

United States Senate

WASHINGTON, DC 20510

May 20, 2025

Dr. Prem Reddy, M.D.
Chief Executive Officer
Prime Healthcare
3480 East Guasti Road
Ontario, CA 91761

Dear Dr. Reddy:

We write to express our concern regarding recent decisions that may limit access to essential health care services for patients across Illinois. Earlier this year, your for-profit health system, Prime Healthcare, acquired several former Ascension hospitals in Illinois. These hospitals provide health care to beneficiaries of federal health programs, with several Prime Healthcare hospitals serving a population in which more than two-thirds of inpatients have Medicare or Medicaid health coverage.

In March 2025, Prime Healthcare completed the acquisition of Ascension Holy Family (Des Plaines), Ascension Mercy (Aurora), Ascension Resurrection (Chicago), Ascension Saint Francis (Evanston), Ascension Saint Joseph (Joliet), Ascension Saint Joseph (Elgin), Ascension Saint Mary (Kankakee), and Ascension Saint Mary and Saint Elizabeth (Chicago). As part of Prime's approval by the Illinois Health Facilities & Review Board for the change in ownership, Prime committed to, among other provisions, "not make any material reductions to, or material changes in, the mix or level of services offered at any Hospital ... to meet community needs." Prime further stated, "No changes to the scope of services or the levels of care provided at the facility are currently anticipated to occur within 24 months." Unfortunately, the decisions that have followed since have led to the discontinuation of several critical health care services.

We are particularly concerned about the suspension of pediatric services at St. John's Medical Center in Joliet, the withdrawal of the Level II trauma designation at Mercy Medical Center in Aurora, and the recent termination of comprehensive obstetric and maternal care services at St. Mary's in Kankakee. We sincerely urge your health system to immediately reconsider these decisions, as the consequences of these reductions hold the potential to strip patients of critical and specialized care, impose additional barriers to accessing care, and exacerbate the existing health care needs in the communities these hospitals serve.

Hospitals often measure their success by the patients they save and the ability to improve health in their surrounding neighborhoods. However, as the grip of for-profit hospital systems tightens across our nation's health care networks, profitability has risen as a primary indicator of success for hospital owners. When operations are centered around a hospital's ability to generate as much profit as possible, it often comes at the expense of patients, staff, and the quality and safety of care. As a result, hospital staffing levels diminish and costs for services increase, adding to the existing strain on hospitals to provide high standards of care. Indeed, Prime Healthcare already has been the subject of several federal enforcement actions, including

separate settlements in 2018 and 2021 totaling \$100 million to resolve alleged *False Claims Act* violations for Medicare kickbacks and up-coding.

Prime Healthcare has only operated these eight Illinois hospitals for two months, and there are already profound concerns about patients losing access to care. Given the impact these decisions will have on Illinois patients, hospitals, and the health care workforce, we request answers to the following questions by June 10, 2025:

1. What considerations were taken prior to eliminating pediatric services at St. John's Medical Center, as well as shrinking obstetric and maternal care services at St. Mary's?
 - a. For each hospital's service line referenced above, what was the average daily census or patient count each week over the past year?
 - b. How far back does the data, pertaining to average daily census or patient counts each week, that Prime has access to go?
 - c. Prior to deciding to eliminate pediatric services, did Prime formally engage with neighboring hospitals or the Illinois Health Facilities & Services Review Board about the adequacy of nearby capacity to serve these patient's needs? If so, please describe and share such documentation with the feedback provided by each entity.
2. How does Prime Healthcare plan to compensate for the loss of these essential health services and ensure that these communities continue to have access to specialized treatment and maternal care?
3. Following the revocation of Mercy Medical Center's Level II trauma designation, how will the hospital's emergency readiness be impacted? How will the hospital address the need for trauma care within the community?
 - a. What projections does Prime have for the impact on ambulance service times for patients now being diverted from Mercy to another hospital? Have there been any efforts to engage with the Illinois Department of Public Health regarding the potential reversal of this revocation? If so, please describe in detail.
4. You previously made a commitment not to change "the scope of services or the levels of care...within 24 months." What circumstances have shifted since the acquisition to justify a different course of action?
5. How many health care providers and personnel have been or will be terminated as a result of these closures? How will this impact patient wait times and their ability to continue their plan of care with a provider?
6. How much does Prime Healthcare anticipate saving financially as a result of these recent closures?

7. Does Prime Healthcare have future plans to shut down or reduce additional health facilities or services in Illinois? If so, please describe in detail.

Thank you for your attention to this important matter. We look forward to your prompt reply.

Sincerely,



Richard J. Durbin
United States Senator



Tammy Duckworth
United States Senator