

Sol Flores Deputy Governor, Health & Human Services 207 Statehouse Springfield, IL 62706

November 13, 2019

Dear Deputy Governor Flores:

We are writing to ask your assistance in obtaining urgent answers to critical unresolved questions about Weiss Memorial Hospital, a valued health resource on Chicago's north side and the largest employer in our neighborhood.

Pipeline Health (including Pipeline Hospital Holdings, LLC, Pipeline-Weiss Memorial, LLC and SRC Hospital Investments II, LLC) has requested an exemption application with the Illinois Health Facilities and Services Review Board (IHFSRB, application E-044-19) for change of ownership (https://www2.illinois.gov/sites/hfsrb/rules/Pages/PN-E-044-19.aspx). A meeting originally scheduled for October 22, 2019, was delayed until December 10, 2019, at the request of our state representatives, Rep. Sara Feigenholtz and Leader Greg Harris. The delay was requested in order to answer questions from the representatives detailed in a letter dated October 17, 2019, to the IHFSRB. Pipeline subsequently promised two community meetings on November 4 and November 19 to answer questions and confirm their intentions for our hospital.

Unfortunately, none of these questions were answered at the November 4 community meeting. Weiss physical plant and real estate are not owned by Pipeline but by WeissPropCo. Despite claiming WeissPropCo as its "landlord," Pipeline's CEO, Jim Edwards, could not indicate who composed the entity WeissPropCo. WeissOpCo is the corporate hospital entity, the parties to which Pipeline's CEO could likewise not identify. It is hard for us to believe that the CEO of Pipeline is unclear on his hospital's relationship with the leasing firm and on specifics discussed such as the duration of the hospital's lease with that firm, especially when WeissPropCo was founded on the same day as the sale of the hospital. We still have no knowledge of how these interlocking private corporate entities impact the delivery of healthcare for our community and greater Chicago.

We remain hesitant to trust Pipeline because the entity previously made unmet verbal and written promises when applying to IHFSRB to continue operating all 3 hospitals in their original purpose: Weiss, Westlake, and West Suburban. Only a month after making this promise, Pipeline announced plans to close Westlake hospital. Prior to Westlake's closure, an exemption application was submitted for Westlake similar to the one currently pending for Weiss. We are concerned by further reports that many physicians at Weiss, physicians at surrounding hospitals, and community members have stated that they believe that Pipeline is preparing to close Weiss.

Pipeline has given us further reason to believe that the hospital will shutter with the sale of the surface parking lot. The lot is adjacent to both the ER and main entrance, the two busiest entries for the hospital. To add to our concern, we have been presented with CBRE's 2019 real estate prospectus indicating the lot's sale and value. Pipeline has explained that Weiss's



continued operations and expanded services, including those planned in women's health and geriatric behavioral health, are financially contingent on the lot's sale. The land surrounding Weiss is limited to accommodate its proposed expanded footprint, and we struggle to understand why Pipeline would immediately seek to sell rather than retain the property at 4600 N. Marine Drive for their vision of expanding healthcare in Uptown and on Chicago's north side. The lakefront property in question is currently zoned for hospital and related uses only and not for residential use. Although CBRE presented residential use of the property in their prospectus, no public discussion of such a dramatic change in permitted use from hospital to residential has occurred. In this sense the prospectus seems both premature and ominous.

The closure of Weiss hospital would pose a significant public health problem. Weiss serves a significant volume of patients whose healthcare is supported by Medicare and Medicaid, rather than patients carrying commercial insurance. The Uptown neighborhood encompasses the second highest poverty census tract on Chicago's north side and is a Department of Mental Health catchment area. To further stress the value of Weiss to the community, nearby hospital St. Francis in Evanston has recently been forced to close their obstetrics unit. This makes Weiss the next nearest hospital with an obstetrics unit to neighbors in Chicago's north side communities of Rogers Park, Ravenswood, North Center, and Edgewater neighborhoods. Keeping Weiss open is not only in the best economic interest of our neighborhood but is a matter of social justice and equitable access to healthcare.

As the meeting on December 10 approaches, time is running out. If we do not receive answers as to the identities of WeissPropCo and WeissOpCo by the November 19 community meeting and a sound, written and binding commitment by Pipeline that the hospital will remain open, we will request a formal hearing via the Governor's office. We are an active, impassioned community group and will do everything in our power as citizens to ensure the continued success of our community hospital.

Marianne Lalonde

President, Lakeside Area Neighbors Association

cc: Governor J.B. Pritzker

Mariane Blooke

State Representative, Sara Feigenholtz State Representative, Greg Harris Alderman James Cappleman

President, Chicago Board of Health, Dr. Carolyn Lopez