

ORIGINAL

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD APPLICATION FOR PERMIT

RECEIVED

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

AUG 04 2010

This Section must be completed for all projects.

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Facility/Project Identification

Facility Name:	Crossroads Community Hospital		
Street Address:	8 Doctors Park Road		
City and Zip Code:	Mt. Vernon, IL 62864		
County:	Jefferson	Health Service Area	V
		Health Planning Area:	F-04

Applicant /Co-Applicant Identification

[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name:	National Healthcare of Mt. Vernon, Inc. d/b/a Crossroads Community Hospital		
Address:	4000 Meridian Blvd. Franklin, TN 37067		
Name of Registered Agent:			
Name of Chief Executive Officer:	Wayne Smith		
CEO Address:	4000 Meridian Blvd. Franklin, TN 37067		
Telephone Number:	615/465-7000		

Type of Ownership of Applicant/Co-Applicant

<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership
<input checked="" type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship
	<input type="checkbox"/> Other

- o Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact

[Person to receive all correspondence or inquiries during the review period]

Name:	Anne M. Murphy
Title:	Partner
Company Name:	Holland + Knight
Address:	131 S. Dearborn Street Chicago, IL 60603
Telephone Number:	312/578-6544
E-mail Address:	Anne.Murphy@hkllaw.com
Fax Number:	312/578-6666

Additional Contact

[Person who is also authorized to discuss the application for permit]

Name:	none
Title:	
Company Name:	
Address:	
Telephone Number:	
E-mail Address:	
Fax Number:	

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT**

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name:	Crossroads Community Hospital		
Street Address:	8 Doctors Park Road		
City and Zip Code:	Mt. Vernon, IL 62864		
County:	Jefferson	Health Service Area	V Health Planning Area: F-04

Applicant /Co-Applicant Identification

[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name:	Community Health Systems, Inc.
Address:	4000 Meridian Blvd. Franklin, TN 37067
Name of Registered Agent:	
Name of Chief Executive Officer:	Wayne Smith
CEO Address:	4000 Meridian Blvd. Franklin, TN 37067
Telephone Number:	615/465-7000

Type of Ownership of Applicant/Co-Applicant

<input type="checkbox"/>	Non-profit Corporation	<input type="checkbox"/>	Partnership	
<input checked="" type="checkbox"/>	For-profit Corporation	<input type="checkbox"/>	Governmental	
	Limited Liability Company	<input type="checkbox"/>	Sole Proprietorship	<input type="checkbox"/> Other

o Corporations and limited liability companies must provide an **Illinois certificate of good standing**.

o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact

[Person to receive all correspondence or inquiries during the review period]

Name:	Anne M. Murphy
Title:	Partner
Company Name:	Holland + Knight
Address:	131 S. Dearborn Street Chicago, IL 60603
Telephone Number:	312/578-6544
E-mail Address:	Anne.Murphy@hklaw.com
Fax Number:	312/578-6666

Additional Contact

[Person who is also authorized to discuss the application for permit]

Name:	none
Title:	
Company Name:	
Address:	
Telephone Number:	
E-mail Address:	
Fax Number:	

Post Permit Contact

[Person to receive all correspondence subsequent to permit issuance-THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960

Name:	Ed Cunningham
Title:	CEO
Company Name:	Crossroads Community Hospital
Address:	8 Doctors Park Road Mt Vernon, IL 62864
Telephone Number:	618/241-8560
E-mail Address:	ed_cunningham@chs.net
Fax Number:	

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	National Healthcare of Mt. Vernon, Inc. d/b/a Crossroads Community Hospital
Address of Site Owner:	4000 Meridian Blvd Franklin, TN 37067
Street Address or Legal Description of Site:	8 Doctors Park Road Mt Vernon, IL 62864
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.	
APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Operating Identity/Licensee

[Provide this information for each applicable facility, and insert after this page.]

Exact Legal Name:	National Healthcare of Mt. Vernon, Inc
Address:	4000 Meridian Blvd Franklin, TN 37067
<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership
<input checked="" type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other
<ul style="list-style-type: none"> o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership. 	
APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Organizational Relationships

Provide (for each co-applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

APPEND DOCUMENTATION AS ATTACHMENT-4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.
--

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2005-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov or www.illinoisfloodmaps.org. **This map must be in a readable format.** In addition please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2005-5 (<http://www.hfsrb.illinois.gov>).

APPEND DOCUMENTATION AS **ATTACHMENT -5**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

APPEND DOCUMENTATION AS **ATTACHMENT-6**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

DESCRIPTION OF PROJECT

1. Project Classification

[Check those applicable - refer to Part 1110.40 and Part 1120.20(b)]

Part 1110 Classification:

- Substantive
 Non-substantive

Part 1120 Applicability or Classification:
[Check one only.]

- Part 1120 Not Applicable
 Category A Project
 Category B Project
 DHS or DVA Project

2. Narrative Description

Provide in the space below, a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does **NOT** have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

The co-applicants propose a modernization program for Crossroads Community Hospital, which will address a number of clinical and non-clinical areas. The single IDPH-designated category of service included in the project is medical/surgical beds, and the size of that service will be reduced from 50 to 40 beds, all of which will be provided in newly-constructed private rooms.

The imaging, respiratory therapy, laboratory, surgery/recovery, critical decisions unit and administrative functions, as well as public areas will be located on the first floor. The second and third floors will house the medical/surgical patient rooms.

The project is classified as being "substantive" because it does not meet the definition of a "non-substantive" project.

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	\$100,000	\$25,000	\$125,000
Site Survey and Soil Investigation	20,000	5,000	25,000
Site Preparation	400,000	50,000	450,000
Off Site Work			
New Construction Contracts	10,993,958	2,593,940	13,587,898
Modernization Contracts	1,983,438	1,638,778	3,622,216
Contingencies	1,250,000	430,000	1,680,000
Architectural/Engineering Fees	1,190,000	400,000	1,590,000
Consulting and Other Fees	225,000	25,000	250,000
Movable or Other Equipment (not in construction contracts)	1,400,000	300,000	1,700,000
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$17,562,396	\$5,467,718	\$23,030,114
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$17,562,396	\$5,467,718	\$23,030,114
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$17,562,396	\$5,467,718	\$23,030,114
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Related Project Costs

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Purchase Price:	\$ _____	
Fair Market Value:	\$ _____	
The project involves the establishment of a new facility or a new category of service		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If yes, provide the dollar amount of all non-capitalized operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.		
Estimated start-up costs and operating deficit cost is \$ _____.		

Project Status and Completion Schedules

Indicate the stage of the project's architectural drawings:
<input type="checkbox"/> None or not applicable <input checked="" type="checkbox"/> Preliminary
<input type="checkbox"/> Schematics <input type="checkbox"/> Final Working
Anticipated project completion date (refer to Part 1130.140): <u>February, 2013</u>
Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):
<input type="checkbox"/> Purchase orders, leases or contracts pertaining to the project have been executed.
<input type="checkbox"/> Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies
<input checked="" type="checkbox"/> Project obligation will occur after permit issuance.
APPEND DOCUMENTATION AS <u>ATTACHMENT-8</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals

Are the following submittals up to date as applicable:
<input checked="" type="checkbox"/> Cancer Registry
<input checked="" type="checkbox"/> APORS
<input checked="" type="checkbox"/> All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
<input checked="" type="checkbox"/> All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Facility Bed Capacity and Utilization

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert following this page. Provide the existing bed capacity and utilization data for the latest Calendar Year for which the data are available. Include observation days in the patient day totals for each bed service. Any bed capacity discrepancy from the inventory will result in the application being deemed incomplete.

FACILITY NAME: Crossroads Community Hospital		CITY: Mt. Vernon			
REPORTING PERIOD DATES: From: January 1, 2009 to: December 31, 2009					
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical	50	1,684	5,415	-10	40
Obstetrics					
Pediatrics					
Intensive Care	7	75	120	none	7
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness					
Neonatal Intensive Care					
General Long Term Care					
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify) Swing		7	29		
TOTALS:	57	1,766	5,564	-10	47

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manger or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of National Healthcare of Mt. Vernon, Inc. * in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.

Rachel A. Seifert

SIGNATURE

Rachel A. Seifert

PRINTED NAME

Executive V.P. & Secretary

PRINTED TITLE

Martin G. Schweinhart

SIGNATURE

Martin G. Schweinhart

PRINTED NAME

President

PRINTED TITLE

Notarization:

Subscribed and sworn to before me this 30th day of July, 2010

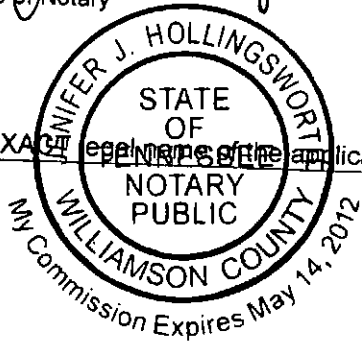
Notarization:

Subscribed and sworn to before me this 30th day of July, 2010

Jennifer Hollingsworth

Signature of Notary

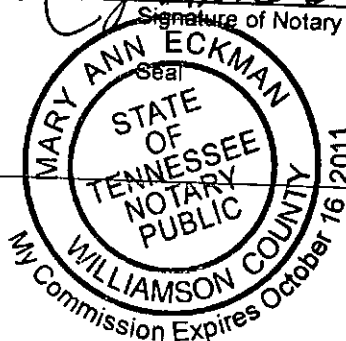
Seal



Mary Ann Eckman

Signature of Notary

Seal



*Insert EXACT legal name of the applicant

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manger or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of Community Health Systems, Inc. * in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.

Rachel A. Seifert

SIGNATURE

Rachel A. Seifert

PRINTED NAME

Executive V.P. & Secretary

PRINTED TITLE

Martin G. Schweinhart

SIGNATURE

Martin G. Schweinhart

PRINTED NAME

SVP, Operations

PRINTED TITLE

Notarization:

Subscribed and sworn to before me this 30th day of July, 2010

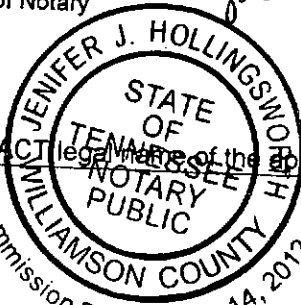
Notarization:

Subscribed and sworn to before me this 30th day of July, 2010

Jennifer Hollingsworth

Signature of Notary

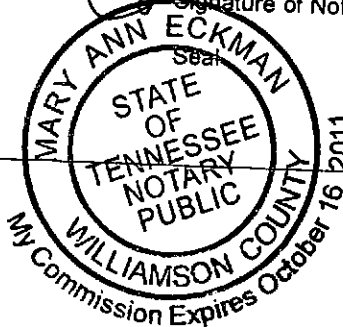
Seal



Mary Ann Eckman

Signature of Notary

Seal



*Insert EXACT legal name of the applicant

SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

Criterion 1110.230 – Background, Purpose of the Project, and Alternatives

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
4. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest the information has been previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT-11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

PURPOSE OF PROJECT

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project. [See 1110.230(b) for examples of documentation.]
4. Cite the sources of the information provided as documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals as appropriate.

For projects involving modernization, describe the conditions being upgraded if any. For facility projects, include statements of age and condition and regulatory citations if any. For equipment being replaced, include repair and maintenance records.

NOTE: Information regarding the "Purpose of the Project" will be included in the State Agency Report.

APPEND DOCUMENTATION AS ATTACHMENT-12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

ALTERNATIVES

- 1) Identify **ALL** of the alternatives to the proposed project:

Alternative options **must** include:

- A) Proposing a project of greater or lesser scope and cost;
 - B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;
 - C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
 - D) Provide the reasons why the chosen alternative was selected.
- 2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short term (within one to three years after project completion) and long term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
- 3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

APPEND DOCUMENTATION AS ATTACHMENT-13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV - PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

Criterion 1110.234 - Project Scope, Utilization, and Unfinished/Shell Space

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. This must be a narrative.
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:
 - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies;
 - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that results in a size exceeding the standards of Appendix B;
 - c. The project involves the conversion of existing space that results in excess square footage.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?

APPEND DOCUMENTATION AS ATTACHMENT-14, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. A narrative of the rationale that supports the projections must be provided.

A table must be provided in the following format with Attachment 15.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
YEAR 1					
YEAR 2					

APPEND DOCUMENTATION AS ATTACHMENT-15, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

UNFINISHED OR SHELL SPACE:

Provide the following information:

1. Total gross square footage of the proposed shell space;
2. The anticipated use of the shell space, specifying the proposed GSF to be allocated to each department, area or function;
3. Evidence that the shell space is being constructed due to
 - a. Requirements of governmental or certification agencies; or
 - b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.
4. Provide:
 - a. Historical utilization for the area for the latest five-year period for which data are available; and
 - b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT-16, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

ASSURANCES:

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.
2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and
3. The anticipated date when the shell space will be completed and placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT-17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VII - SERVICE SPECIFIC REVIEW CRITERIA

This Section is applicable to all projects proposing establishment, expansion or modernization of categories of service that are subject to CON review, as provided in the Illinois Health Facilities Planning Act [20 ILCS 3960]. It is comprised of information requirements for each category of service, as well as charts for each service, indicating the review criteria that must be addressed for each action (establishment, expansion and modernization). After identifying the applicable review criteria for each category of service involved, read the criteria and provide the required information, AS APPLICABLE TO THE CRITERIA THAT MUST BE ADDRESSED:

A. Criterion 1110.530 - Medical/Surgical, Obstetric, Pediatric and Intensive Care

1. Applicants proposing to establish, expand and/or modernize Medical/Surgical, Obstetric, Pediatric and/or Intensive Care categories of service must submit the following information:
2. Indicate bed capacity changes by Service: Indicate # of beds changed by action(s):

Category of Service	# Existing Beds	# Proposed Beds
<input checked="" type="checkbox"/> Medical/Surgical	50	40
<input type="checkbox"/> Obstetric		
<input type="checkbox"/> Pediatric		
<input type="checkbox"/> Intensive Care		

3. READ the applicable review criteria outlined below and **submit the required documentation for the criteria:**

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.530(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.530(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.530(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.530(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.530(b)(5) - Planning Area Need - Service Accessibility	X		
1110.530(c)(1) - Unnecessary Duplication of Services	X		
1110.530(c)(2) - Maldistribution	X	X	
1110.530(c)(3) - Impact of Project on Other Area Providers	X		
1110.530(d)(1) - Deteriorated Facilities			X
1110.530(d)(2) - Documentation			X

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.530(d)(3) - Documentation Related to Cited Problems			X
1110.530(d)(4) - Occupancy			X
110.530(e) - Staffing Availability	X	X	
1110.530(f) - Performance Requirements	X	X	X
1110.530(g) - Assurances	X	X	X

APPEND DOCUMENTATION AS ATTACHMENT-20, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

R. Criterion 1110.3030 - Clinical Service Areas Other than Categories of Service

1. Applicants proposing to establish, expand and/or modernize Clinical Service Areas Other than Categories of Service must submit the following information:
2. Indicate changes by Service: Indicate # of key room changes by action(s):

Service	# Existing Key Rooms	# Proposed Key Rooms
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		

3. READ the applicable review criteria outlined below and **submit the required documentation for the criteria:**

PROJECT TYPE	REQUIRED REVIEW CRITERIA	
New Services or Facility or Equipment	(b) -	Need Determination - Establishment
Service Modernization	(c)(1) -	Deteriorated Facilities
		and/or
	(c)(2) -	Necessary Expansion
		PLUS
	(c)(3)(A) -	Utilization - Major Medical Equipment
		Or
	(c)(3)(B) -	Utilization - Service or Facility
<p>APPEND DOCUMENTATION AS <u>ATTACHMENT-37</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</p>		

The following Sections **DO NOT** need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18 month period prior to the submittal of the application):

- Section 1120.120 Availability of Funds – Review Criteria
- Section 1120.130 Financial Viability – Review Criteria
- Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)

VIII. - 1120.120 - Availability of Funds

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable: **Indicate the dollar amount to be provided from the following sources:**

\$23,030,114	<p>a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:</p> <ol style="list-style-type: none"> 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
_____	<p>b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.</p>
_____	<p>c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;</p>
_____	<p>d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:</p> <ol style="list-style-type: none"> 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions.
_____	<p>e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;</p>
_____	<p>f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;</p>
_____	<p>g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.</p>
\$23,030,114	TOTAL FUNDS AVAILABLE

APPEND DOCUMENTATION AS ATTACHMENT-39, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

IX. 1120.130 - Financial Viability

All the applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

Financial Viability Waiver

The applicant is not required to submit financial viability ratios if:

1. All of the projects capital expenditures are completely funded through internal sources
2. The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent
3. The applicant provides a third party surety bond or performance bond letter of credit from an A rated guarantor.

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT-40, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Not applicable---funded through internal sources

The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion. When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

Provide Data for Projects Classified as:	Category A or Category B (last three years)			Category B (Projected)
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each.

2. Variance

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

APPEND DOCUMENTATION AS ATTACHMENT 41, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

X. 1120.140 - Economic Feasibility

This section is applicable to all projects subject to Part 1120.

A. Reasonableness of Financing Arrangements

Not applicable—no debt

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

- 1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
- 2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
 - A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
 - B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

Not applicable—no debt

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

- 1) That the selected form of debt financing for the project will be at the lowest net cost available;
- 2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
- 3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

1. Identify each department or area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE											
Department (list below)	A	B	C		D	E		F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)			
Contingency											
TOTALS											

* Include the percentage (%) of space for circulation

XI. Safety Net Impact Statement

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE AND DISCONTINUATION PROJECTS:

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.
3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 43.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	2009	2008	2007
Inpatient	50	25	58
Outpatient	142	91	155
Total	192	116	213
Charity (cost in dollars)			
Inpatient	113,027	101,155	61,314
Outpatient	34,587	19,762	30,639
Total	147,614	120,917	91,953
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient	260	208	192
Outpatient	7,277	6,131	5,831
Total	7,537	6,339	6,023
Medicaid (revenue)			
Inpatient	6,304,168	5,045,713	5,386,033
Outpatient	17,833,630	13,326,612	10,765,341
Total	24,137,798	18,372,325	16,151,374

APPEND DOCUMENTATION AS ATTACHMENT-43, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XII. Charity Care Information

Charity Care information **MUST** be furnished for **ALL** projects.

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.
3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer. (20 ILCS 3960/3) Charity Care **must** be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 44.

CHARITY CARE			
	2009	2008	2007
Net Patient Revenue	38,122,211	127,012,233	114,101,294
Amount of Charity Care (charges)	897,445	700,182	598,568
Cost of Charity Care	147,614	120,917	91,953

APPEND DOCUMENTATION AS ATTACHMENT-44, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

NATIONAL HEALTHCARE OF MT. VERNON, INC., INCORPORATED IN DELAWARE AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON JUNE 28, 1985, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 24TH day of MAY A.D. 2010



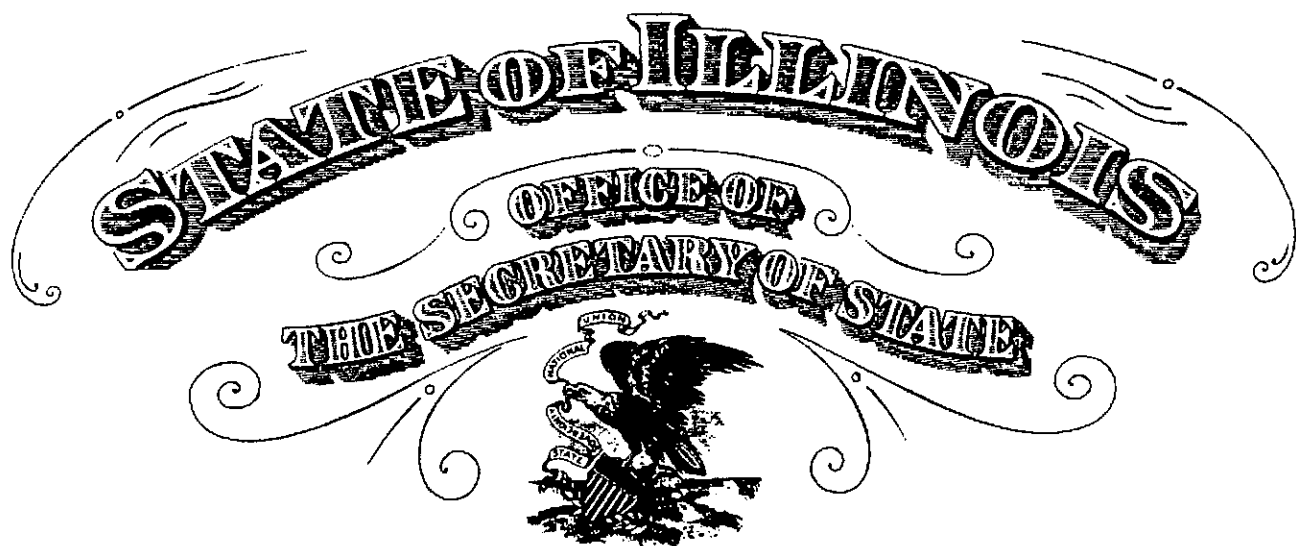
Jesse White

SECRETARY OF STATE

ATTACHMENT 1

Authentication #: 1014400314

Authenticate at: <http://www.cyberdriveillinois.com>



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

COMMUNITY HEALTH SYSTEMS, INC., INCORPORATED IN DELAWARE AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON MARCH 31, 2006, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 15TH day of MARCH A.D. 2010 .



Authentication #: 1007402156

Authenticate at: <http://www.cyberdriveillinois.com>

Jesse White

SECRETARY OF STATE

ATTACHMENT 1



**Tax Bill Transmittal
Statement 1**
September 23, 2009
Mark Hoban - Real Estate Agent

Crossroads Community Hospital
Attn: Brian Schneider
CFO
705 Poplar Avenue
Selmer, TN 38375

RECEIVED SEP 28 2009

Property Valuation Services
14400 Metcalf Avenue
Overland Park, KS 66223

Voice: 913.498.0790
Fax: 913.239.2419
Email:
mhoban@propertyvaluationservices.net

618.244.5500

Client: Community Health Systems Inc
Property: Crossroads Community Hospital (15977)
133
8 Doctors Park Road
Mount Vernon, IL 62864

Assessor: Jefferson County/Shiloh Twp Assessor
Len Date: January 1, 2008
Tax Year: 2008

INV 8024746

Jurisdiction	Tax Rate
Jefferson County/Shiloh Twp	7.509900
Total Tax Rate	7.509900

Jefferson County Treasurer PO Box 787 Mt. Vernon, IL 62864-0016			
	Due	Delinquent	Amount
Total Taxes	Oct/13/2009	Oct/14/2009	47,152.28
Installment 1	Oct/13/2009	Oct/14/2009	23,576.14
Installment 2	Nov/13/2009	Nov/14/2009	23,576.14

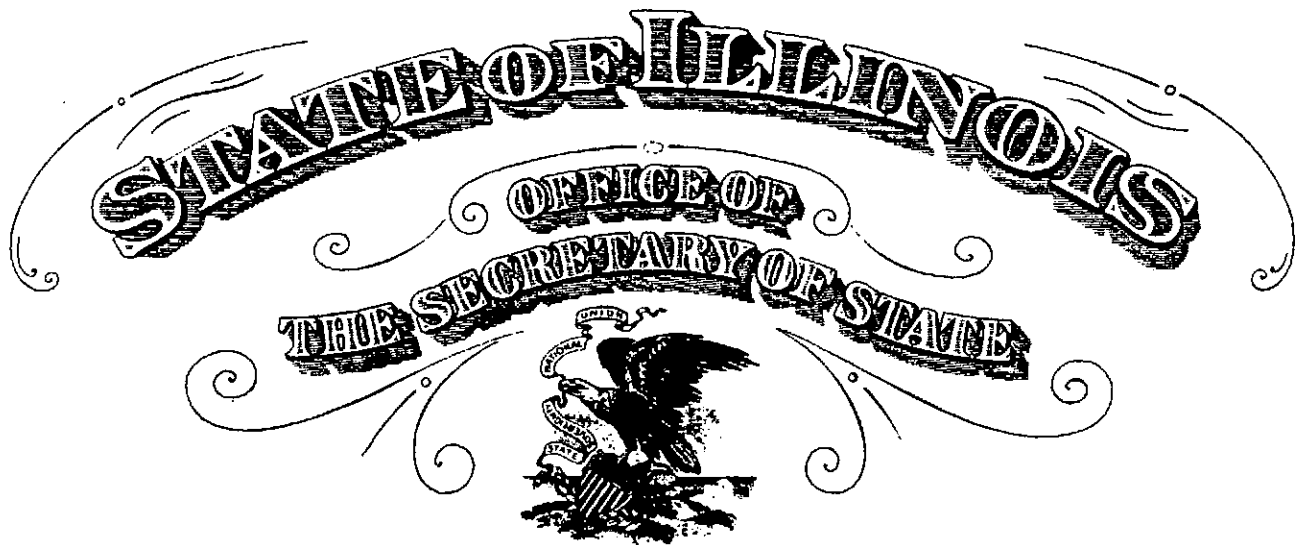
The above tax rate may incorporate various credits and/or non ad valorem fees or charges and, therefore, may differ from the tax rate stated on the attached tax bill. Additional tax statements for installments already included on this approval will not be approved at a later date.

06-36-126-014

Account	Type	Assessment Ratio	Market Value	Jurisdiction	Taxable Value	Tax Amount	Discounted Amount
08-38-128-014	Hospital	33.33%	2,445,828	Jefferson Count	858,056	64,514.23	
Location: 133	RE			Jefferson Count	858,056	-17,361.95	
#8 Doctors Park Road						47,152.28	
1 Bill Included with this Transmittal			2,445,828			\$47,152.28	N/A

CROSSROADS COMMUNITY HOSPITAL		
7870	Account #	Amount
Vendor #:	2252,009	
47,152.28	Price:	
Freight:	6141432	
Sales Tax:	7381543	

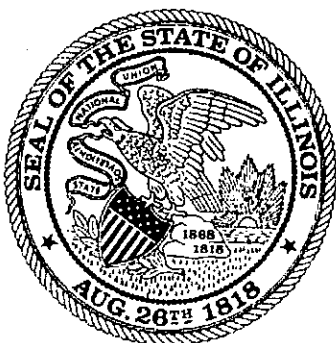




To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

NATIONAL HEALTHCARE OF MT. VERNON, INC., INCORPORATED IN DELAWARE AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON JUNE 28, 1985, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 24TH day of MAY A.D. 2010 .

Jesse White

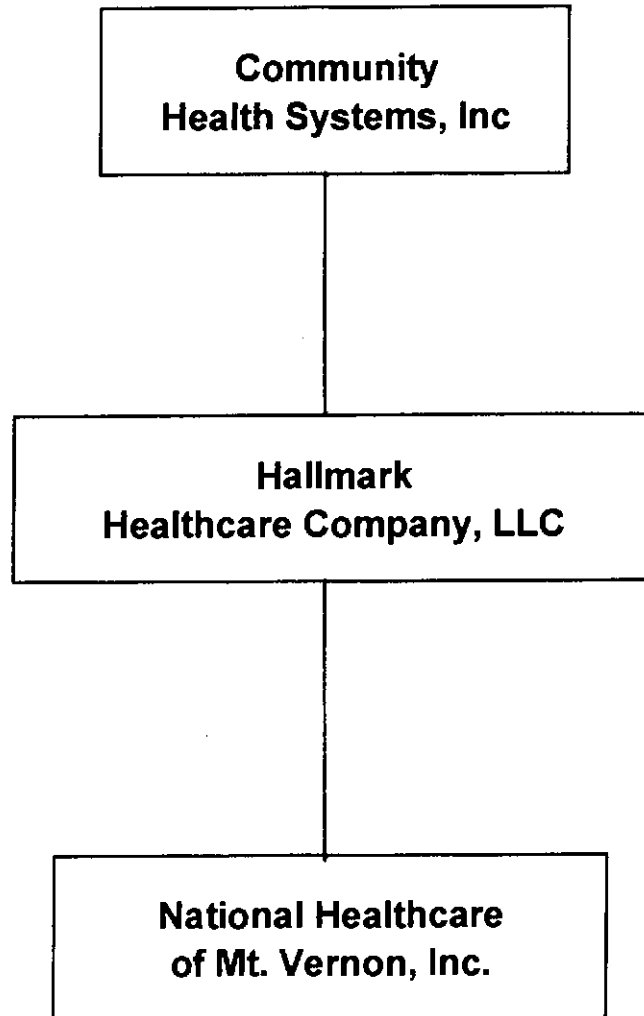
SECRETARY OF STATE

ATTACHMENT 3

Authentication #: 1014400314

Authenticate at: <http://www.cyberdriveillinois.com>

ORGANIZATIONAL CHART



*please see attached note

NOTE ON ORGANIZATIONAL CHART

National Healthcare of Mt. Vernon, Inc. is the licensee of Crossroads Community Hospital. Community Health Systems, Inc. has "control" of the licensee, per the IHFSRB definition of "control." Hallmark Healthcare Company, LLC does not meet the criteria to be named as an applicant.



"Caring People, Caring for People"


July 12, 2010

Illinois Health Facilities
and Services Review Board
Springfield, IL

To Whom It May Concern:

I hereby certify that Crossroads Community Hospital, which is located at 8 Doctors Park Road in Mt. Vernon, Illinois is not located in a special ~~fold~~ hazard area.
Flood

Sincerely,


M. Edward Cunningham
Chief Executive Officer



Site Map

Jefferson County Final DFIRM Finder

Instructions: The DFIRM Finder will help you find the DFIRM for your home or business. To get started, follow the instructions below. Users should download and view the official DFIRM for a more accurate representation of flood risk. **Note:** If the google map application below is not displayed, make sure to enable Javascript on your internet browser.

1. Enter your address in the box below and click "Search Address."
2. Click on the DFIRM panel (outlined in red) for the location you are interested.
3. After the panel is selected, click again for available options, including viewing the official DFIRM.

Please note that this DFIRM Finder is intended to be used as a guide only. Be sure to view the official DFIRM Panel available through the options (step 3 above), or in the [list at the bottom of the page](#).

6 Doctors Park Road Mt. Venon, IL Search Address Refresh Page

Map data ©2010 Google -

Legend: DFIRM panel numbers are shown in red. Special Flood Hazard Areas are shown as light blue. DFIRM Panels with hatching are not printed and have no DFIRM available for download.

Downloadable DFIRM Panels

Panels are only created when special flood hazard areas exist within the boundaries of the panel.

To download a DFIRM Panel, right click the link below and choose "Save Link As..." or "Save Target As...", choose where you want to save to, then click Save.

- [Panel #0025](#) (panel not printed. No SFHA)
- [Panel #0050](#) (size: 6.45 MB)
- [Panel #0075](#) (size: 6.29 MB)
- [Panel #0100](#) (size: 6.60 MB)
- [Panel #0125](#) (size: 5.54 MB)
- [Panel #0150](#) (size: 5.66 MB)
- [Panel #0175](#) (size: 7.54 MB)
- [Panel #0179](#) (size: 6.18 MB)

ATACHMENT 5



Illinois Historic
Preservation Agency

1 Old State Capitol Plaza • Springfield, Illinois 62701-1512 • www.illinois-history.gov

Jefferson County
Mt. Vernon
South 34th St.
CON - Building Addition/Crossroads Community Hospital

PLEASE REFER TO: IHPA LOG #016060110

June 4, 2010

Jacob Axel
Axel & Associates, Inc.
675 North Court, Suite 210
Palatine, IL 60067

Dear Mr. Axel:

The Illinois Historic Preservation Agency is required by the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420, as amended, 17 IAC 4180) to review all state funded, permitted or licensed undertakings for their effect on cultural resources. Pursuant to this, we have received information regarding the referenced project for our comment.

Our staff has reviewed the specifications under the state law and assessed the impact of the project as submitted by your office. We have determined, based on the available information, that no significant historic, architectural or archaeological resources are located within the proposed project area.

According to the information you have provided concerning your proposed project, apparently there is no federal involvement in your project. However, please note that the state law is less restrictive than the federal cultural resource laws concerning archaeology. If your project will use federal loans or grants, need federal agency permits, use federal property, or involve assistance from a federal agency, then your project must be reviewed under the National Historic Preservation Act of 1966, as amended. Please notify us immediately if such is the case.

This clearance remains in effect for two (2) years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the IL Human Skeletal Remains Protection Act (20 ILCS 3440).

Please retain this letter in your files as evidence of compliance with the Illinois State Agency Historic Resources Preservation Act.

Sincerely,

Anne E. Haaker
Deputy State Historic
Preservation Officer

AEH

ATTACHMENT 6

ITEMIZATION OF PROJECT COSTS

Preplanning Costs (\$125,000)

Evaluation of alternatives and feasibility assessments.

Site Survey and Soil Investigation (\$25,000)

Surveying of site and evaluation of the ground's ability to support the proposed building.

Site Preparation (\$450,000)

Development of walkways and driveways, installation of exterior signage and lighting, and landscaping

New Construction Contracts (\$13,587,898)

Construction of the addition to hospital, consistent with ATTACHMENT 42C.

Modernization Contracts (\$3,622,216)

Renovation to existing hospital structure consistent with ATTACHMENT 42C.

Contingencies (\$1,680,000)

New construction and renovation-related contingencies.

Architectural and Engineering Fees (\$1,590,000)

Professional fees associated with the project design, preparation of all documents, and interface with IDPH and local authorities, through the project's completion.

Consulting and Other Fees (\$250,000)

CON-related consulting and review fees, IDPH and municipal review fees, environmental impact assessment, project management services, site security, permits, insurance, interior design consultant and miscellaneous costs.

Moveable and Other Equipment (\$1,700,000)

Furnishing, fixtures and all non-fixed clinical and non-clinical equipment, including IT.

Cost Space Requirements

Dept./Area	Cost	Gross Square Feet		Amount of proposed Total Square Feet				Vacated Space
		Existing	Proposed	That is:				
				New Const.	Modernized	As Is		
Med/Surg Units	\$ 10,948,186	11,905	24,202	24,202	0	0	0	11,905
Surgery/Recovery	\$ 702,496	15,245	15,930	685	960	14,285	0	0
Sleep Lab*	\$ 755,183	0	3,040	0	3,040	0	0	0
PT/OT	\$ 87,812	463	661	198	0	661	0	0
Critical Decisions	\$ 140,499	0	460	0	460	0	0	0
Imaging	\$ 3,136,855	4,486	7,707	4,162	3,545	4,486	0	0
Respiratory Ther.	\$ 351,248	1,400	1,070	0	1,070	0	0	1,400
Laboratory	\$ 1,053,744	2,898	2,344	2,344	0	0	0	2,898
Pharmacy	\$ 386,373	477	807	0	330	477	0	0
	\$ 17,562,396	36,874	56,221	31,591	9,405	19,909	0	16,203
Non-Reviewable								
Maintenance	\$ 546,772	4,982	6,553	1,571	254	4,982	0	0
Business Office*	\$ 1,530,961	0	7,630	0	7,630	0	0	0
Admitting	\$ 382,740	680	1,361	681	680	0	0	0
N. Admin/Case Mg	\$ 929,512	251	2,821	2,821	0	0	0	251
Admin	\$ 820,158	1,827	1,955	1,955	654	0	0	1,827
Mtg/Bd Room	\$ 1,038,866		2,987	2,987	0	0	0	0
Medical Records	\$ 218,709	2,359	3,459	0	1,100	2,359	0	0
	\$ 5,467,718	10,099	26,766	10,015	10,318	7,341	0	2,078
Total	\$ 23,030,114	46,973	82,987	41,606	19,723	27,250	0	18,281
*currently off site								

BACKGROUND

Community Health Systems, or a subsidiary thereof, owns and/or operates eight hospitals in Illinois, as identified in the table below.

Community Health Systems Illinois Hospitals

<u>Facility Name</u>	<u>Location</u>	<u>IDPH License Number</u>
Crossroads Community Hospital	Mt. Vernon	0003947
Galesburg Cottage Hospital	Galesburg	0005330
Gateway Regional Medical Center	Granite City	0005223
Heartland Regional Medical Center	Marion	0005298
Red Bud Regional Hospital	Red Bud	0005199
Union County Hospital	Anna	0005421
Vista Medical Center-East	Waukegan	0005397
Vista Medical Center-West	Waukegan	0005405

All of the above hospitals hold Joint Commission accreditation.



State of Illinois 1982846

Department of Public Health

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm, or corporation whose name appears on this certificate has complied with the provisions of the Illinois Statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

Issued under the authority of The State of Illinois Department of Public Health

DAMON T. ARNOLD, M.D. DIRECTOR

EXPIRATION DATE 06/30/11	CATEGORY BGBD	I.D. NUMBER 0003547
-----------------------------	------------------	------------------------

FULL LICENSE

GENERAL HOSPITAL

EFFECTIVE: 07/01/10

BUSINESS ADDRESS

CROSSROADS COMMUNITY HOSPITAL

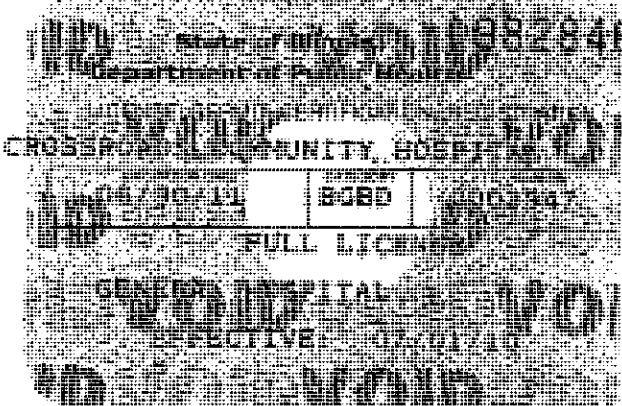
8 DOCTORS PARK ROAD

MOUNT VERNON IL 62864

The face of this license has a colored background printed by authority of the State of Illinois

← DISPLAY THIS PART IN A CONSPICUOUS PLACE

REMOVE THIS CARD TO CARRY AS AN IDENTIFICATION



05/08/10

CROSSROADS COMMUNITY HOSPITAL
8 DOCTORS PARK ROAD

MOUNT VERNON IL 62864

FEE RECEIPT NO.



July 9, 2007

Ed Cunningham
CEO
Crossroads Community Hospital
8 Doctors Park Road
Mount Vernon, IL 62864

Joint Commission ID #: 309785
Accreditation Activity: Evidence of Standards
Compliance
Accreditation Activity Completed: 7/9/2007

Dear Mr. Cunningham:

The Joint Commission would like to thank your organization for participating in the Joint Commission's accreditation process. This process is designed to help your organization continuously provide safe, high-quality care, treatment, and services by identifying opportunities for improvement in your processes and helping you follow through on and implement these improvements. We encourage you to use the accreditation process as a continuous standards compliance and operational improvement tool.

The Joint Commission is granting your organization an accreditation decision of Accredited for all services surveyed under the applicable manual(s) noted below:

- Comprehensive Accreditation Manual for Home Care
- Comprehensive Accreditation Manual for Hospitals

This accreditation cycle is effective beginning May 25, 2007. The Joint Commission reserves the right to shorten or lengthen the duration of the cycle; however, the certificate and cycle are customarily valid for up to 39 months.

Please visit [Quality Check®](#) on the Joint Commission web site for updated information related to your accreditation decision.

We encourage you to share this accreditation decision with your organization's appropriate staff, leadership, and governing body. You may also want to inform the Centers for Medicare and Medicaid Services (CMS), state or regional regulatory services, and the public you serve of your organization's accreditation decision.

Please be assured that the Joint Commission will keep the report confidential, except as required by law. To ensure that the Joint Commission's information about your organization is always accurate and current, our policy requires that you inform us of any changes in the name or ownership of your organization or the health care services you provide.

Sincerely,

Linda S. Murphy-Knoll
Interim Executive Vice President
Division of Accreditation and Certification Operations

ADVERSE ACTION

An "adverse action" letter was filed by applicant Community Health Systems, Inc. in conjunction with project 10-018. No changes have occurred regarding the information submitted in that letter.

PURPOSE OF PROJECT

The proposed project will improve the health care services for those area residents that have traditionally looked to Crossroads Community Hospital by providing more contemporary facilities.

The table below identifies the hospital's patient origin, which indicates that over half of the patients historically (calendar 2009) admitted are residents of Mt. Vernon, with the other communities contributing 1.0%+ of the hospital's patients being located within approximately 30 miles of the hospital. That area is viewed as the hospital's service area.

ZIP Code	Primary Community	% of Adm.	Cum. %
62864	Mt. Vernon	53.16%	53.16%
62812	Benton	4.48%	57.64%
62898	Woodlawn	3.04%	60.68%
62801	Centralia	2.52%	63.20%
62814	Bluford	2.47%	65.67%
62830	Dix	2.23%	67.90%
62859	McLeansboro	1.95%	69.85%
62846	Ina	1.84%	71.69%
62872	Opdyke	1.49%	73.18%
62808	Centralia	1.32%	74.50%
62884	Sesser	1.32%	75.82%
62828	Dahlgren	1.26%	77.08%
62810	Belle Rive	1.21%	78.29%
62896	W. Frankfort	1.21%	79.50%
62895	Wayne City	1.15%	80.65%
	All Other	19.35%	100.00%

The proposed project will address a variety of facility-related issues, many of which have existed since the facility was originally constructed as a nursing home in 1966, and generally modernize the building. The project, as proposed, will re-locate all of the hospital's medical/surgical beds in private rooms, and in units designed to meet current code requirements, and with improved electrical and plumbing capacity. As a result, the health care status of the patients using the hospital will be enhanced and improved.

The primary measurement tool of the project's success will be improved patient satisfaction, as related to the patient care setting.

ALTERNATIVES

The primary purpose of the proposed modernization project, which relocates all of the hospital's medical/surgical beds into private rooms, is to provide a contemporary patient care setting. As discussed in other ATTACHMENTS, Crossroads Community Hospital was originally built in 1966, and designed to be a nursing home.

Alternative 1: Continue to Provide Semi-Private Patient Rooms

This alternative was considered because Crossroads has traditionally provided a majority of its medical/surgical beds in semi-private rooms. While less expensive than the proposed project, this alternative was dismissed because the continued use of semi-private rooms is inconsistent with the contemporary design of hospitals, does not foster patient privacy, and does not promote infection control effectiveness.

Alternative 2: Replace the Hospital with a New Facility

The total replacement of the hospital was considered, but dismissed due both to the associated cost and the ability to re-use vacated patient units for primarily non-patient care functions and services.

SUMMARY COMPARISON OF ALTERNATIVES TO PROPOSED PROJECT

	<u>Cost</u>	<u>Quality</u>	<u>Accessibility</u>
Alternative 1 <u>Provide Semi-Private Rooms</u>	savings of approximately 2.5M in capital costs, minimal savings in on-going operating costs	inferior*	identical*
Alternative 2 <u>Replace Entire Hospital</u>	additional \$20-30M in capital costs, no differences in on- going operational costs	identical*	identical*

*identical to the proposed project

SIZE OF PROJECT

The departmental/function-specific space allocations presented in ATTACHMENTS 9 and 42 are necessary and not excessive. The project involves 49,927 BGSF of new construction and 23,668 BGSF of renovation.

The table below identifies those areas included within the proposed project, for which the IHFSRB has adopted space standards. As can be noted from the table, each of the eight areas is consistent with the IHFSRB standard.

DEPARTMENT/SERVICE	PROPOSED DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
Medical/Surgical (40)	24,202	26,400	(2,198)	yes
Surgery & Recovery*	15,930	21,530	(5,600)	yes
Gen'l Imaging (2)	2,080	2,600	(520)	yes
Nuclear Medicine (1)	1,280	1,600	(320)	yes
Mammography (1)	720	900	(180)	yes
Ultrasound (2)	1,440	1,800	(360)	yes
CT (1)	1,440	1,800	(360)	yes
dexascan (1)	747	900	(153)	yes

*5 Class C surgical suites, 6 Phase 1 recovery stations and 14 Phase 2 recovery stations

PROJECT SERVICES UTILIZATION

The proposed project involves the modernization of only one IDPH category of service: medical/surgical beds, but addresses a number of other clinical services.

1. Medical/Surgical Beds

The proposed project involves a reduction in Crossroads Community Hospital's medical/surgical bed complement from 50 to 40 beds, with all of the beds being located in private rooms.

During 2009, 5,415 medical/surgical patient days of care were provided at the hospital, resulting in an average daily census of 14.83 patients. Day-to-day utilization, however, varied greatly, from a low of only three patients to a high of 28 patients, and with a census of 20+ inpatients on 34 days. For planning purposes and because a hospital the size of Crossroads does not enjoy the flexibility of hospitals with larger bed complements, a historical inpatient census of 20 patients was used as the basis for bed need planning. That 20-patient level, would suggest a need for 27 beds, based on the IHFSRB occupancy target. Three factors, however, impact the need for beds, and when combined with the 27 beds noted above, support a need for the proposed 40 beds.

First, the hospital's service area population is not only growing, but more importantly it is aging. In 2009, six ZIP Code areas accounted for approximately 68% of the admissions to the hospital. According to population projections developed by Geolytics, Inc., the cumulative total population of these six ZIP Code areas will grow by 2.8% between 2009 and 2014, but the 65+ age group component of that population will increase by 7.7%---a rate nearly three times that of the total population. IDPH utilization data (*IDPH Inventory*) identifies the 0-64 medical/surgical utilization rate in Planning Area F-04 as being 0.235 days/1,000, but the rate for the 65+ age group as being 2.148 days/1,000---over nine times that of 0-64 age group. During 2009, 64.8% of the medical/surgical patient days of care provided at Crossroads were provided to patients 65 years of age, or older. Because the 65+ age group is growing so rapidly, and because such a high percentage of Crossroads' patients have traditionally been in this age group, the changing demographics of the service area will increase the demand for services, and in response patient days.

Second, on average, 3-4 medical/surgical beds per day are occupied by non-inpatients, including those requiring secondary recovery from outpatient procedures, those receiving IV therapy, etc. A separate unit is not necessary, and therefore will not be provided for these patients for staffing efficiency purposes, and as a result, 3-4 medical/surgical beds need to be provided for these patients.

Third, two additional physicians have recently joined the hospital's Medical Staff, and each anticipates practicing actively at the hospital. Dr. Andrew Dickler, a

cardiologist, has provided a letter, in which he estimates having an average daily census of 1.56 medical/surgical patients, requiring 2-3 beds. Dr. Dickler's patients will be primarily patients—sometimes admitted by other physicians—that would have been transferred from Crossroads for lack of a fulltime cardiologist practicing at the hospital. Similarly, Dr. Chirag Dave, a pulmonary medicine specialist, has provided a letter in which he estimates having an average daily census of 3.18 patients, requiring 4-5 beds. A copy of Dr. Dave's letter is attached. Dr. Dave anticipates admitting the patients referenced in his letter.

In summary, the proposed 40 medical surgical beds are a result of the following:

beds to support current census:	27
response to area aging:	2 - 3
beds used by non inpatients:	3 - 4
Dr. Dickler:	2 - 3
Dr. Dave:	<u>4 - 5</u>
Total	38 - 42

2. Imaging Department

Utilization rates, in terms of procedures per medical/surgical patient day, are not projected to change from the current rates, and the department's projected utilization for the first two years following the project's completion is presented in the table below.

	Proc per Inpt Day	Year 1	Year 2	Equip.
General R & F	2.490	14,594	14,890	2
Nuclear Med.	0.109	639	652	1
Mammography	0.351	2,057	2,099	1
Ultrasound	0.510	2,989	3,050	2
CT	0.891	5,222	5,328	1
Dexascan		250	250	1

3. Surgery/Recovery

The surgery/recovery suite will consist of five general operating rooms (Class C), one cystoscopy room (Class B), six Phase I recovery stations and fourteen Phase II recovery stations. Surgery utilization, in terms of total hours has remained relatively constant over the past three years, ranging from 1.21 to 1.29 hours per medical/surgical patient day. For planning purposes, the mean of the last three years, 1.24 hours per med/surg patient day was used to project OR utilization, with 7,267 and 7,415 hours being projected for the first and second years following the project's completion, respectively.

As is the norm, the cystoscopy room is used exclusively for urological procedures not requiring the same environment found in an operating room used for invasive surgery, and the hours of usage for that room is projected to be approximately 900 in each of the first two years following the project's completion. As a result, the projected usage of the five "general" rooms is 6,367 hours and 6,515 hours, during the first two years, respectively.

Please note (letter from IDPH attached) that on June 14, 2010 permanent occupancy was granted for a surgical expansion project that added a Class C operating room, not reflected in the 2009 IDPH Questionnaire.

4. Critical Decisions Unit

A 3-station critical decisions unit (CDU) will be developed in close proximity to the emergency department. The unit is being provided to allow patients, awaiting a decision on whether or not to be admitted to an inpatient unit, to be taken from the emergency department to a quieter setting, typically for between two and six hours, after which the patient will either be admitted or discharged to home. In 2009, 1,394 patients were admitted to an inpatient unit from the emergency room, and that number is anticipated to approach 1,500 a year by the second year following this project's completion. While many patients admitted to an inpatient unit, particularly the ICU, will bypass the CDU, it is anticipated that approximately 50% of the patients admitted to the hospital through the emergency department will utilize the CDU, resulting in an average of 2-3 patients using the CDU, daily.

5. Physical/Occupational Therapy

A small inpatient physical/occupational therapy department of approximately 400 square feet is provided adjacent to a med/surg unit. This area is used nearly exclusively by joint replacement patients during their inpatient stay. Outpatient physical and occupational therapy are provided offsite. With more joint replacements being performed at the hospital, utilization of this service is increasing, with the year-to-date increase

being 5.9%. Increased utilization is projected at the rate of 4.0% per year, resulting in 5,791 procedures during the first year following the project's completion and 6,022 in the subsequent year.

6. Respiratory Therapy

Respiratory therapy services are currently provided at the rate of 1.40 treatments per medical/surgical patient day. That rate is not anticipated to change. Accordingly, 8,205 and 8,372 treatments are projected to be provided during the first two years following the project's completion, respectively.

7. Laboratory

Laboratory studies performed at the hospital are performed primarily for outpatients, with 71% of the 2009 studies being for outpatients. The ratio of inpatient to outpatient studies is anticipated to remain constant. In addition, in 2009, inpatient studies were performed at the rate of 8.70 per medical/surgical patient day. That rate is also anticipated to remain constant. As a result, and based on the medical/surgical patient day projections provided earlier in this ATTACHMENT, 175,831 and 179,400 laboratory studies are projected to be performed during the first two years following the project's completion, respectively.

CHIRAG DAVE, M.D.
Crossroads Physician Corporation

209 Crossroads Place, Suite 110
Mt. Vernon, Illinois 62864

May 24, 2010

Phone: 618.241.8791
Fax: 618.241.8623

Mr. Edward Cunningham
Chief Executive Officer
Crossroads Community Hospital
8 Doctors Park Road
Mt. Vernon, IL 62864

Dear Mr. Cunningham:

Please accept this letter in support of Crossroads Community Hospital's modernization plans. My specialty is pulmonary medicine.

As you are aware, I have joined the hospital's medical staff, effective May 3rd. Having been affiliated with the VA Hospital in Marion for the past two years, I have a good understanding of the pulmonary medicine needs of the residents of southern Illinois.

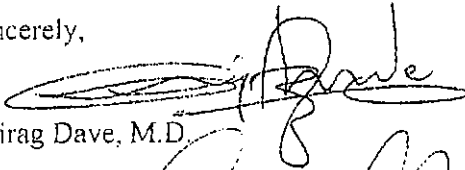
Within two years of joining the Crossroads medical staff, I anticipate that my annual admissions to the medical/surgical unit will be 290 patients with an average length of stay of 4 days, and I anticipate that my annual admissions to the intensive care unit will be 130 patients with an average length of stay of 4 days. Virtually all of these patients will be individuals who are not now being admitted to Crossroads Community Hospital. These patients will either be admitted directly by me, or by a hospitalist on my behalf.

I anticipate that nearly all of my patients will be from Mt. Vernon and the communities and rural areas located within 45-50 miles of Mt. Vernon.

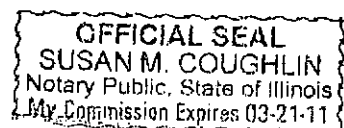
I hereby certify that I have not identified the incremental patients noted above in support of any other project for which a Certificate of Need Permit has or is being sought.

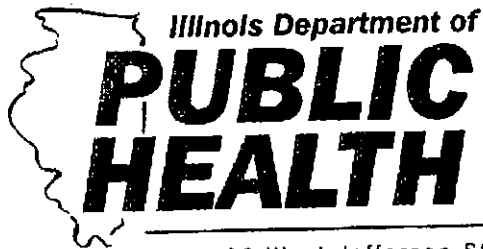
The information contained in this letter is true and correct, to the best of my knowledge.

Sincerely,


Chirag Dave, M.D.

Notarized:  Date: 05-27-10
Notary





Pat Quinn, Governor
Damon T. Arnold, M.D., M.P.H., Director

525-535 West Jefferson Street • Springfield, Illinois 62761-0001 • www.idph.state.il.us

June 14, 2010

M. Edward Cunningham, Administrator
Crossroads Community Hospital
8 Doctors Park Road
Mount Vernon, IL 62864-

Permanent Occupancy

Re: Crossroads Community Hospital
Mount Vernon
Surgery expansion ←
IDPH No: 8627

Dear M. Edward Cunningham:

Based on the evaluation of the physical plant and life safety standards, the above project has been approved for occupancy on 6/11/2010.

If this project changes the bed count for which the facility is licensed for by adding or reducing beds, it will be necessary to contact the Illinois Health Facilities Planning Board. As required for the entire facility, this unit must be operated and maintained in accordance with the requirements of the Hospital Licensing Act (210 ILCS 8/1 et. seq.) and the Department's rules entitled Hospital Licensing Requirements (77 Ill. Adm. Code 250). For eligibility for Medicare reimbursement, the unit must be operated and maintained in accordance with the federal Conditions of Participation for hospitals (42 CFR 482.1 et. seq.).

If you have any questions about this approval, please do not hesitate to call us at 217/785-4264. The Department's TTY number is 800/547-0466, for use by the hearing impaired.

Sincerely,

Henry Kowalenko, Supervisor
Design Standards Unit
Division of Health Care Facilities & Programs

Cc: John Potter
Hart Freeland Roberts, Inc
9237 Ward Parkway Suite 108
Kansas City, MO 64114-

Improving public health, one community at a time

printed on recycled paper

ATTACHMENT 15

PLANNING AREA NEED
SERVICE TO PLANNING AREA RESIDENTS

Crossroads Community Hospital has historically provided services to residents of Mt. Vernon and the surrounding communities, and will continue to do so. No appreciable changes in patient origin are anticipated in the foreseeable future, or because of the proposed project. As a result, the primary purpose of the proposed project is to provide needed healthcare services to residents of the area.

The table below documents Crossroads Community Hospital's 2009 patient origin, identifying each ZIP Code area that accounted for at least 1.0% of the admissions.

ZIP Code	Primary Community	% of Adm.	Cum. %
62864	Mt. Vernon	53.16%	53.16%
62812	Benton	4.48%	57.64%
62898	Woodlawn	3.04%	60.68%
62801	Centralia	2.52%	63.20%
62814	Bluford	2.47%	65.67%
62830	Dix	2.23%	67.90%
62859	McLeansboro	1.95%	69.85%
62846	Ina	1.84%	71.69%
62872	Opdyke	1.49%	73.18%
62808	Centralia	1.32%	74.50%
62884	Sesser	1.32%	75.82%
62828	Dahlgren	1.26%	77.08%
62810	Belle Rive	1.21%	78.29%
62896	W. Frankfort	1.21%	79.50%
62895	Wayne City	1.15%	80.65%
	All Other	19.35%	100.00%

As can be noted from the table above, over 50% of the patients admitted to Crossroads in 2009 resided in Mt. Vernon, and no other single ZIP Code area contributed as much as 5% of the patients. Cumulatively, the fourteen ZIP Code areas identified, other than 62864/Mt. Vernon, accounted for approximately half as many patients as Mt. Vernon, and the fifteen ZIP Code areas cumulatively accounted for over 80% of the admissions.

DETERIORATED FACILITIES

The primary purpose of the proposed project is to transform Crossroads Community Hospital into a more contemporary facility, in part through the locating of all of the medical/surgical beds (40) in private rooms. This will be accomplished through the construction of two new nursing units, rather than the retrofitting of space in large part because of the existing facility's design-related shortcomings. Crossroads was originally built in 1966 as a nursing home, and has been operating as a hospital since 1982. Numerous design deficiencies exist, including corridors that are less than eight feet wide, that have been "grandfathered" by IDPH because it has been impractical to attempt to correct. The existing medical/surgical units are inconsistent with the current standard of care (private rooms) and need to be replaced, as proposed with the project addressed in this application.

OCCUPANCY STANDARDS

The only category of service addressed by this project is the medical/surgical bed category. The hospital's medical/surgical bed complement will be reduced from 50 to 40 beds through the proposed project, and an average daily census of 16.4 patients is projected for the second year following the proposed project's completion.

Crossroads Community Hospital has experienced significant swings in inpatient census, ranging from three to 28 patients in 2009, and the proposed 40-bed complement, while not resulting in an average daily census of sufficient size to meet the IDPH's target occupancy rate, is believed by the applicants to be of an appropriate size. Please refer to ATTACHMENT 15 for a discussion of the factors that have led the applicants to that conclusion, including an ageing service area population, the use of inpatient beds for non-traditional inpatients, recent additions to the medical staff, as well as the experienced census fluctuations.

PERFORMANCE REQUIREMENTS

Mount Vernon, Illinois is not located in a Metropolitan Statistical Area (MSA), and therefore the 100 medical/surgical bed complement minimum is not applicable to the proposed project.

CLINICAL SERVICE AREAS OTHER THAN CATEGORIES OF SERVICE
SERVICE MODERNIZATION

The table below identifies those clinical services areas that will be addressed through the proposed project, but are not IDPH-designated “categories of service”.

Service	# Existing Key Rooms	# Proposed Key Rooms
Surgery	6*	6*
Critical Decisions	0	3
Imaging	8	8
PT/OT	N/A	N/A
Respiratory Ther.	N/A	N/A
Laboratory	N/A	N/A

*5 general and 1 cysto room

As can be noted in the table above, the number of “key rooms” are not being increased in any of the addressed clinical areas. Rather, each of the areas/departments is being modernized to provide clinical settings consistent with contemporary delivery practices, industry standards, and expectations.

CLINICAL SERVICE AREAS OTHER THAN CATEGORIES OF SERVICE
SERVICE MODERNIZATION

The table below identifies those clinical services areas that will be addressed through the proposed project, but are not IDPH-designated "categories of service".

Service	# Existing Key Rooms	# Proposed Key Rooms
Surgery	6*	6*
Critical Decisions	0	3
Imaging	8	8
PT/OT	N/A	N/A
Respiratory Ther.	N/A	N/A
Laboratory	N/A	N/A

*5 general and 1 cysto room

As can be noted in the table above, the number of "key rooms" are not being increased in any of the addressed clinical areas. Rather, each of the areas/departments is being modernized to provide clinical settings consistent with contemporary delivery practices, industry standards, and expectations.

1. Imaging Department

Utilization rates, in terms of procedures per medical/surgical patient day, are not projected to change from the current rates, and the department's projected utilization for the first two years following the project's completion is presented in the table below.

	Proc per Inpt Day	Year 1	Year 2	Equip.
General R & F	2.490	14,594	14,890	2
Nuclear Med.	0.109	639	652	1
Mammography	0.351	2,057	2,099	1
Ultrasound	0.510	2,989	3,050	2
CT	0.891	5,222	5,328	1
Dexascan		250	250	1

2. Surgery/Recovery

The surgery/recovery suite will consist of five general operating rooms (Class C), one cystoscopy room (Class B), six Phase I recovery stations and fourteen Phase II recovery stations. Surgery utilization, in terms of total hours has remained relatively constant over the past three years, ranging from 1.21 to 1.29 hours per medical/surgical patient day. For planning purposes, the mean of the last three years, 1.24 hours per med/surg patient day was used to project OR utilization, with 7,267 and 7,415 hours being projected for the first and second years following the project's completion, respectively.

As is the norm, the cystoscopy room is used exclusively for urological procedures not requiring the environment found in an operating room used for invasive surgery, and

the hours of usage for that room is projected to be approximately 900 in each of the first two years following the project's completion. As a result, the projected usage of the five "general" rooms is 6,367 hours and 6,515 hours, during the first two years, respectively.

Please note (letter from IDPH attached) that on June 14, 2010 permanent occupancy was granted for a surgical expansion project that added a Class C operating room, not reflected in the 2009 IDPH Questionnaire.

3. Critical Decisions Unit

A 3-station critical decisions unit (CDU) will be developed in close proximity to the emergency department. The unit is being provided to allow patients, awaiting a decision on whether or not to be admitted to an inpatient unit, to be taken from the emergency department to a quieter setting, typically for between two and six hours, after which the patient will either be admitted or discharged to home. In 2009, 1,394 patients were admitted to an inpatient unit from the emergency room, and that number is anticipated to approach 1,500 a year by the second year following this project's completion. While many patients admitted to an inpatient unit, particularly the ICU, will bypass the CDU, it is anticipated that approximately 50% of the patients admitted to the hospital through the emergency department will utilize the CDU, resulting in an average of 2-3 patients using the CDU, daily.

4. Physical/Occupational Therapy

A small inpatient physical/occupational therapy department of approximately 400 square feet is provided adjacent to a med/surg unit. This area is used nearly exclusively by joint replacement patients during their inpatient stay. Outpatient physical and occupational therapy are provided offsite. With more joint replacements being performed at the hospital, utilization of this service is increasing, with the year-to-date increase being 5.9%. Increased utilization is projected at the rate of 4.0% per year, resulting in 5,791 procedures during the first year following the project's completion and 6,022 in the subsequent year.

5. Respiratory Therapy

Respiratory therapy services are currently provided at the rate of 1.40 treatments per medical/surgical patient day. That rate is not anticipated to change. Accordingly, 8,205 and 8,372 treatments are projected to be provided during the first two years following the project's completion, respectively.

6. Laboratory

Laboratory studies performed at the hospital are performed primarily for outpatients, with 71% of the 2009 studies being for outpatients. The ratio of inpatient to outpatient studies is anticipated to remain constant. In addition, in 2009, inpatient studies were performed at the rate of 8.70 per medical/surgical patient day. That rate is also anticipated to remain constant. As a result, and based on the medical/surgical patient day projections provided earlier in this ATTACHMENT, 175,831 and 179,400 laboratory

studies are projected to be performed during the first two years following the project's completion, respectively.



Pat Quinn, Governor
Damon T. Arnold, M.D., M.P.H., Director

525-535 West Jefferson Street • Springfield, Illinois 62761-0001 • www.idph.state.il.us

June 14, 2010

M. Edward Cunningham, Administrator
Crossroads Community Hospital
8 Doctors Park Road
Mount Vernon, IL 62864-

Permanent Occupancy

Re: Crossroads Community Hospital
Mount Vernon
Surgery expansion ←
IDPH No: 8627

Dear M. Edward Cunningham:

Based on the evaluation of the physical plant and life safety standards, the above project has been approved for occupancy on 6/11/2010.

If this project changes the bed count for which the facility is licensed for by adding or reducing beds, it will be necessary to contact the Illinois Health Facilities Planning Board. As required for the entire facility, this unit must be operated and maintained in accordance with the requirements of the Hospital Licensing Act (210 ILCS 8/1 et. seq.) and the Department's rules entitled Hospital Licensing Requirements (77 Ill. Adm. Code 250). For eligibility for Medicare reimbursement, the unit must be operated and maintained in accordance with the federal Conditions of Participation for hospitals (42 CFR 482.1 et. seq.).

If you have any questions about this approval, please do not hesitate to call us at 217/785-4264. The Department's TTY number is 800/547-0466, for use by the hearing impaired.

Sincerely,

A handwritten signature in black ink, appearing to read "Henry Kowalenko", is written over the word "Sincerely,".

Henry Kowalenko, Supervisor
Design Standards Unit
Division of Health Care Facilities & Programs

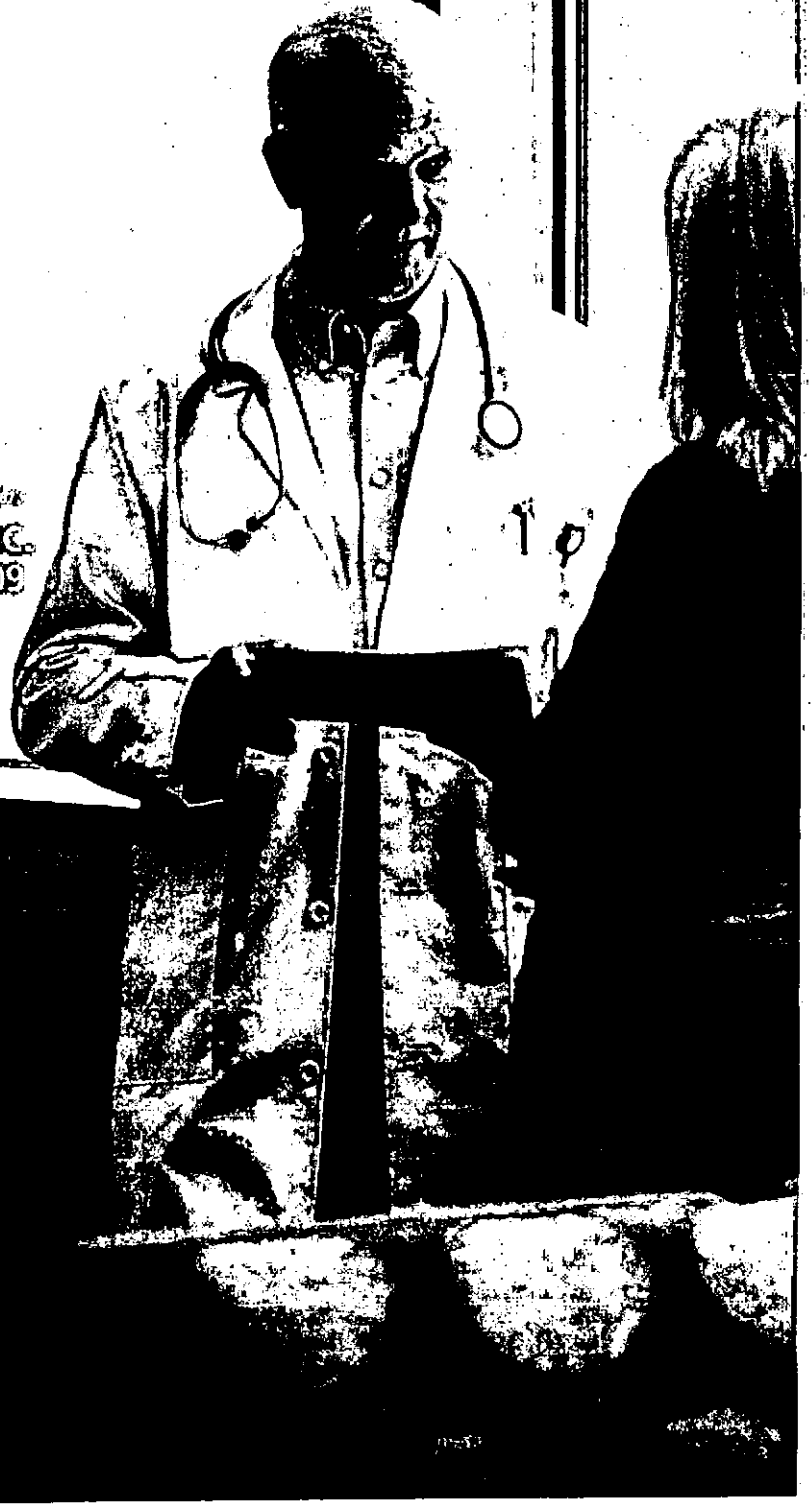
Cc: John Potter
Hart Freeland Roberts, Inc
9237 Ward Parkway Suite 108
Kansas City, MO 64114-

Improving public health, one community at a time

printed on recycled paper

ATTACHMENT 37c2

Annual Report to Shareholders
Community Health Systems, Inc.
2009



Located in the Nashville, Tennessee suburb of Franklin, Community Health Systems, Inc. is the largest publicly-traded hospital company in the United States and a leading operator of general acute care hospitals in non-urban and mid-size markets throughout the country. Through its subsidiaries, the Company currently owns, leases or operates 122 hospitals in 29 states with an aggregate of over 18,000 licensed beds (as of March 1, 2010). Its hospitals offer a broad range of inpatient and surgical services, outpatient treatment and skilled nursing care. In addition, through its OHR subsidiary, the Company provides management and consulting services to over 150 independent non-affiliated general acute care hospitals located throughout the United States.

Shares in Community Health Systems, Inc. are traded on the New York Stock Exchange under the symbol "CYH."



Hospital Locations



Alaska
Palmer, Mt. Si Regional Medical Center

Alabama
Birmingham, Tinsley Medical Center
Centre, Cherokee Medical Center
Dothan, Flowers Hospital
Enterprise, Medical Center Enterprise
Foley, South Baldwin Regional Medical Center
Fort Payne, DeKalb Regional Medical Center
Gadsden, Gadsden Regional Medical Center
Greenville, L.V. Stables Memorial Hospital
Huntsville, Crestwood Medical Center

Alaska
Bainbridge, Northwest Medical Center -
Bainbridge
El Dorado, Medical Center of South
Arkansas
Forrest City, Forrest City Medical Center
Helena, Helena Regional Medical Center
Johnson, Wilkox Creek Women's Hospital
Newport, Harris Hospital
Sibon Springs, Sibon Springs Memorial Hospital
Springdale, Northwest Medical Center -
Springdale

Arizona
Bullhead City, Western Arizona Regional Medical Center
Oro Valley, Northwest Medical Center
Payson, Payson Regional Medical Center
Tucson, Northwest Medical Center

California
Bakersfield, Barrow Community Hospital
Fallbrook, Fallbrook Hospital
Waukena, Watsonville Community Hospital

Florida
Gainesville, North Okaloosa Medical Center
Lake Wales, Lake Wales Medical Center

Georgia
Augusta, Trinity Hospital of Augusta
Blue Ridge, Fannin Regional Hospital

Illinois
Anna, Union County Hospital
Galesburg, Galesburg Cottage Hospital
Granite City, Gateway Regional Medical Center
Marion, Hermand Regional Medical Center
Mt. Vernon, Crossroads Community Hospital
Red Bud, Red Bud Regional Hospital
Waukegan, Vista Medical Center

Indiana
Bloomington, Bluffton Regional Medical Center
Fort Wayne, Dupont Hospital
Fort Wayne, Lutheran Hospital
Fort Wayne, The Orthopedic Hospital of the Lutheran Health Network
Fort Wayne, St. Joseph Hospital
Perrin, Dukes Memorial Hospital
Porter/Vaporzis, Porter Porzogs Hospital Campus
Warsaw, Kosciuszko Community Hospital

Kentucky
Fulton, Parkway Regional Hospital
Jackson, Kentucky River Medical Center
Louis, Three Rivers Medical Center

Louisiana
Lake Charles, Women and Children's Hospital
Lumberton, Byrd Regional Hospital
Ruston, Northern Louisiana Medical Center

Missouri
Kirkville, Northwest Regional Medical Center
Moberly, Moberly Regional Medical Center

Mississippi
Hattiesburg, Wesley Medical Center
Vicksburg, River Region Health System

North Carolina
Williamston, Martin General Hospital

New Jersey
Mesquite, Mesa View Regional Hospital
Salon, The Memorial Hospital of Salem County

New Mexico
Carlsbad, Carlsbad Medical Center
Deming, Marlene Memorial Hospital
Hobbs, Lea Regional Medical Center
Las Cruces, MountainView Regional Medical Center
Las Vegas, Alta Vista Regional Hospital
Roswell, Eastern New Mexico Medical Center

Ohio
Mason, Affinity Medical Center

Oklahoma
Cherokee, Cherokee Regional Hospital
Oklahoma City, Deaconess Hospital
Ponca City, Ponca City Medical Center
Tulsa, SouthCrest Hospital
Woodward, Woodward Regional Hospital

Oregon
Springfield, McKeanzie-Willamette Medical Center

Pennsylvania
Berwick, Berwick Hospital Center
Coatesville, Braubynne Hospital
Easton, Easton Hospital
Lock Haven, Lock Haven Hospital
Philadelphia, Chestnut Hill Hospital
Pottsville, Pottsville Hospital
Pottsville, Pennstown Memorial Medical Center
Sunbury, Sunbury Community Hospital
West Grove, Jennersville Regional Hospital
Wilkes-Barre, Wilkes-Barre Central Hospital

South Carolina
Barnwell, Marlboro Park Hospital
Cheroh, Cheroh Regional Hospital
Florence, Carolinas Hospital System
Lanoster, Springs Memorial Hospital
Spartanburg, Mary Black Health System

Tennessee
Brownsville, Haywood Park Community Hospital
Clarksville, Gateway Medical Center
Cleveland, SkyRidge Medical Center
Dyersburg, Dyersburg Regional Medical Center
Jackson, Regional Hospital of Jackson
Lenoir, Henderson County Community Hospital
Marrs, Volunteer Community Hospital
McKenzie, McKeanzie Regional Hospital
Morrison, Lenoir Regional Hospital
Salmer, McNary Regional Hospital
Shelbyville, Heritage Medical Center

Texas
Arlene, Abilene Regional Medical Center
Alpine, Big Bend Regional Medical Center
Big Spring, scenic Mountain Medical Center
Brownwood, Brownwood Regional Medical Center
Cedar Park, Cedar Park Regional Medical Center
Cleveland, Cleveland Regional Medical Center
College Station, College Station Medical Center
Corinthia, Navarro Regional Hospital
Granbury, Lake Granbury Medical Center
Hillboro, Hill Regional Hospital
Jourdanton, South Texas Regional Medical Center
Laredo, Laredo Medical Center
Longview, Longview Regional Medical Center
Lufkin, Woodland Heights Medical Center
San Angelo, San Angelo Community Medical Center
Victoria, Delta Hospital North and Navarro Weatherford, Weatherford Regional Medical Center

Utah
Tooele, Mountain West Medical Center

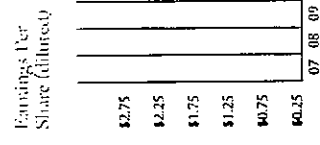
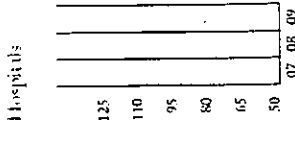
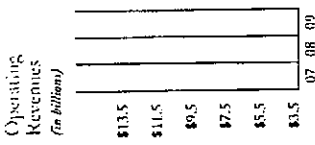
Virginia
Emporia, Southern Virginia Regional Medical Center
Franklin, Southampton Memorial Hospital
Petersburg, Southside Regional Medical Center

Washington
Spokane, Deaconess Medical Center
Spokane Valley, Valley Hospital and Medical Center

West Virginia
Oak Hill, Pleasun Medical Center
Rosenow, Greenbrier Valley Medical Center

Wyoming
Evanston, Evanston Regional Hospital

(The plants are owned or leased and operated by subsidiaries of Community Health Systems, Inc. Community Health Systems, Inc. does not have any employees.)



Financial Highlights

	Year Ended December 31,	
	2009	2008
<i>(In thousands, except per share amounts)</i>		
Operating Results		
Net operating revenues	\$ 12,107,613	\$ 10,919,095
Income from continuing operations	\$ 304,805	\$ 233,727
Income per share from continuing operations		
Diluted	\$ 2.64	\$ 2.11
Weighted average number of shares outstanding:		
Diluted	91,517	94,289

	As of December 31,	
	2009	2008
<i>(In thousands, except per share amounts)</i>		
Balance Sheet Data		
Working capital	\$ 1,217,199	\$ 1,095,633
Total assets	14,021,472	13,818,254
Long-term debt	8,844,638	8,938,185
Stockholders' equity	1,950,635	1,611,029

	For The Year Ended December 31,					
	2009	Consolidated 2008	% Change	2009	Same Store 2008	% Change
Selected Operating Data						
Number of hospitals (at end of period)	122	119		119	119	
Licensed beds (at end of period)	18,140	17,411		17,348	17,411	
Beds in service (at end of period)	15,897	15,194		15,200	15,194	
Admissions	692,569	668,526	3.6%	658,215	668,526	-1.5%
Adjusted admissions	1,275,888	1,207,756	5.6%	1,215,606	1,207,750	0.7%
Patient days	2,937,194	2,835,795		2,768,470	2,835,795	
Average length of stay (days)	4.2	4.2		4.2	4.2	
Occupancy rate (average beds in service)	51.3%	52.3%		51.1%	52.3%	
Net operating revenues	\$ 12,107,613	\$ 10,919,095	10.9%	\$ 11,556,401	\$ 10,917,362	5.9%
Net inpatient revenue as a % of total net operating revenues	50.1%	50.2%		49.7%	50.2%	
Net outpatient revenue as a % of total net operating revenues	47.6%	47.5%		48.0%	47.5%	
Income from operations	\$ 1,068,665	\$ 971,880	10.0%	\$ 1,078,969	\$ 969,737	11.3%
Income from operations as a % of net operating revenues	8.8%	8.9%		9.3%	8.9%	
Depreciation and amortization	\$ 566,211	\$ 499,386		\$ 545,408	\$ 499,386	
Equity in earnings of unconsolidated affiliates	\$ (36,521)	\$ (42,063)		\$ (36,145)	\$ (43,777)	
Liquidity Data:						
Adjusted EBITDA	\$ 1,671,397	\$ 1,513,329	10.4%			
Adjusted EBITDA as a % of net operating revenues	13.8%	13.9%				
Net cash provided by operating activities	\$ 1,076,429	\$ 1,056,581				
Net cash provided by operating activities as a % of net operating revenues	8.9%	9.7%				

Operating results exclude discontinued operations for all periods presented, as applicable.

Letter to Shareholders:

While 2009 was a year of many challenges, it marked another year of growth and progress for Community Health Systems, Inc. and its subsidiaries. We are especially pleased with our financial and operating performance given an economic environment that was unprecedented in recent history. Given these challenges, we have placed an even greater emphasis on what has defined our Company and positioned Community Health Systems, Inc. at the top of our industry – an unrelenting focus on remaining true to our core values and our mission of providing essential healthcare services close to home – where they should be. Above all, we have worked even harder to build upon the strong relationships with the communities we serve and we are proud of the reputation we have earned as a trusted partner and consistent and effective operator.

As part of our focus on high quality healthcare services, we developed a program we call Community Cares. This program helps create a culture of operational excellence incorporating leadership expectations with service and quality standards across the organization. Our expected outcome – to create great places for patients to receive care, physicians to practice medicine and employees to work. Recent surveys show that this standardized and centralized program is working. Physician satisfaction surveys have shown a five percent improvement in satisfaction and we have seen a six percent improvement in our employee satisfaction results. We also initiated an hourly rounding program for our nursing staff, as well as a discharge call back program in our Emergency Department. All of these efforts advance our commitment to deliver personalized, caring and efficient service to our patients.

Clinical excellence and quality matter at Community Health Systems. We are required to report standards of care in the form of core measures on a quarterly basis. These measures track a variety of evidence-based

standards of care that have been shown to improve clinical outcomes. Since core measures were implemented in 2007, we have seen consistent and measurable quarterly improvements.

Our financial results for 2009 also give us confidence that our strategies are working. Revenues for the year were a record \$12.1 billion, surpassing the previous year's record of \$10.9 billion by eleven percent. We produced 25 percent growth in earnings from continuing operations for 2009 to \$2.64 per diluted share from \$2.11 per diluted share the prior year. Our results also reflect the success of our centralized operating strategy as evidenced by six percent annual same-store revenue growth and solid margin expansion.

While we are proud of our financial accomplishments, we believe our proven ability to enhance the level of healthcare in the communities we serve is the determining measure of our success. We have continued to focus on operational excellence at the individual hospital level in all of our markets, especially at our more recently acquired facilities. Our success as an operator is supported by a proven standardized business model that leverages the size and scope of our operations to drive both economies of scale and effectively utilize our capital. Year after year, and even in challenging market conditions, we have continued to drive efficiencies, recruit and retain qualified physicians, and implement best practices in all of our hospitals.

In conjunction with our focus on operations, we made significant capital investments in 2009 to enhance the level of healthcare and improve the patient experience in certain markets. Each of our hospitals is characterized by its own unique strengths and challenges as it seeks to serve the needs of its respective community. At the same time, we see opportunity in these markets and believe our ongoing commitment to make the appropriate



As we acknowledge our many accomplishments in 2009, we are also incredibly proud of the dedication and commitment to excellence reflected in our hospitals across the country.

WAYNE T. SMITH

capital investments for organic growth has continued to drive market share expansion. In 2009, we spent over \$577 million on major capital improvement projects, including emergency department renovations, surgical suite expansions and diagnostic radiology projects. These investments are commensurate with our mission to enhance the local hospital facilities and capture more healthcare dollars in the communities we serve.

The most fundamental relationship in healthcare rests between the doctor and the patient. With this in mind, we clearly recognize the vital role that physicians play in ensuring the success of a local community hospital and keeping healthcare services close to home. At Community Health Systems, we place a high emphasis on identifying and recruiting qualified physicians to join our medical staffs. Our efforts paid off in 2009 as we added a record 1,679 new physicians, including a high ratio of clinical specialists, to our roster.

Since inception, Community Health Systems has consistently identified new market opportunities and moved to make suitable hospital acquisitions. Over time, these acquisitions have fueled our growth with a proven track record of improving both the financial results and the overall quality of our acquired facilities. Following the acquisition of 50 hospitals in 2007, we tempered the pace of our acquisition strategy and focused more intently on successfully integrating those facilities and driving additional value from our existing markets. However, we have continued to assess selective market opportunities as they present themselves. Our market assessment led us to complete the acquisition of three additional hospital facilities in 2009. Additionally, at the end of 2009, a subsidiary entered into an affiliation agreement with Rockwood Clinic, P.S., a multi-specialty clinic with 32 locations across the Inland Northwest region of the State of Washington. Rockwood Clinic employs over 130 physicians offering care in more than

30 medical specialties. This affiliation agreement presents an exciting opportunity to lay the groundwork for a fully-integrated healthcare delivery system that will expand and further enhance the quality of healthcare services available to residents of this region. While we will continue to pursue similar market opportunities, our primary focus for 2010 will be on leveraging our existing assets and improving our operations by executing on the key areas for success in our business – an effective centralized operating model, disciplined expense management, a successful physician recruitment program, and strategic capital investments.

As we acknowledge our many accomplishments in 2009, we are also incredibly proud of the dedication and commitment to excellence reflected in our hospitals across the country. We are very grateful to the many people associated with Community Health Systems – our proven management team and board of directors, and especially our unrivaled team of dedicated physicians, nurses and all other hospital employees who continue to aspire to the highest standard of care. We must also thank the people who live and work in the communities we serve — for giving us the opportunity to earn their trust every day.

While we acknowledge the changing dynamics in today's healthcare marketplace, we remain confident in our ability to execute and look forward to the year ahead for Community Health Systems. Finally, we thank our fellow stockholders for the support your investment provides.

Sincerely,

Wayne T. Smith
*Chairman of the Board,
President and Chief Executive Officer*

Board of Directors and Officers / Community Health Systems, Inc.

Board of Directors

Wayne T. Smith
*Chairman of the Board
President and
Chief Executive Officer*

W. Larry Cash
*Executive Vice President
and Chief Financial Officer*

John A. Clerico ⁽¹⁾⁽²⁾
*Co-founder and Chairman
ChartMark Investments, Inc.*

James S. Ely, III ⁽¹⁾
*Founder and Chief Executive Officer
Priority Capital Management LLC.*

John A. Fry ⁽¹⁾⁽³⁾
*President
Franklin & Marshall College*

William N. Jennings, M.D. ⁽³⁾
*Former Managing Partner
Southend Medical Clinic*

Harvey Klein, M.D. ⁽³⁾
*Professor of Clinical Medicine
Cornell University Medical College*

Julia B. North ⁽²⁾⁽³⁾
*Former President – Consumer Services
BellSouth Telecommunications*

H. Mitchell Watson, Jr. ⁽¹⁾⁽²⁾
*Former President and Chief Executive Officer
ROLM Company*

⁽¹⁾ Member of the Audit and
Compliance Committee

⁽²⁾ Member of the Compensation Committee

⁽³⁾ Member of the Governance
and Nominating Committee

Officers

Wayne T. Smith
*Chairman of the Board
President and
Chief Executive Officer*

W. Larry Cash
*Executive Vice President and
Chief Financial Officer*

Rachel A. Seifert
*Executive Vice President,
Secretary and General Counsel*

William S. Hussey
President – Division IV Operations

David L. Miller
President – Division I Operations

Thomas D. Miller
President – Division V Operations

Michael T. Portacci
President – Division II Operations

Martin D. Smith
President – Division III Operations

T. Mark Buford
*Senior Vice President and
Chief Accounting Officer*

Larry M. Carlton
*Senior Vice President –
Revenue Management*

Kenneth D. Hawkins
*Senior Vice President –
Acquisitions and Development*

Carolyn S. Lipp
*Senior Vice President –
Quality and Resource Management*

Barbara R. Paul, M.D.
*Senior Vice President and
Chief Medical Officer*

Martin G. Schweinhart
Senior Vice President – Operations

J. Gary Seay
*Senior Vice President and
Chief Information Officer*

James W. Doucette
Vice President and Treasurer

Robert A. Horrar
Vice President – Administration

Robert O. Horrar
Vice President – Business Development

Tim G. Marlette
Vice President – Materials Management

Kathie G. Thomas
President – Home Health Services

Gerald A. Weissman
Vice President – Medical Staff Development

This Annual Report contains forward looking statements made pursuant to the "safe-harbor" provisions of the Private Securities Litigation Reform Act of 1995. Important factors that could cause our actual results to differ materially from the results contemplated by the forward looking statements are contained in our Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") and included with this Annual Report and in subsequent filings with the SEC.

ATTACHMENT 39

Corporate Information / Community Health Systems, Inc.

Corporate Office

Community Health Systems, Inc.
4000 Meridian Boulevard
Franklin, TN 37067
(615) 465-7000
www.chs.net

Form 10-K/Investor Contact

A copy of the Company's Annual Report on Form 10-K, filed with the Securities and Exchange Commission, may be obtained from the Company at no charge. Requests for the Annual Report on Form 10-K and other investor information should be directed to Investor Relations at the Company's corporate office or at www.chs.net.

Registrar and Transfer Agent

Registrar and Transfer Company
10 Commerce Drive
Cranford, NJ 07016
800-368-5948

Independent Auditors

Deloitte & Touche LLP
Nashville, TN

Annual Stockholders' Meeting

The annual meeting of stockholders will be held on Tuesday, May 18, 2010, at 8:00 a.m. local time at The St. Regis Hotel, 2 East 55th Street, New York, NY.

Common Stock Information

The Company's common stock trades on the New York Stock Exchange under the symbol CYH. As of March 31, 2010, Community Health Systems had approximately 40 stockholders of record and 35,200 beneficial holders of its common stock. To date, the Company has not paid cash dividends on its common stock.

The following table sets forth the high and low sales price information as reported by the New York Stock Exchange during the period indicated.

Stock Price

2009	High	Low
First Quarter	\$21.60	\$12.96
Second Quarter	\$28.79	\$13.95
Third Quarter	\$35.50	\$24.42
Fourth Quarter	\$38.00	\$29.35

2008	High	Low
First Quarter	\$36.85	\$29.79
Second Quarter	\$40.05	\$32.40
Third Quarter	\$36.81	\$28.24
Fourth Quarter	\$28.38	\$10.47

COMMUNITY HEALTH SYSTEMS INC

4000 Meridian Boulevard
Franklin, Tennessee 37067
(615) 465-7000
www.chs.net

ATTACHMENT 39

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE

Department (list below)	A		B		C		D		E		F		G		H		Total	
	Cost/Sq. Foot	Foot	Mod.	Gross Sq. Ft.	New	Gross Sq. Ft.	Circ.	Mod.	Gross Sq. Ft.	Circ.	Const. \$	Mod. \$	(A x C)	(B x E)	Costs	(G + H)		
Reviewable																		
Med/Surg Units	\$ 299.60				24,202	0							\$ 7,250,919		\$ 200,736		\$ 7,250,919	
Surgery/Recovery	\$ 344.40	\$ 209.10			685	960							\$ 235,914	\$ 200,736	\$ 436,650		\$ 436,650	
Sleep Lab*		\$ 164.90			0	3,040							\$ 501,296	\$ 501,296	\$ 501,296		\$ 501,296	
P/TOT	\$ 271.60				198	0							\$ 53,777		\$ 53,777		\$ 53,777	
Critical Decisions		\$ 164.90			0	460							\$ 75,854	\$ 75,854	\$ 75,854		\$ 75,854	
Imaging	\$ 344.40	\$ 209.10			4,162	3,545							\$ 1,433,393	\$ 741,260	\$ 2,174,652		\$ 2,174,652	
Respiratory Ther.		\$ 164.90			0	1,070							\$ 176,443	\$ 176,443	\$ 176,443		\$ 176,443	
Laboratory	\$ 310.80				2,344	0							\$ 728,515	\$ 728,515	\$ 728,515		\$ 728,515	
Pharmacy		\$ 164.90			0	330							\$ 54,417	\$ 54,417	\$ 54,417		\$ 54,417	
Total	\$ 307.13	\$ 186.07			31,591	9,405							\$ 9,702,518	\$ 1,750,006	\$ 11,452,524		\$ 11,452,524	
DGSF>>BGSF	\$ 204.40	\$ 124.10			6,318	1,881							\$ 1,291,440	\$ 233,432	\$ 1,524,872		\$ 1,524,872	
contingency	\$ 290.01	\$ 175.74			37,909	11,286							\$ 10,993,958	\$ 1,983,438	\$ 12,977,396		\$ 12,977,396	
													\$ 1,000,000	\$ 250,000	\$ 1,250,000		\$ 1,250,000	
															\$ 14,227,396		\$ 14,227,396	
Non-Reviewable																		
Maintenance	\$ 201.60	\$ 122.40			1,571	254							\$ 316,714	\$ 31,090	\$ 347,803		\$ 347,803	
Business Office*		\$ 134.30			0	7,630							\$ 1,024,709	\$ 1,024,709	\$ 1,024,709		\$ 1,024,709	
Admitting	\$ 221.20	\$ 134.30			681	680							\$ 150,637	\$ 91,324	\$ 241,961		\$ 241,961	
N. Admin/Case Mgr	\$ 221.20				2,821	0							\$ 624,005		\$ 624,005		\$ 624,005	
Admin	\$ 221.20	\$ 134.30			1,955	654							\$ 432,446	\$ 87,832	\$ 520,278		\$ 520,278	
Mtg/Bd Room	\$ 221.20				2,987	0							\$ 660,724		\$ 660,724		\$ 660,724	
Medical Records		\$ 134.30			0	1,100							\$ 147,730	\$ 147,730	\$ 147,730		\$ 147,730	
Total	\$ 218.13	\$ 134.01			10,015	10,318							\$ 2,184,526	\$ 1,382,685	\$ 3,567,211		\$ 3,567,211	
DGSF>>BGSF	\$ 204.40	\$ 124.10			2,003	2,064							\$ 409,413	\$ 256,093	\$ 665,506		\$ 665,506	
contingency	\$ 132.36	\$ 124.10			12,018	12,382							\$ 2,593,940	\$ 1,638,778	\$ 4,232,717		\$ 4,232,717	
PROJECT TOTAL													\$ 275,000	\$ 180,000	\$ 455,000		\$ 455,000	
															\$ 4,687,717		\$ 4,687,717	
															\$ 18,915,113		\$ 18,915,113	
*currently off site																		

CROSSROADS COMMUNITY HOSPITAL
 YEAR 2 FOLLOWING PROJECT COMPLETION

OPERATING COSTS

	Med/Surg	Hospital
salaries & benefits	\$1,613,351	\$1,838,888
supplies	<u>\$123,733</u>	<u>\$5,756,562</u>
TOTAL	\$1,737,085	\$7,595,450

Adjusted	\$24,240,489	
Patient Days =	\$2,792.00	8,682

Operating cost/adj pt day	\$200.08	\$874.84
---------------------------	----------	----------

CAPITAL COSTS

interest	\$ 69,140
depreciation & amortization	<u>\$ 1,485,107</u>
	\$ 1,554,247

facility capital cost per adjusted day:	\$179.02
---	----------

After paginating the entire, completed application, indicate in the chart below, the page numbers for the attachments included as part of the project's application for permit:

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant/Coapplicant Identification including Certificate of Good Standing	23-24
2	Site Ownership	25
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	27-28
5	Flood Plain Requirements	29-30
6	Historic Preservation Act Requirements	31
7	Project and Sources of Funds Itemization	32
8	Obligation Document if required	
9	Cost Space Requirements	33
10	Discontinuation	
11	Background of the Applicant	34-36
12	Purpose of the Project	37-38
13	Alternatives to the Project	39-40
14	Size of the Project	41
15	Project Service Utilization	42-50
16	Unfinished or Shell Space	
17	Assurances for Unfinished/Shell Space	
18	Master Design Project	
19	Mergers, Consolidations and Acquisitions	
	Service Specific:	
20	Medical Surgical Pediatrics, Obstetrics, ICU	51-55
21	Comprehensive Physical Rehabilitation	
22	Acute Mental Illness	
23	Neonatal Intensive Care	
24	Open Heart Surgery	
25	Cardiac Catheterization	
26	In-Center Hemodialysis	
27	Non-Hospital Based Ambulatory Surgery	
28	General Long Term Care	
29	Specialized Long Term Care	
30	Selected Organ Transplantation	
31	Kidney Transplantation	
32	Subacute Care Hospital Model	
33	Post Surgical Recovery Care Center	
34	Children's Community-Based Health Care Center	
35	Community-Based Residential Rehabilitation Center	
36	Long Term Acute Care Hospital	
37	Clinical Service Areas Other than Categories of Service	56-61
38	Freestanding Emergency Center Medical Services	
	Financial and Economic Feasibility:	
39	Availability of Funds	62-70
40	Financial Waiver	
41	Financial Viability	
42	Economic Feasibility	71-72
43	Safety Net Impact Statement	
44	Charity Care Information	22