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## **FOR IMMEDIATE RELEASE**

### **Rockford Health System signs Letter of Intent to join OSF Healthcare System**

(May 14, 2010) A non-binding Letter of Intent has been signed that could result in Rockford Health System joining the OSF Healthcare System. Over the next several months, the two organizations will complete due diligence and decide if OSF Healthcare System will acquire Rockford Health System. The move could result in Rockford's two oldest hospitals, Rockford Memorial Hospital and OSF Saint Anthony Medical Center, becoming OSF Healthcare System's Northern Illinois and Southern Wisconsin Region. A decision on whether to move forward with the acquisition is expected this fall.

"We believe that by combining the talents, technology and facilities of our two exceptional health care delivery systems, we would be positioning Rockford as a regional destination for outstanding medical care and ultimately boost the local economy," says Gary Kaatz, President and CEO of Rockford Health System. "Our goal is to determine if working together will bring significant benefits to our patients, our organizations, and our community."

"By joining together, we could create centers of excellence in many clinical areas that would be among the best in the Northern Illinois and Southern Wisconsin Region," says Dave Schertz, President and CEO of OSF Saint Anthony Medical Center. "That would help us recruit the most highly-skilled physicians across all specialties, broaden the continuum of services and improve patient access to the highest level of care."

Economies of scale would also promote efficiencies and reduce costs at a time when health care reform and the economy are pressuring health care bottom lines across the country. "This is about providing our region with the highest quality, yet most cost effective, efficient health care," adds Kaatz. "We believe it would be very positive for local employers, as well."

Proposed in the Letter of Intent is a new model for OSF Healthcare System, which currently consists of seven acute care facilities across the states of Illinois and Michigan, as well as a long-term care facility and two colleges of nursing. A local community board of directors would be responsible for overseeing the day-to-day, Rockford-based operations of the new Northern Illinois and Southern Wisconsin Region. The board would also be responsible for recruiting, credentialing and privileging the medical staff.

The combined system, owned by The Sisters of the Third Order of St. Francis, would continue to operate both licensed hospitals consistent with the teachings of the Catholic Church. The acquisition would include Rockford Health System entities, including Rockford Memorial Hospital, Rockford Health Physicians and Visiting Nurses Association. Only the Rockford Memorial Development Foundation would remain independent and support health care initiatives throughout northern Illinois. During this due diligence process, daily operations will remain as normal at all OSF and RHS facilities. If a definitive agreement is reached and the transaction is completed, the combined organizations will then move forward, under the guidance of the local governing board, to develop a health care model that best suits the needs of the region.

“Over the next several months, the process will involve satisfying state and federal regulations, as well as a thorough analysis of both organizations,” says Schertz. “We need to learn more about each other in order to decide if this acquisition is in the best interest of those we serve.”

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# Fact Sheet

## About Rockford Health System

([www.rockfordhealthsystem.org](http://www.rockfordhealthsystem.org))

Rockford Health System has a very simple mission. It is “superior care, every day, for all our patients.” As one of Rockford’s largest employers, Rockford Health System has over 3500 employees, physicians and volunteers working to ensure that our patients and families receive Respectful Care.

**Rockford Memorial Hospital**, the community’s first hospital, opened its doors in 1885. Over the years, the organization built its reputation on its quality doctors, leading-edge technology, comprehensive services, and outstanding facilities. Today, Rockford Memorial Hospital is a 396-licensed-bed health care facility. As the region’s leader when care is most critical, our programs include The Children’s Medical Center with the area’s only Pediatric Intensive Care Unit and Level III Neonatal Intensive Care Unit, The Heart and Vascular Center, the Brain and Spine Center, and our Level I Emergency/Trauma Services Department. In 2009, Rockford Memorial had over 15,000 discharges and over 50,000 emergency department visits. Rockford Memorial Hospital was identified as a recipient of the 2007-2009 HealthGrades Patient Safety Excellence Awards™. The top five percent of all hospitals in the U.S. were recognized with this award in a report by the leading independent healthcare ratings organization.

**Rockford Health Physicians** has the largest primary care and specialty physician network in the region, with over 140 physicians. In 2009, the medical group had well over 660,000 patient encounters. Respectful Care at RHPH includes advanced access for same day appointments.

**Visiting Nurses Association of Rockford (VNA)**, a part of Rockford Health System, is the largest non-profit home health care agency in northern Illinois. Headquartered at 4223 E. State Street in Rockford, VNA offers services for home care, hospice and home medical equipment and for individuals of all ages from newborn care to care for the chronically ill, disabled or elderly. Joint Commission accredited, VNA had over 83,000 patient encounters in 2009.

**Van Matre HealthSouth Rehabilitation Hospital (VMHS)**, located at 950 S. Mulford Road in Rockford, is the only rehabilitation hospital in northern Illinois outside of the Chicago area. Van Matre offers both inpatient rehabilitation and outpatient therapy. Van Matre has been nationally-recognized for quality outcomes and patient satisfaction. It is ranked among the best of all HealthSouth rehabilitation hospitals in the country. Specialties include rehabilitation of stroke and other neurological disorders, brain and spinal cord injuries, amputations, orthopedic, cardiac and pulmonary conditions. VMHS is accredited by the Joint Commission on Accreditation of Healthcare Organizations. The comprehensive inpatient rehabilitation program and inpatient brain injury rehabilitation program are also accredited by the Council on Accreditation of Rehabilitation Facilities.

**The Rockford Memorial Development Foundation** is the fundraising arm of Rockford Health System. The Foundation is a 501(c)(3) charity and gifts to the Foundation are tax deductible to the extent of the law. Gifts to the Foundation support virtually every area of care at Rockford Health System including the “tiny miracle” patients in our renowned Neonatal Intensive Care Unit, our oncology patients fighting cancer, trauma patients brought to us after an accident or injury, children of all ages being treated in pediatrics or pediatric intensive care, or fragile elderly patients who receive care in their homes thanks to our Visiting Nurses Association.... and many more.

## **Fact Sheet**

### **About OSF Saint Anthony Medical Center**

**([www.osfsaintanthony.org](http://www.osfsaintanthony.org))**

OSF Saint Anthony is a 254-bed tertiary care facility on a 100-acre campus in Rockford, Illinois. Patients from a 10-county area come to us for services including the Level I Trauma Center, Regional Heart Institute, Illinois Neurosciences Institute, Center for Cancer Care, the OSF Diabetes Center, Center for Sports Medicine and Health Fitness and leading edge orthopedic services.

OSF Saint Anthony Medical Center is a member of OSF HealthCare, an affiliate corporation of The Sisters of the Third Order of St. Francis. From 2002 to 2005, consumers in Winnebago, Boone and Ogle counties selected OSF Saint Anthony as their preferred hospital in a survey conducted by National Research Corporation.

OSF Saint Anthony currently has more than 2,000 employees, more than 200 active and associate medical staff and more than 200 physicians with courtesy admitting privileges. Everyone who is part of the OSF Saint Anthony family is dedicated to provide healthcare with love, compassion and respect. Those who work at OSF Saint Anthony are the best people in healthcare in the region because of their commitment to serving those in need.

In December 2004, OSF Saint Anthony became the first medical center in Rockford and the 90th in the nation to achieve accreditation as a Chest Pain Center. This elite, three-year accreditation, given by the Society of Chest Pain Centers, is earned by medical centers with emergency departments that are able to provide a full-spectrum of emergency cardiac care, rapid diagnosis and fast track treatment.

In May 2005, OSF Saint Anthony became the first medical center in Rockford to earn the prestigious Magnet designation and was re-designated in December 2009. The highest recognition for nursing excellence available in the United States, Magnet designation is awarded by the American Nurses Credentialing Center (ANCC), a subsidiary of the American Nurses Association. Of more than 6,400 hospitals in the United States, fewer than 150 elite medical centers have earned Magnet status.

# Fact Sheet

## About OSF HealthCare

([www.osfhealthcare.org](http://www.osfhealthcare.org))

"In the spirit of Christ and the example of Francis of Assisi, the Mission of OSF HealthCare is to serve persons with the greatest care and love in a community that celebrates the gift of life." We carry out our Mission by providing state-of-the-art, compassionate care to more than 1.5 million people in the communities we serve. OSF HealthCare is a multi-state corporation operating facilities in Illinois and Michigan. Through our affiliated companies, we are nationally recognized as a leading integrated healthcare network of facilities. In 2010 OSF HealthCare was ranked 16<sup>th</sup> among nearly 600 Integrated Health Care Networks in the U.S. by SDI Health. Our parent company, The Sisters of the Third Order of St. Francis, is a not-for-profit corporation reinvesting our resources into the communities we serve since 1877.

**OSF HealthCare**, owned and operated by The Sisters of the Third Order of St. Francis, Peoria, Illinois, includes OSF Healthcare System consisting of seven acute care facilities, in particular OSF Saint Anthony Medical Center in Rockford, one long-term care facility and two colleges of nursing including the Saint Antony College of Nursing. It also has a physician organization, OSF Medical Group. To align more closely our care delivery system with physicians we developed clinical service lines in cardiac services, neurosciences and pediatrics. We employ 641 physicians and mid-level providers operating in eight LLC corporations and in more than 50 office sites. OSF HealthCare owns an extensive network of home health services known as OSF Home Care Services and also owns OSF Saint Francis, Inc., comprised of healthcare-related businesses, and OSF Healthcare Foundation, the philanthropic arm for OSF Healthcare System and OSF Home Care Services.

### **OSF Acute Care Hospitals**

OSF St. Francis Hospital & Medical Group, Escanaba, MI 110 beds

OSF Saint Anthony Medical Center, Rockford, IL 254 beds

OSF Saint James – John W. Albrecht Medical Center, Pontiac, IL 47 beds

OSF St. Joseph Medical Center, Bloomington, IL 154 beds

OSF Saint Francis Medical Center and Children's Hospital of Illinois, Peoria, IL 616 beds

OSF St. Mary Medical Center, Galesburg, IL 99 beds

OSF Holy Family Medical Center, Monmouth, IL 25 beds

**OSF Medical Group** consists of nearly 500 physicians and more than 150 mid-level providers employed by OSF HealthCare in office locations throughout Illinois and Michigan. These providers bring together different medical disciplines to create an integrated system of patient-centered care. In 2009, OSF Medical Group recorded more than 650,000 patient visits.

**OSF Saint Francis, Inc.** is comprised of healthcare-related businesses providing valuable products and services to areas served by OSF HealthCare and others.

**OSF Home Care Services**, in conjunction with patients and their families, provides services that promote the optimal level of independence while maintaining quality of life. All services are provided in accordance with the Philosophy and Values of The Sisters of the Third Order of St. Francis and OSF Home Care. Home care services are provided to patients with a physician's order (not all services, e.g. homemaker, require orders). OSF Home Care Services includes hospice, home health, home medical equipment, home infusion pharmacy, physician house calls, private home care, a personal response system and a diabetes supply program.

**OSF Healthcare Foundation** works to provide resources for community outreach and facility programs - a catalyst uniting volunteers, donors, institutions, and community needs throughout our System and beyond.