



September 11, 2023

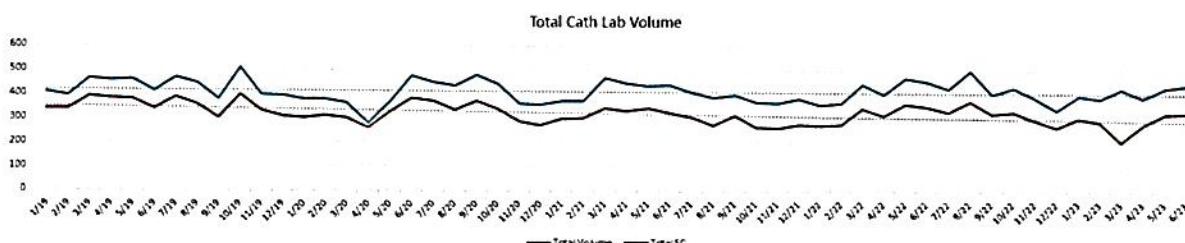
John Kniery, Administrator
Illinois Health Facilities and Services Review Board (IHFSRB)
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761

RE: Springfield Clinic Cardiac Catheterization Lab Project # 22-027

Dear Mr. Kniery:

Springfield Memorial Hospital (SMH) would like to respond to the additional information provided by the Springfield Clinic on June 15, 2023.

- 1) Springfield Clinic indicates the demand for cardiac catheterizations in the Springfield area has increased significantly. SMH does not believe that to be the case. Volumes at SMH have remained flat over the past four years as has the number of cardiac catheterizations performed by Springfield Clinic physicians at SMH. The graph below shows the monthly volumes of cardiac catheterizations performed at SMH.



Furthermore, the number of cardiac catheterizations in the Health Services Area 3 has declined 10.4% since 2013 as evidenced by the data reported on the Inventory of Hospital Services biannual report.

HSA 3 Cardiac Cath Volume History Inventory of Hospital Services

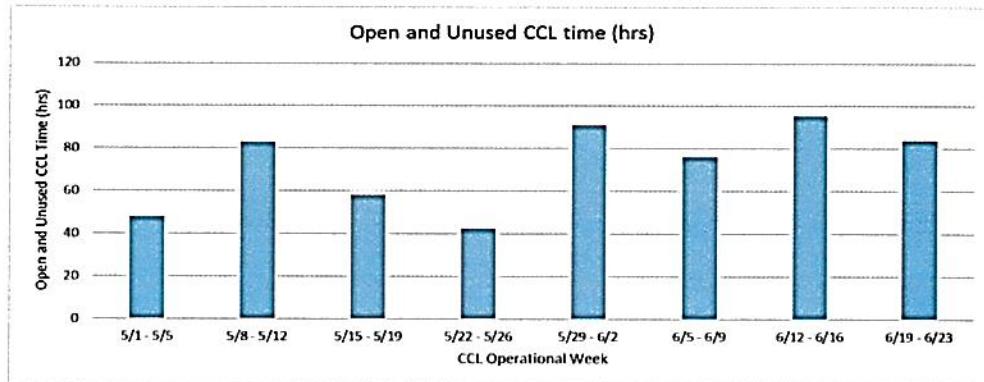
HSA3 Cath Labs	2013	2015	2017	2019	2021	Change from 2013
Total (14)	19,177	17,545	15,897	16,109	17,185	(1,992) or (10.4%)
Blessing (2)	2,656	2,667	2,343	2,891	2,034	(622) or (23.4%)
MMC/SMH (5)	5,213	5,168	5,244	4,344	4,742	(471) or (9.0%)
SJH (7)	11,308	9,710	8,310	8,874	10,409	(899) or (8.0%)



Furthermore, Springfield Clinic indicates that the current level of cardiac catheterization labs in the area will not be able to accommodate the increased demand as the area population ages. Memorial Health does not believe that to be correct as the total area population is decreasing and is projected to continue to decline. In addition, as medicine has advanced and more patients can be medically managed, less patients require catheterization. As the table below indicates, the overall population of the primary service area around Springfield had a 3.9% overall decline from 2010 to 2020 and is projected to decline an additional 4.0% by 2030. From 2010 to 2020, the population over age 65 increased by 17% according to the census, but despite the increase in the senior population the number of cardiac catheterizations as shown in the table above in the area has decreased by over 10% since 2013.

Illinois County	2010	2020	Pop Change	2010 pop 65+	2020 pop 65+	65+ pop change	Projected 2030	Projected 2030 >65
Cass	13,642	13,042	(600)	2,142	2,193	51	12,303	2,794
Christian	34,800	34,032	(768)	6,096	6,444	348	31,488	7,912
Logan	30,305	27,987	(2,318)	4,760	5,254	494	26,921	5,619
Macon	110,768	103,998	(6,770)	18,157	20,807	2,650	93,429	21,838
Macoupin	47,765	44,967	(2,798)	8,171	9,038	867	42,928	11,592
Mason	14,666	13,086	(1,580)	2,805	3,025	220	11,188	2,988
Menard	12,705	12,297	(408)	1,978	2,393	415	12,518	3,353
Montgomery	30,104	28,288	(1,816)	5,199	5,724	525	26,881	6,629
Morgan	35,547	32,915	(2,632)	5,935	6,809	874	31,429	7,261
Sangamon	197,465	196,343	(1,122)	27,362	34,995	7,633	197,375	46,308
total	527,767	506,955	(20,812)	82,605	96,682	14,077	486,460	116,294
% of population >65				15.7%	19.1%			23.9%
pop change %				-3.9%			17.0%	

- 2) Springfield Clinic indicates there is an average delay of 41 days to get a patient into the catheterization lab. At SMH, the catheterization lab has unused availability and can schedule a patient within 24 hours. The table below shows the hours of availability by week with an average of 72.25 hours or 29% of standard hours of available time open for scheduling. The inability to schedule a patient sooner is not because of catheterization lab availability, but because of physician preference and lack of flexibility to adjust their own work schedules to accommodate the needs of their patients and community.



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In the two patient examples cited by Springfield Clinic, SMH does not believe that opening an additional catheterization lab will improve these situations. The table above shows SMH has ongoing availability within any 24-hour period to schedule patients. SMH also maintains an emergency team to accommodate after hours emergent cardiac procedures.

- 3) Springfield Clinic indicates that their Medicaid payor mix of 15% is understated because their hospitalist and critical care physicians work in the local hospitals that report a higher percentage of Medicaid patients. While many patients hospitalized at SMH are cared for by these Springfield Clinic physicians, these physicians typically see Springfield Clinic patients and rotate taking unassigned patients with other providers. For this year, the patients of the Springfield Clinic hospitalist and critical care physicians have had a Medicaid payor mix percentage of 11.3% compared to the overall SMH patient Medicaid percentage of 21.5% for the same period.

I would like to reiterate our position that we are opposed to the proposed project, which would have a significant negative impact on SMH's cardiac catheterization services and ability to care for emergent, after-hours cardiac patients. The negative financial impact to SMH is anticipated to be \$20.0 million in net revenue and almost \$7.0 million in operating margin annually. This would have a negative impact to Memorial Health at a time when over half of the hospitals in the nation are operating at a loss. For perspective, Memorial Health lost \$107 million during its fiscal year 2022 and is projected to lose \$81 million during its fiscal year 2023. SMH is an organization with a mission to improve lives and build stronger communities through better health. I feel strongly that if this project is approved it will compromise SMH's ability to fulfill its mission.

Sincerely,

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Charles D. Callahan, PhD, FACHE
President, Memorial Health Hospital Group and
President & CEO Springfield Memorial Hospital

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