL	23	0.50%
		MOULTRIE, IL	21	0.50%
		CUMBERLAND, IL	18	0.40%
		EDGAR, IL	18	0.40%
		KANE, IL	16	0.30%
		EFFINGHAM, IL	16	0.30%
		WARREN, IN	13	0.30%
		STEPHENSON, IL	13	0.30%
		CLARK, IL	12	0.30%
		SANGAMON, IL	11	0.20%
		ALL OTHER COUNTIES	225	4.90%
		GRAND TOTAL	4,605	100.00%

Medical Center will take the name OSF Sacred Heart Medical Center-Urbana; OSF Sacred Heart Medical Center in Danville will maintain its name. The locations of Urbana in Champaign County and Danville in Vermilion County is another reason to have the two counties in one consolidated planning area for the project.

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

As presented in Section II Discontinuation, there are three main reasons for the discontinuation of the Pediatrics, ICU and Comprehensive Physical Rehabilitation inpatient services and the open heart surgery and cardiac catheterization categories of service.

- A. Low utilization volumes and significant volume decline in several of the services.
- B. Inability to recruit and retain specialty physicians to sustain hospital admissions and patient services at appropriate levels.
- C. Annual financial losses that are not sustainable.

A. Low utilization volumes and significant volume decline in several of the services.

The following table displays utilization data for inpatient services for the past four years at OSF Heart of Mary Medical Center ("HMMC-Urbana").

Inpatient Clinical Services
OSF Heart of Mary Medical Center
Source: Annual Hospital Questionnaires, HFSRB
Profiles

	Beds	2021			2022			2023			2024		
		Adm	Pt Days	ADC	Adm	Pt Days	ADC	Adm	Pt Days	ADC	Adm	Pt Days	ADC
Med/Surg	110	2200	12351	33.8	1989	11624	31.8	1701	9539	26.1	1656	9141	25
Pediatrics	6	0	0	0	0	0	0	0	0	0	0	0	0
Intensive Care	15	464	1735	4.8	467	1744	4.8	409	2047	5.6	536	1943	5.3
Rehabilitation	25	334	4252	11.6	309	4178	11.4	309	4116	11.3	303	3928	10.7

The data show the following:

- For Medical/Surgical beds, an inpatient service that is not being discontinued but reduced in scale, there has been a 26% decline in patient days over the four years. The ADC of 25.0 in 2024 is 23% utilization of the 110 authorized medical/surgical beds.
- For Pediatrics, there have been no inpatient admissions to the 6-bed unit for the past four years.
- ICU has experienced a consistently low volume average daily census, ranging from 4.8 to 5.3 patients. The average for the four years was 5.1 patients, an occupancy of 34%, and significantly below the State standard of 60% for ICU.
- Utilization of the Comprehensive Physical Rehabilitation service has been relatively constant, declining slightly from 11.6 to 10.7. The average census for the past four years has been 11.3, 45% occupancy of the unit and significantly below the State's standard of 85%.

These low and declining volumes have made it difficult to staff and operate the units.

The decision to discontinue the Comprehensive Physical Rehabilitation service is based in part on the limited demand for this service at the hospital. This condition is attributed to the fact that trauma and

stroke cases are most often the major source of patients requiring inpatient rehabilitation. HMMC-Urbana sees limited trauma cases in its emergency department, classified as a basic service. Similarly, HMMC-Urbana is not a designated stroke center.

The data show a similar experience for the categories of service. The annual numbers of open heart surgery cases are low, and do not justify keeping the surgery program open. Cardiac cath cases in the four room cath lab have declined consistently over the past four years, and continued annual declines are anticipated. The weekday volume in 2024 averaged less than 6 cases. The following table displays utilization for the open heart surgery and cardiac catheterization programs.

Categories of Service

OSF Heart of Mary Medical Center

Source: Annual Hospital Questionnaires, HFSRB Profiles

	2021	2022	2023	2024
Open Heart Surgery	89	60	57	67
Cardiac Catheterization	1,673	1,794	1,679	1,490

The operating rooms are also being closed. HMMC-Urbana has 15 ORs; there are no procedure rooms. While surgery is not considered a category of service, the historic utilization is reported in this section as part of the information presented regarding changes at the hospital.

Surgery Department

OSF Heart of Mary Medical Center

	2021		2022		2023		2024	
	Cases	Hours	Cases	Hours	Cases	Hours	Cases	Hours
Inpatient	1,496	3,232	1,444	3,142	1,266	2,627	327	545
Outpatient	2,901	4,508	2,711	4,003	2,635	3,949	1,425	1,503
Total	4,397	7,740	4,155	7,145	3,901	6,576	1,752	2,048

The data show significant decline in surgical case volumes over the four years. In 2024 there was less than one inpatient surgical case per day, and in total less than 5 cases per day in the 15 operating rooms. In 2024, the volume of 2,048 hours justifies 2 of the 15 ORs.

B. Inability to recruit and retain specialty physicians to sustain hospital admissions and patient services at appropriate levels.

The number of physicians on staff at OSF HMMC has declined over the past decade. There are 39 active physicians now on staff, down from 80 in 2018. Active physicians are defined as having at least 25 admissions or patient encounters.

For example, there were 58 surgeons in 2018 who performed inpatient and/or outpatient surgeries at HMMC. In 2025, there are 27 surgeons at HMMC. Surgery cases have declined from 3,903 in 2018 to a projected 2,100 cases this year (based on 1,225 cases for the first 7 months of this fiscal year). The ability to attract and retain physicians is affected by practices in place at other providers in the area. Some providers have required their physicians to be exclusively on staff at their facility, leaving no

opportunity for salaried doctors or private practitioners to have admitting privileges at other providers like HMMC-Urbana.

The patient base associated with HMMC-Urbana is no longer sufficient to sustain a full-service hospital. The count of patients using HMMC-Urbana was only 26,139 last year. According to the US Census County Population Estimates, the total population of Champaign County is 204,594; adding Vermilion County's 70,750 persons is a total of 275,344. HMMC-Urbana serves less than 10% of the population of the two counties. The primary care physician panel is now only 5,599 persons. HMMC-Urbana's market share has fallen to 8.5%, down from 20% in 2018. In comparison, Carle Foundation Hospital has grown from 65.6% in 2018 to 76%.

C. Annual financial losses that are not sustainable.

Combined, OSF's investment in Heart of Mary Medical Center in Urbana and Sacred Heart Medical Center in Danville have totaled \$650 million since 2017. HMMC-Urbana's losses have totaled over \$361 million since OSF acquired the hospital from Presence in September 2017. This amount includes the acquisition price, capital investment and annual operating losses. The five programs being discontinued have significant operating expenses that are not covered by the decline in revenues associated with these programs. OSF's continued subsidization of these services is not sustainable, since there are many other competing demands for financial resources by its ministry programs in other communities.

4. Cite the sources of information.

- HFSRB Hospital Profiles
- HFSRB *Inventory of Health Care Facilities and Services and Need Determinations*, December, 2023
- COMPdata, Illinois Hospital Association
- OSF Enterprise Explorer
- Internal Planning Documents, OSF Healthcare System
- 2022 Community Health Needs Assessment, Champaign County
- Community Benefit Report, OSF Healthcare System, Fiscal Year 2024

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

Data presented in Section II Discontinuation part of this permit application indicate that there is capacity at other providers in the D-01 and HSA 4 planning area to accommodate the volume of HMMC-Urbana patients being cared for in the pediatric and ICU inpatient units, and small volume of open-heart surgery and cardiac catheterization.

Regarding comprehensive physical rehabilitation, the units at the two Carle hospitals in the area have available capacity to accommodate the majority of the 11.3 Average Daily Census at HMMC-Urbana for the past 4 years, and 10.7 ADC in 2024. The 171 rehabilitation inpatients at HMMC-Urbana who reside in Champaign and Vermilion counties constitute an ADC of 6.23 patients. Section II-Discontinuation of this permit application proposes a scenario how the remaining census of rehabilitation patients from other counties at HMMC-Urbana could be redistributed among nine hospitals located near the counties where HMMC rehabilitation patients reside. These nine hospitals have a collective capacity for an

additional ADC of 77.2 patients, exceeding by a significant amount the 11.3 ADC at HMMC-Urbana for the past four years.

Moreover, changes in the scope of clinical inpatient care at HMMC-Urbana that are part of this discontinuation will reduce the historic demand for rehabilitation at the hospital. Area facilities will adjust to accommodate patient volume formerly hospitalized at HMMC-Urbana.

The restructuring of the two OSF hospitals in Urbana and Danville under one operating license and the discontinuation of the services with low and declining volumes at SHMC-Urbana are strategies that will allow OSF to continue to provide sustainable and needed care in the area. The plan recognizes that each year fewer patients have used OSF physicians and HMMC-Urbana Medical Center. Resources now used at Urbana can be redirected for the provision of medical care at Sacred Heart Medical Center in Danville and elsewhere in east-central Illinois.

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

- Implement the discontinuations in January, 2026.
- Provide over 19,000 patient days in the 40-bed AMI unit and the 25-bed medical/surgical unit in year 2027.

ALTERNATIVES

Context for the discontinuation project

The project is the discontinuation of the 6-bed inpatient pediatric unit, the 15-bed ICU unit and 25-bed comprehensive physical rehabilitation service. The project is the result of low or declining census in these categories of service. These low volumes are not reversible, and have resulted in escalating operating losses that are detrimental to the viability of the hospital. Following the closures of these units, inpatient care at the hospital will feature a 40-bed Acute Mental Illness service and 25 medical/surgical beds, a reduction of 85 medical/surgical beds from the current authorized count of 110. Other services being discontinued are the 4-room cardiac cath service and the open-heart surgery program.

OSF Heart of Mary Medical Center ("HMMC-Urbana") will be renamed OSF Sacred Heart Medical Center—Urbana ("SHMC-Urbana"). It will operate as part of one licensed hospital on two campuses – OSF Sacred Heart Medical Center-Urbana ("SHMC-Urbana") and OSF Sacred Heart Medical Center-Danville (SHMC-Danville"). Certificate of Need rules are applicable at each of the separate hospital sites. The two hospitals are a lineal distance of 34 miles apart. Several medical/surgical specialties (general surgery, orthopedics, gastroenterology and pulmonology) will shift from Urbana to Danville. There are no capital projects or category of service changes needed at Danville to accommodate the shift.

With this background, there are two alternatives that were considered in the process of planning the discontinuation of services at HMMC-Urbana:

Alternative 1: Discontinue the entire OSF Heart of Mary Medical Center-Urbana, and shift all services to OSF Sacred Heart Medical Center-Danville.

Alternative 2: **SELECTED ALTERNATIVE:** Discontinue pediatrics, ICU, comprehensive physical rehabilitation, cardiac catheterization and open-heart surgery at HMMC-Urbana.

Alternative 1: Discontinue the entire OSF Heart of Mary Medical Center-Urbana, and shift all services to OSF Sacred Heart Medical Center-Danville.

This alternative was considered as part of the planning process. The option recognizes that Carle Foundation Hospital has an increasing market share and is now the dominant provider of more than 75% of inpatient care in the Champaign-Urbana area. While Carle Foundation Hospital has been growing, inpatient volumes in most categories of service at HMMC-Urbana have been declining in the past decade.

This alternative was rejected for several reasons. Neither Carle Foundation Hospital nor the current OSF Sacred Heart Medical Center in Danville provide Acute Mental Illness, a service experiencing increasing need in central Illinois. It is important for OSF to expand this service in Urbana. HFSRB has approved the 10 bed increase AMI beds from 30 to 40 at HMMC-Urbana, based on the 20 bed/10% rule. OSF is developing an agreement with US HealthVest to operate

the behavioral health services at HMMC-Urbana. (US HealthVest and OSF have a partnership to provide behavioral health care at the Meadowview Behavioral Hospital now under construction in Peoria. CON Project 23-008).

This alternative for the discontinuation of the entire hospital is broader in scope than the need to accommodate the specific discontinuations of pediatrics, ICU, comprehensive physical rehabilitation, cardiac cath and open-heart surgery. There is need for continued emergency care in Urbana-Champaign and the broader region, as well as supporting services such as diagnostic imaging. OSF is committed to meeting the continuing community needs served at the current Heart of Mary Medical Center (future SHMC-Urbana).

Alternative 2: SELECTED ALTERNATIVE: Discontinue pediatrics, ICU, comprehensive physical rehabilitation, cardiac catheterization and open-heart surgery at HMMC-Urbana.

The option of discontinuing these services was selected as the preferred option. The changes allow for the provision of services at the Urbana and Danville campuses of Sacred Heart Medical Center to be organized in a way that meets community needs and is programmatically and financially sustainable.

There is capacity available at other hospitals in the Urbana area to accommodate additional patients. Medical/surgical ADC at the current HMMC-Urbana is 25.0 patients. Most of the medical patients will remain at the downsized 25 medical/surgical bed unit in SHMC-Urbana. OSF is shifting general surgery, orthopedics, gastroenterology and pulmonology patients, a significant part of the 25.0 ADC, to OSF Sacred Heart Medical Center in Danville. Medical/surgical ADC at SHMC-Danville is 32.4, 24% occupancy of the available 134 beds at SHMC-Danville. Some of the medical/surgical patients will remain in the immediate planning area, where there is available medical/surgical capacity collectively at Carle Foundation Hospital, Gibson Community Hospital and Kirby Medical Center.

Similarly, there is ICU capacity locally to accommodate the 5.1 ADC at the current Heart of Mary Medical Center-Urbana following the closure of the ICU unit. Carle Foundation Hospital's 58 bed ICU had a census of 26.1 and 26.3 in 2022 and 2023, respectively. Utilization of a 58 bed unit at the State standard of 60% is an ADC of 35 patients, implying sufficient available capacity for patients from HMMC-Urbana. In addition, some of the ICU patient volume at HMMC-Urbana will shift to SHMC-Danville, including patients living on the eastern side of Champaign County, and some of the volume associated with the shift of surgical cases from Urbana to Danville.

Most of the inpatient rehabilitation patient volume at HMMC-Urbana, averaging an annual 11.25 ADC for the past four years, will be accommodated locally at the Carle hospitals in Urbana and Normal. Some of the rehabilitation patients living north and west of Urbana can be accommodated at OSF hospitals in Bloomington and Peoria.

Patients requiring cardiac cath services or heart surgery can be cared for locally at the Carle Foundation Hospital or OSF St. Joseph in Bloomington. The annual case volume of the open

heart surgery program at HMMC-Urbana has dropped from 89 to 67 cases during the past four years. Cardiac catheterization cases dropped to under 1,500 last year at HMMC-Urbana. OSF St. Joseph Medical Center in Bloomington is planned to be the OSF center for cardiac care in HSA 4. There is current capacity in its cardiac service line at Bloomington; patient volume can be accommodated there. No capital investment at St. Joseph Medical Center will be required.

For these reasons, the alternative of discontinuing these services at OSF Heart of Mary Medical Center was accepted as the most practical resolution of the issues associated with low and declining patient volumes and financial losses.

The following sections are not applicable to the Discontinuation project, and are not included:

SECTION IV: PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

SECTION V: MASTER DESIGN PERMITS

SECTION VI: SERVICE SPECIFIC REVIEW CRITERIA

SECTION VII: AVAILABILITY OF FUNDS

SECTION VIII: FINANCIAL VIABILITY

SECTION IX: ECONOMIC FEASIBILITY

SECTION X. Safety Net Impact Statement

1. The project's material impact, if any, on essential safety net services in the community, including the impact on racial and health care disparities in the community, to the extent that it is feasible for an applicant to have such knowledge.

Health safety net services have been defined as services provided to patients who are low-income and otherwise vulnerable, including those uninsured and covered by Medicaid. (Agency for Healthcare Research and Quality, Public Health Services, U.S. Department of Health and Human Services, "The Safety Net Monitoring Initiative," AHRQ Pub. No 03-P011, August, 2003.)

The project is the discontinuation of three inpatient services (Pediatrics, Intensive Care (ICU) and Comprehensive Physical Rehabilitation) and two categories of service (open heart surgery and cardiac catheterization) at OSF Heart of Mary Medical Center-Urbana ("HMMC-Urbana").

The discontinuation of these services at HMMC-Urbana is part of a regional plan developed by OSF Healthcare System for sustainable health care services. The plan includes the renaming of HMMC-Urbana as Sacred Heart Medical Center-Urbana ("SHMC-Urbana") and the structuring of two hospitals with one license on two campuses – SHMC-Urbana, and OSF Sacred Heart Medical Center in Danville ("SHMC-Danville"). The licensing plan is currently under discussion with IDPH. The discontinuations also involve OSF St. Joseph Medical Center in Bloomington, which will accommodate a shifting of open heart surgery and cardiac catheterization cases for current HMMC-Urbana patients who will no longer receive those services at HMMC or remain local at Carle Foundation Hospital in Urbana.

As covered in Section II – Discontinuation, the changes are the result of low and declining patient volumes at HMMC, and financial losses due to revenues associated with these low and declining volumes that are insufficient to cover related expenses. HMMC-Urbana's safety net services, including the operation of the emergency department and the hospital's behavioral health program, are threatened by financial losses associated with the low and declining volumes in the service lines being discontinued. These volumes are insufficient to generate sufficient revenues that allow the hospital to subsidize emergency and behavioral health services at HMMC-Urbana, as well as other safety net services there including outpatient clinic services, pharmaceuticals and other medical services.

Regarding behavioral health, HMMC-Urbana is entering a relationship with US HealthVest to operate behavioral health services at HMMC-Urbana, using the company's vast experience with behavioral health care in Illinois and other states. OSF and US HealthVest are engaged in a joint venture to build the 100 bed Meadowview Behavioral Hospital in Peoria, now under construction -- HFSRB Project 23 -008. The plan for behavioral health includes expanding the existing 30 bed AMI service at HMMC to 40 beds, increasing the critical mass of services needed to enhance this safety net service in Urbana. The AMI services will focus on treating medical psych needs, adolescent psychiatry and geriatric care.

Enabled by the discontinuations, HMMC-Urbana (the future SHMC-Urbana) will focus on increased Acute Mental Illness care supported by a right-sized medical inpatient service to subsidize and strengthen safety net services.

Champaign County ranks at 0.5, a low to moderate condition score on the CDC's Social Vulnerability Index Scores range from 0 (least vulnerability) to 1 (highest vulnerability). The Index is a tool developed and used by the Centers for Disease Control and Prevention, and incorporates factors such as high

poverty, unemployment, minority status, crowded households, low percentage of vehicle ownership, and disability in measuring social vulnerability. By comparison, Vermilion County to the east, including Danville County to the west has a high score at 0.81. A significant number of persons cared for at OSF HMMC are in special need due to these conditional factors. The common license for the two OSF hospitals at the Urbana and Danville locations will promote increased coordination of clinical services that will address the special needs in both communities.

According to the 2022 Community Health Needs Assessment, the population of Champaign County decreased over the last 5 years by 0.6%, similar to most counties in Illinois. The elderly population increased by 19%. The unemployment rate of 6.4% is below the Illinois average of 8% (year 2020). The CHNA concluded that the greatest health needs are mental health and healthy behaviors/obesity. The majority of people exercise less than two times per week and consume two or fewer servings of fruits/vegetables per day. Almost two thirds of the respondents experienced depression in the last 30 days; three quarters reported they had anxiety or stress in the last 30 days.

OSF as a system and at HMMC-Urbana is committed to address racial and ethnic disparities in the community. OSF HMMC-Urbana will continue to play a significant role in addressing access to quality health care and racial and health care disparities especially in rural areas of the county. Eliminating health disparities is fundamental to the well-being, productivity and viability of the entire nation. OSF does its part in many ways. HMMC staff provided free mental health counseling and navigation services to 485 residents in 2024. HMMC held six events last year providing outreach on the dangers of substance abuse to youth in the community, and collected over 150 pounds of drugs in schools and youth centers.

The 2022 Champaign County Community Health Needs Assessment rated healthy behaviors and wellness as the number two priority, following behavioral health. 61% of Champaign County residents were diagnosed with obesity and being overweight. Residents participating in the community health needs survey indicated that being overweight was the second most important health issue and was rated as the most prevalent diagnosed health condition. HMMC provides a community fitness program and held six special outreach and education events on the importance of physical activity. The hospital provides nutrition counseling sessions, distributes Smartmeals to seniors, and promotes education on healthy eating through traditional and social media. The hospital's web-site offered 40 healthy eating posts last year. Hospital staff have been active in nutrition education as part of the healthy living programming. The hospital also uses Social Determinates of Health (SDOH) in screening patients and connecting them with community-based organizations.

Approximately 25% of inpatients and 31% of outpatients at OSF HMMC-Urbana are Medicaid; charity care as a percent of net revenue in 2023 was 2.1%, exceeding the Statewide average for hospitals. OSF upholds the principle that all people have a right to needed health care, and the hospitals are open to persons of every faith and ethnic background, regardless of ability to pay. There are a range of financial assistance programs based on patients' needs.

Some of HMMC-Urbana's work is highlighted in the Fiscal Year 2024 community benefits report by OSF. Highlights of the Community Benefits report are:

- OSF HMMC-Urbana provided about \$34,500,000 in uncompensated community benefit.
- Charity care (at cost) of \$1,583,468.
- OSF HMMC-Urbana government-sponsored indigent health care of \$27,361,308.
- \$3,669,505 given as subsidized health care in 2023.
- OSF HMMC-Urbana donated \$114,006 to local agencies in 2023.

The entire OSF system of 17 hospitals, the multi-specialty group practice, and the homecare service provided more than \$600 million in community benefit services in 2024.

Commitment to addressing diversity, equity and inclusion is broad within OSF system organizations – in hiring practices and human resources programs (for training, advancement and development of leadership skills), governance, and community involvement. These practices and programs apply especially to treating a diversity of patients, and being especially attentive to addressing populations with health care and social disparities.

The inpatient payor mix of HMMC is projected to be as follows, based on the new program mix:

Medicare:	28.1%
Medicaid:	43.7%
Commercial:	23.3%
Self Pay / Other:	4.9%
TOTAL	100.0%

2. The project's impact on the ability of another provider or healthcare system to cross-subsidize safety net services, if reasonably known to the applicant.

The discontinuations of the three inpatient services and the two cardiac-related categories of service are expected to have a positive effect on other hospitals in the area. Patients who wish to remain local will have access to inpatient and the cardiac care services at Carle Foundation Hospital in Urbana. More volume and associated increased revenues at Carle should enhance their ability to subsidize safety net services. Similarly, a large volume of the inpatient and outpatient surgical cases now at HMMC-Urbana are planned to relocate to SHMC-Danville, increasing their revenues that can support safety net care there.

OSF plans to relocate the cardiology program and staff now at HMMC-Urbana to OSF St. Joseph Medical Center in Bloomington. OSF St. Joseph has a cath lab and low volume open heart surgery program in place, with capacity to accommodate shifting volumes from Urbana. That additional volume at St. Joseph Medical Center is expected to enhance their ability to support safety net services in Bloomington.

Accordingly, the project will have no adverse impact on another hospital's ability to provide safety net services in this area.

3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

The discontinuations are a reduction in services at OSF Heart of Mary Medical Center-Urbana, which results in a shifting of patient volumes to other area hospitals. The volumes of the services being discontinued are relatively low, and will not overwhelm capacity at those hospitals. For the Comprehensive Physical Rehabilitation service, some provisions at the OSF rehabilitation hospital in Peoria may need to be made to accommodate part of the 11 patient ADC now at HMMC-Urbana.

4. Additional information on Safety Net Services.

A. For the three fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by the hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with the appropriate methodology specified by the Board.

B. For the three fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.

Safety Net Information per PA 96-0031			
For OSF Healthcare System			
CHARITY CARE			
Charity (# of patients)	2022	2023	2024
Inpatient	857	870	1,230
Outpatient	25,162	25,202	37,432
Total	26,019	26,072	38,662
Charity (cost in dollars)			
Inpatient	\$19,288,516	\$16,684,057	\$16,788,896
Outpatient	\$25,420,598	\$22,606,269	\$25,941,696
Total	\$44,709,114	\$39,290,326	\$42,730,592
MEDICAID			
Medicaid (# of patients)	2022	2023	2024
Inpatient	15,168	15,364	15,834
Outpatient	506,719	597,580	575,369
Total	521,887	612,944	591,203
Medicaid (revenue)			
Inpatient	\$337,605,609	\$427,222,282	\$383,635,676
Outpatient	\$242,779,460	\$275,501,872	\$380,553,137
Total	\$580,385,069	\$702,724,154	\$764,188,813

Safety Net Information per PA 96-0031			
For OSF Heart of Mary Medical Center			
CHARITY CARE			
Charity (# of patients)	2022	2023	2024
Inpatient	69	84	103
Outpatient	588	453	768
Total	657	537	871
Charity (cost in dollars)			
Inpatient	\$873,633	\$975,903	\$830,251
Outpatient	\$1,382,542	\$1,108,007	\$880,785
Total	\$2,256,175	\$2,083,910	\$1,711,036
MEDICAID			
Medicaid (# of patients)	2022	2023	2024
Inpatient	814	902	879
Outpatient	12,233	11,407	11,155
Total	13,047	12,309	12,034
Medicaid (revenue)			
Inpatient	\$9,767,673	\$10,776,698	\$7,689,751
Outpatient	\$5,835,031	\$6,011,930	\$8,395,040
Total	\$15,602,704	\$16,788,628	\$16,084,791

Section X. Charity Care Information

CHARITY CARE – OSF Healthcare System

	2022	2023	2024
Net Patient Revenue	\$3,211,070,549	\$3,524,731,069	\$4,213,424,278
Amount of Charity Care (charges)	\$217,695,250	\$202,685,043	\$217,088,494
Cost of Charity Care	\$54,215,573	\$47,392,624	\$46,045,258

CHARITY CARE – Heart of Mary Medical Center

	2022	2023	2024
Net Patient Revenue	98,833,244	97,804,611	99,524,206
Amount of Charity Care (charges)	8,077,663	8,284,908	7,457,383
Cost of Charity Care	2,012,467	1,873,864	1,583,468