

Bob Sehring – CEO, OSF HealthCare

Why the merger with Little Company of Mary Hospital?

We began talking with Little Company of Mary probably around six months ago and it was around the ability to continue Catholic health care in the Evergreen Park community and the surrounding communities. That really was the start of the conversation. But then after that it was all about the cultural fit, it really was two organizations through a lot of conversations - leadership conversations, conversations of the Sisters for both organizations - and really coming to the belief and the understanding that there was such synergy between those two cultures that it was the right fit.

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This is an expansion of OSF HealthCare's presence in the Chicago area

We're a large system but really had little hospital presence in Chicago. But we've had a long presence in Chicago through Innovation, through areas such MATTER, our relationship with the University of Illinois in Chicago, through AVIA, through other opportunities to be up there in Chicago, and so we work closely with all of those and other systems up there. So while we may be at downstate hospital system or thought of in that way, we've really been in Chicago for a number of years in and around the Innovation space. :34

This merger fits well within OSF's growth strategy

When I think of OSF and what we look at as the drivers for the organization, it is around three things: Perform, Grow and Innovate. And, frankly, working with Little Company of Mary satisfies all of those. We believe we can have opportunities to help them in the areas of perform and to introduce them into other opportunities, whether that's in supply chain or other aspects of care delivery. It certainly helps in our continued opportunities for growth. And as we always look at it, it's just not growth for growth sake, as we look at it, it's contiguous growth, so the opportunity is to expand. And then the last, and really in this case may be the most important, is connecting all of the pieces in and around Innovation, being able to work with someone like Little Company of Mary, to be able to continue to expand our relationship with other partners up in the Chicago area, we think really benefits all three of those initiatives. :56

OSF HealthCare's work in rural health care translates well to an urban setting

The issues are much the same – access - access to health care, transportation – can folks get to where they need to be. And so all of those are the same challenges that we see up there in terms of the social determinants of health. Now, the solutions will be different and that's fine, but the challenges are the same. So we think it'll be a great extension of a lot of the work that we've already been doing in that area of access to health care and transportation, food, dietary, and exercise. All of those things can really help address those social determinants of health. :34

OSF HealthCare has developed a certain level of expertise when it comes to mergers and acquisitions

I think back when I joined OSF we were five hospitals. Now we're soon to be, hopefully, 14. So we have had a great deal of experience bringing those on. We have made some errors along the way and we've found better ways to continue to integrate and so much of it is around the culture, it is around the employees - soon to be Mission Partners - how do we engage them. And so we do believe we have a great deal of experience, if not expertise, in actually bringing on facilities to OSF whether that's in the technology side, the electronic medical record or other technology, whether that's on the cultural and people-fit side, and it's also any areas of improvement - what we can offer to improve. But the last thing I would say in and around bringing on new facilities, there are often times we learn as much from that facility because *they* have best practices, they have best practices within their organization, and so it's a wonderful opportunity to learn what things that they do really, really well. How do we learn from that and how do we spread that across all of our other facilities. 1:06

How Little Company of Mary will benefit from our some processes already in place at OSF HealthCare

As we look at Little Company of Mary they are in Illinois and they are certainly close to OSF, but not contiguous, not right next-door, but that doesn't mean that we can't in many ways help support them. So I think of things such as PointCore. PointCore does some wonderful work in various areas including IT and PointCore is already working with Little Company of Mary in helping with the installation of their electronic medical record. But I also think of supply chain, I think of distribution and our new distribution center and being able to, again, connect Little Company of Mary because of the proximity to that central distribution center and being able to have them take advantage of better pricing, on-time deliveries, insuring that we don't have shortages and things such as that. So that proximity of Little Company of Mary really lends itself to work so well with all of the services that we've been building over the years to support our existing facilities. :58