

Axel & Associates, Inc.

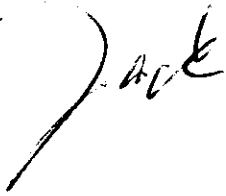
MANAGEMENT CONSULTANTS

TO: Mike Constantino
FROM: Jack Axel
DATE: August 29, 2025
RE: E-008-25 Alexian Brothers Medical Center

Mike-

Attached please find Alexian Brothers Medical Center's responses to the COE application addressing the hospital's planned discontinuation of its inpatient obstetrics category of service.

Should you require any additional information, please contact me as soon as possible.

A handwritten signature in black ink, appearing to read "Jack Axel". The signature is written in a cursive, flowing style with a large initial "J" and "A".

IHFSRB OB COE Questions

August 29, 2025

1. How will the closure of the OB unit affect the availability and accessibility of labor and delivery care for pregnant individuals in Elk Grove Village and surrounding areas?

Labor and delivery care for pregnant women in and around Elk Grove Village will continue to be available and accessible. There are seven hospitals within 30 or less minutes of Elk Grove Village including Ascension Saint Alexius that provide labor and delivery services. Saint Alexius itself is located within 15-20 minutes from Ascension Alexian Brothers Medical Center. There are no obstetric related services offered at Ascension Alexian Brothers that are not already offered at Ascension Saint Alexius. In accordance with regulatory requirements and as added courtesy, each of these hospitals (Endeavor Northwest Community Hospital, Endeavor Elmhurst Hospital, Ascension Saint Alexius, Advocate Sherman Hospital, Advocate Lutheran General Hospital, Prime Resurrection Medical Center, Northwestern Central DuPage Hospital) have been made aware of the Ascension Alexian Brothers COE for discontinuation of labor and delivery services. To date we have not been made aware of any concerns relative to accommodating additional labor and delivery volume.

We are also working closely with Ascension Alexian Brother's OB physicians to provide continuity of care for pregnant patients currently receiving outpatient obstetric care at Ascension Alexian Brothers should they wish to deliver at Ascension Saint Alexius.

2. Will patients, especially those from underserved communities, be forced to travel further, increasing risks and potentially delaying emergency care?

Access to labor and delivery services is readily available in the northwest suburbs. Additionally, emergency deliveries will continue at Ascension Alexian Brothers consistent with the Emergency Medical Treatment and Labor Act (EMTALA) state and federal requirements. We will also provide emergency transportation services for patients best served by the Level III NICU at Ascension Saint Alexius Women and Children's Hospital and are working with our EMS providers and patient transport service to ensure a smooth process for such transfers. Patients will not incur any costs associated with transfers to Ascension Saint Alexius Women and Children's Hospital for a higher level of care.

We are also working with Ascension Alexian Brother's OB physicians to provide continuity of care for pregnant patients currently receiving outpatient obstetric care at Ascension Alexian Brothers should they wish to deliver at Ascension Saint Alexius. Within the community, we also have strong partnerships with federally qualified healthcare centers and have been working with them in advance of any transition of labor and delivery services to ensure access is readily available at Ascension Saint Alexius.

3. What measures are being taken to ensure that all patients have access to equivalent and quality obstetric care at the new location in Hoffman Estates?

Our two northwest suburban hospitals, Alexian Brothers Medical Center in Elk Grove Village and Saint Alexius Medical Center in Hoffman Estates have been working together to provide the best possible care to the communities we serve for many years now which has included transitioning of certain specialty care services. For example inpatient pediatric care transitioned to Saint Alexius Medical Center while cardiovascular surgery transitioned to Alexian Brothers several years ago and have allowed us to provide both groups of patients access to care with high quality outcomes. The centralizing of certain services reduces duplication, and allows a more efficient use of resources, maximizing the level of care that can be provided to our communities.

Ascension Saint Alexius Women and Children's Hospital has been providing obstetrics care to its communities since 1979. The hospital currently offers 24/7 OB emergency care; high-risk pregnancy care; maternal-fetal medicine and neonatal specialty care; labor, delivery and postpartum care; a Level III neonatal intensive care unit (NICU); and mental and emotional health support for new and expectant moms. Saint Alexius Women and Children's Hospital participates in all Illinois Perinatal Quality Collaborative (ILPQC) initiatives including being a Wave 1 hospital for the newest initiative focused on Perinatal Mental Health. The hospital has earned clinical excellence awards for all quality metrics with ILPQC. Additionally, the hospital is both a gold standard safe sleep certified and baby friendly designated hospital.

Additionally of note, most high risk deliveries are already being transferred to or are planned at Saint Alexius Women and Children's Hospital including transfers to the hospital's NICU given the high degree of specialized care offered. We are grateful to the Illinois Health Facilities Services and Review Board for their recent approval of our application for the expansion of Level III NICU beds at Ascension Saint Alexius Women and Children's Hospital to accommodate a growing need for neonatal intensive care level services.

We also have strong partnerships with federally qualified healthcare centers in the area and have been working with them in advance of any transition of labor and delivery services to ensure access is readily available at Ascension Saint Alexius.

4. How will the hospital address the concern that patients who are not familiar with the new arrangements may show up at the Elk Grove Village location expecting to deliver and be turned away?

First and foremost, no one will be turned away. Emergency deliveries will continue at Ascension Alexian Brothers consistent with the Emergency Medical Treatment and Labor Act (EMTALA) state and federal requirements. We will also provide emergency transportation services for patients best served by the Level III NICU at Ascension Saint Alexius Women and Children's

Hospital. Patients will not incur any costs associated with transfers to Ascension Saint Alexius Women and Children's Hospital for a higher level of care. We are working with our EMS providers and patient transport service to ensure a smooth process for such transfers.

Ascension Alexian Brothers physicians will continue to provide their full complement of outpatient obstetric care outside of labor and delivery services which include prenatal care, diagnostic imaging and laboratory services. The hospital's OB physicians will work closely with their patients to adjust their birth plans if/as needed.

5. How will the closure impact the dedicated labor and delivery nurses and staff, including those with decades of experience at the Elk Grove Village location?

Our human resources leaders began working closely with all impacted associates and clinicians to identify potential opportunities at Ascension Saint Alexius and across the Ascension Illinois market at the time of announcement. In fact, all impacted associates have already been offered comparable positions that include retention bonuses and pay increases. To date, over 89 percent of impacted associates have accepted a comparable position at Ascension Saint Alexius or elsewhere within Ascension Illinois.

Additionally, several efforts are underway to fully support the integration of nurses from Alexian Brothers to Saint Alexius. These efforts include in-person tours of Saint Alexius, virtual and in-person town hall meetings with senior leadership of both institutions, virtual Meet the Manager meetings and a weekly email reporting updates in transition progress. Nursing educators in Labor and Delivery, NICU and Mother Baby have begun the development of skills assessments for those wishing to transition into positions at Saint Alexius and will begin holding educational sessions for all nursing staff prior to an orientation period. All orientations will be tailored to each nurse's specific needs based on their skills assessments and experience. Internal workgroups which include nursing leadership from both institutions meet regularly to discuss operations and integration, organizational development, culture, advocacy and communications.

6. Will the nurses and staff be guaranteed positions at the new Hoffman Estates location with comparable wages and benefits?

Our human resources leaders began working closely with all impacted associates and clinicians to identify potential opportunities at Ascension Saint Alexius and across the Ascension Illinois market at the time of announcement. In fact, all impacted associates have already been offered comparable positions that include retention bonuses and pay increases. Additionally, over the last month, dedicated tours have been offered at Ascension Saint Alexius providing nurses and staff the opportunity to better acquaint themselves with the hospital and potential colleagues. Shadowing opportunities have also been established to ensure a smooth transition. To date, over 89 percent of impacted associates have accepted a comparable position at Ascension Saint Alexius or elsewhere within Ascension Illinois.

7. How will Ascension ensure a smooth and safe transition of patients and medical records between the two facilities?

We have been working closely with Ascension Alexian Brother's OB physicians for several months to provide continuity of care for pregnant patients currently receiving outpatient obstetric care at Ascension Alexian Brothers should they wish to deliver at Ascension Saint Alexius. We will also provide emergency transportation services for patients best served by the Level III NICU at Ascension Saint Alexius Women and Children's Hospital and are working with our EMS providers to ensure a smooth process for such transfers. Additionally of note, most high risk deliveries are already being transferred to or are planned at Saint Alexius Women and Children's Hospital including transfers to the hospital's NICU. Patients will not incur any costs associated with transfers to Ascension Saint Alexius Women and Children's Hospital for a higher level of care.

The hospitals share an electronic medical record system and will have seamless access to patient medical records to ensure a smooth and safe transition of care. Conversely, medical records will be made readily available to any patient wishing to transition their care outside of an Ascension Illinois facility.

8. Is the decision to discontinue OB services driven by financial considerations?

Every decision has a financial consideration component, however our decision was not driven by finances. The long term sustainability of needed services in our communities is a primary component of our decision process. We owe it to those we serve to deliver care as expertly and effectively as possible, including pursuing a strategy of building centers of excellence for designated service lines. Research shows establishing centers of excellence consistently provides optimal patient outcomes. We are committed to continuing our due diligence as we make these strategic decisions, keeping patients and community needs at the forefront.

9. What are the specific financial challenges that led to the discontinuation of the OB Unit?

Earlier this year, Ascension Illinois leaders began charting the future for a smaller health system within the market. We are focused on enhancing patient care, diligently assessing where care can best be delivered to patients across our communities. The reality is that we are currently competing for resources which includes staffing, infrastructure and technology support between the hospitals. By continually assessing care delivery models and needs, we can best achieve long-term sustainability, navigate our evolving healthcare environment, and support our talented associates and clinicians. These assessments are in no way unique to our hospitals, most hospitals are currently facing financial challenges. These challenges are resulting in the

discontinuation of patient care services. We are however, somewhat unique in our ability to consolidate rather than diminish accessibility to specialized services, unlike other hospitals throughout the state that we have seen eliminate obstetric, pediatric and acute mental health services.

Our investments in the market are focused on improving the consumer experience and pursuing innovative ways to meet patients' needs. In fact this year through FY27 we will be investing over 70 million dollars across our various hospitals on infrastructure, technology and equipment needs.

10. Did the hospital explore alternative solutions to maintain OB services in Elk Grove Village? If so, what are those alternatives?

Yes, we explored alternative solutions but after significant analysis and projected forecasts of our labor and delivery volumes across our northwest suburban hospitals, we considered the duplication and competition for resources which includes staffing, infrastructure and technology support between the hospitals along with limited availability of specialized clinicians as a significant impediment. The challenges with physicians entering this specialty to fill gaps left by departing physicians along with escalating malpractice insurance rates for OB physicians in the state, and particularly in Cook County, are a driving force in evaluating this transition. While we considered retaining the program and making aesthetic improvements and employing clinicians, we determined that employment is not a sustainable long term strategy and importantly retaining the program would impede the need to invest in a dedicated center of excellence for complex medical conditions at Alexian Brothers to address an increasing community need for this level of care.

With these long term needs in mind, we decided to consolidate care at the campus with the greatest depth and breadth of obstetrical services to meet community needs within 15-20 minutes from Ascension Alexian Brothers. We are also addressing clinician demand by supporting our OB residency program at our center of excellence at Ascension Saint Alexius. We will continue to offer the best possible training to the young physicians that we in turn hope will continue to support this service in our community.

11. What steps is the hospital taking to engage the community and address their concerns regarding the closure?

We hosted a community forum on Saturday, July 19, 2025 to provide additional information and address questions regarding the transition of labor and delivery services from Ascension Alexian Brothers to Ascension Saint Alexius or other area hospital partners. Additionally, we have had numerous conversations with elected officials (Elk Grove Village mayor, village trustees, elected officials at the local, state and federal levels) throughout this process. We are

also hosting tours for elected officials who represent the communities served by Ascension Alexian Brothers and Ascension Saint Alexius.

We also have strong partnerships with federally qualified healthcare centers in the area and have been working with them in advance of any transition of labor and delivery services to ensure access is readily available at Ascension Saint Alexius.

We have shared our decision and the rationale with approximately 130 of our own employed colleagues across Ascension Illinois who are also community members living within Elk Grove Village and surrounding areas and have a vested interest in accessible health care. We also met with 45 northwest suburban physicians on staff at our hospitals. Additionally we will be participating in the Elk Grove Village mayoral-led town hall on September 4, 2025 to answer any lingering questions from the community.