



For Immediate Release
February 15, 2005

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**FIVE LEADING HOSPITAL ASSOCIATIONS BACK
PROPERTY TAX-EXEMPTION FOR ILLINOIS HOSPITAL**

File amici brief in support of Provena Covenant Medical Center

Naperville, Ill. – Five leading hospital associations – representing some 5,000 hospital and health facility members in Illinois and across the country – and a leading Catholic organization are supporting Provena Covenant Medical Center of Urbana in its effort to regain its property tax exemption. The Illinois Hospital Association, Illinois Catholic Health Association, Metropolitan Chicago Healthcare Council, American Hospital Association, Catholic Health Association, and the Catholic Conference of Illinois have filed an *amici* brief urging the Illinois Department of Revenue to grant the exemption to Provena.

Provena Covenant Medical Center is currently appealing the department’s February 2004 denial of its tax-exemption request before an administrative law judge in the department’s administrative hearing division in Springfield.

“The denial of Provena’s tax exemption would be a major tax increase which will ultimately be borne by Illinois patients and businesses who are already alarmed by the growing cost of health care,” said Kenneth C. Robbins, president of the Illinois Hospital Association, which represents 200 hospitals. “These hospitals and their patients are already burdened by the fact that government is a poor payer for the health care it is directly responsible for (Medicaid pays only 80% of the actual cost of care). To add taxes to the financial struggle of hospitals to serve and survive is unthinkable.”

“Hospitals in Illinois treat patients 24 hours a day, 7 days a week, providing services to thousands of people who do not have the financial means to pay for the treatment they need,” said Robbins. “The exemption from property taxes is society’s way of investing in the health and well being of people and communities served by hospitals across Illinois. Denying Provena its tax exemption is fraught with potential disaster for many communities if hospitals are forced to shoulder huge tax bills.”

In the brief, the six organizations note that for nearly 100 years, the Illinois Supreme Court has found that non-profit hospitals are charitable organizations that qualify for property tax exemption:

“Illinois has recognized the partnership that exists between the government and non-profit hospitals to provide health care to their communities. Without non-profit hospitals, the burden on government to provide for the health of the people would be much greater.”

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The brief also warns that the outcome of this case will have a dramatic effect on the ability of hospitals throughout Illinois and the nation to serve their communities:

“Denying Provena Covenant its property tax exemption will throw into question the exempt status of nearly every Illinois hospital. The resulting financial drain on hospitals will seriously jeopardize access to quality health services for every Illinois resident. Moreover, the rationale applied in this case will likely influence the views of local and state taxing authorities throughout the nation.”

In 2002, Illinois hospitals provided more than \$1.2 billion in care for which they were not paid (based on the cost of the care provided) to treat the growing numbers of uninsured and underinsured.

A copy of the *amici* brief in “The Department of Revenue of the State of Illinois v. Provena Covenant Medical Center,” Docket # 04-PT-0014, can be viewed on IHA’s web site ([click here](#)).

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