

ORIGINAL

11-015

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

RECEIVED

This Section must be completed for all projects.

MAR 22 2011

Facility/Project Identification

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Facility Name:	Glenbrook Hospital		
Street Address:	2100 Pfingsten Road		
City and Zip Code:	Glenview, IL 60026		
County:	Cook	Health Service Area	VII
		Health Planning Area:	A-08

Applicant /Co-Applicant Identification

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

Exact Legal Name:	NorthShore University HealthSystem d/b/a Glenbrook Hospital		
Address:	2100 Pfingsten Road Glenview, IL 60026		
Name of Registered Agent:	Jeffrey H. Hillebrand		
Name of Chief Executive Officer:	Douglas Silverstein, President		
CEO Address:	2100 Pfingsten Road Glenview, IL 60026		
Telephone Number:	847/657-5800		

Type of Ownership of Applicant/Co-Applicant

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

- Corporations and limited liability companies must provide an Illinois certificate of good standing.
- 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:	Douglas Silverstein
Title:	President
Company Name:	Glenbrook Hospital
Address:	2100 Pfingsten Road Glenview, IL 60026
Telephone Number:	847/657-5800
E-mail Address:	dsilverstein@NorthShore.org
Fax Number:	847/657-5990

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:	Glenbrook Hospital		
Street Address:	2100 Pfingsten Road		
City and Zip Code:	Glenview, IL 60026		
County:	Cook	Health Service Area	VII
		Health Planning Area:	A-08

Applicant /Co-Applicant Identification

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

Exact Legal Name:	NorthShore University HealthSystem
Address:	1301 Central Street Evanston, IL 60201
Name of Registered Agent:	Jeffrey H. Hillebrand
Name of Chief Executive Officer:	Mark R. Neaman, CEP
CEO Address:	1301 Central Street Evanston, IL 60201
Telephone Number:	847/657-5800

Type of Ownership of Applicant/Co-Applicant

<input checked="" type="checkbox"/>	Non-profit Corporation	<input type="checkbox"/>	Partnership	
<input type="checkbox"/>	For-profit Corporation	<input type="checkbox"/>	Governmental	
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E-mail Address:	dsilverstein@NorthShore.org
Fax Number:	847/657-5990

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:	Alexis Washa
Title:	Senior Director, Finance
Company Name:	NorthShore University HealthSystem
Address:	1301 Central Street Evanston, IL 60201
Telephone Number:	847/570-5230
E-mail Address:	awasha@northshore.org
Fax Number:	847/570-5240

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	NorthShore University HealthSystem
Address of Site Owner:	1301 Central Street Evanston, IL 60201
Street Address or Legal Description of Site:	2100 Pfcngsten Road Glenview, IL 60026
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:	NorthShore University HealthSystem d/b/a Glenbrook Hospital	
Address:	2100 Pfcngsten Road Glenview, IL 60026	
<input checked="" type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
<input 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.
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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)]

<p>Part 1110 Classification:</p> <p><input type="checkbox"/> Substantive</p> <p><input checked="" type="checkbox"/> Non-substantive</p>	<p>Part 1120 Applicability or Classification: [Check one only.]</p> <p><input type="checkbox"/> Part 1120 Not Applicable</p> <p><input type="checkbox"/> Category A Project</p> <p><input checked="" type="checkbox"/> Category B Project</p> <p><input type="checkbox"/> DHS or DVA Project</p>
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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 proposed project is limited to the construction of a fifth floor atop the building currently housing all of Glenbrook Hospital's inpatient units. Upon completion, the fifth floor will house a 32-bed medical/surgical unit and a 16-bed observation unit, both of which will be configured with all private rooms. The project does not involve the addition of any medical/surgical beds. Rather, upon the project's completion, the hospital's 152 medical/surgical beds will be located in 152 rooms, rather than the existing 120 rooms. As a result of the newly-constructed rooms, all of the hospital's medical/surgical beds will be located in private rooms, compared to the 58% now in private rooms.

This project represents the fourth and next logical step in the growth and modernization of the hospital. That process was initiated with an expansion of the hospital's surgery and gastroenterology capacity, followed by the expanding of the Emergency Department (scheduled for completion in April, 2011) and the hospital's outpatient areas (scheduled for completion in Spring 2010). The third step involved the expanding of the hospital's physician office and parking capacities (Project 08-085) scheduled for completion in late 2012-early 2013.

The proposed project is non-substantive because it does not meet the Illinois Health Facilities and Services Board's definition of a 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	\$407,000	\$96,000	\$503,000
Site Survey and Soil Investigation			
Site Preparation	\$550,000	\$240,000	\$790,000
Off Site Work			
New Construction Contracts	\$10,429,603	\$4,489,059	\$14,918,662
Modernization Contracts	\$5,562,490		\$5,562,490
Contingencies	\$839,280	\$380,150	\$1,219,430
Architectural/Engineering Fees	\$1,458,000	\$450,000	\$1,908,000
Consulting and Other Fees	\$1,537,635	\$512,545	\$2,050,180
Movable or Other Equipment (not in construction contracts)	\$7,167,600	\$796,400	\$7,964,000
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Structural Reinforcement		\$1,600,000	\$1,600,000
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$27,951,608	\$8,564,154	\$36,515,762
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$27,951,608	\$8,564,154	\$36,515,762
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$27,951,608	\$8,564,154	\$36,515,762

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 Yes No
Purchase Price: \$ _____
Fair Market Value: \$ _____

The project involves the establishment of a new facility or a new category of service
 Yes 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 \$ none.

Project Status and Completion Schedules

Indicate the stage of the project's architectural drawings:

None or not applicable Preliminary
 Schematics Final Working

Anticipated project completion date (refer to Part 1130.140): June 1, 2014

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):

- Purchase orders, leases or contracts pertaining to the project have been executed.
 Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies
 Project obligation will occur after permit issuance.

APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals

Are the following submittals up to date as applicable:

- Cancer Registry
 APORS
 All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
 All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the department/area **DGSF** or the building/area **BGSF** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							

APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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: Glenbrook Hospital		CITY: Glenview			
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	152*	8,235	38,203	None	152*
Obstetrics					
Pediatrics					
Intensive Care	17	1,110	4,008	None	17
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness					
Neonatal Intensive Care					
General Long Term Care					
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify)					
TOTALS:	169	9,345	42,211	None	169

*increased from 136 beds on August 9, 2010

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 NorthShore University HealthSystem * 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.

Mark R. Neaman
SIGNATURE

Mark R. Neaman
PRINTED NAME

President & Chief Executive Officer
PRINTED TITLE

Jeffrey H. Hillebrand
SIGNATURE

Jeffrey H. Hillebrand
PRINTED NAME

Chief Operating Officer
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 17th day of March 2011

Notarization:
Subscribed and sworn to before me
this 17th day of March 2011

Barbara M Austin
Signature of Notary
Seal
BARBARA M AUSTIN
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:12/02/11

Barbara M Austin
Signature of Notary
Seal
OFFICIAL SEAL
BARBARA M AUSTIN
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:12/02/11

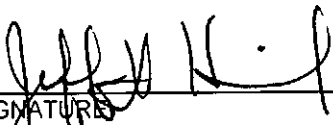
*Insert EXACT legal name of the applicant

CERTIFICATION

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

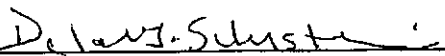
- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manger or member when two or more managers or members do not exist);
- o in the case of a partnership, two of 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
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SIGNATURE

Jeffrey H. Hillebrand
PRINTED NAME

Chief Operating Officer
PRINTED TITLE

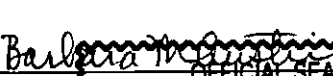
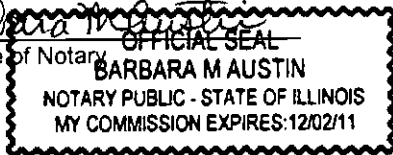

SIGNATURE



Douglas M. Silverstein
PRINTED NAME

President, Glenbrook Hospital
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 17th day of March, 2011

Notarization:
Subscribed and sworn to before me
this 18th day of March 2011


Signature of Notary

Seal


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?
Medical/Surgical Unit	17,349 DGSF	21,120 DGSF	3,771 DGSF	yes

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?
2009	Med/Surg	38,203	50,187	46,848+	yes

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 tot 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): **NO CHANGE IN NUMBER OF BEDS**

Category of Service	# Existing Beds	# Proposed Beds
<input checked="" type="checkbox"/> Medical/Surgical	152	152
<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 checked="" type="checkbox"/> observation unit	0	16
<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
APPEND DOCUMENTATION AS ATTACHMENT-37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.		

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:

\$36,515,762	a)	Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:
	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;
_____	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.
_____	c)	Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
_____	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:
	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.
_____	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;
_____	f)	Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____	g)	All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
\$36,515,762	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

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 to be used**

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

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

APPEND DOCUMENTATION AS ATTACHMENT -42, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XI. Safety Net Impact Statement Glenbrook Hospital

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)	CY2007	CY2008	CY2009
Inpatient	291	345	370
Outpatient	1,404	1,792	2,311
Total	1,695	2,137	2,681
Charity (cost in dollars)	FY2007	FY2008	FY2009
Inpatient	\$1,610,647	\$1,740,025	\$2,001,588
Outpatient	\$1,428,309	\$1,272,987	\$1,572,524
Total	\$3,038,956	\$3,013,012	\$3,574,112
MEDICAID			
Medicaid (# of patients)	CY2007	CY2008	CY2009
Inpatient	191	223	245
Outpatient	3,286	3,964	8,576
Total	3,467	4,187	8,820
Medicaid (revenue)	FY2007	FY2008	FY2009
Inpatient	\$925,189	\$1,307,006	\$1,653,495
Outpatient	\$44,008	\$37,693	\$247,037
Total	\$969,197	\$1,344,699	\$1,900,532

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

XI. Safety Net Impact Statement Skokie Hospital

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)	CY2007	CY2008	CY2009*
Inpatient	89	83	165
Outpatient	329	422	393
Total	418	505	558
Charity (cost in dollars)	FY2007	FY2008	FY2009
Inpatient	\$887,727	\$390,390	\$341,816
Outpatient	\$254,687	\$116,610	\$282,915
Total	\$1,142,414	\$507,000	\$624,731
MEDICAID			
Medicaid (# of patients)	CY2007	CY2008	CY2009*
Inpatient	1,398	1,267	457
Outpatient	5,485	7,380	14,788
Total	6,883	8,647	15,245
Medicaid (revenue)	FY2007	FY2008	FY2009
Inpatient	\$26,778,398	\$26,580,204	\$5,067,594
Outpatient	\$890,884	\$935,229	\$1,646,348
Total	\$27,669,282	\$27,515,433	\$6,713,942

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

* FY 2009 data is for 9 months post NorthShore acquisition of Skokie Hospital

XI. Safety Net Impact Statement Highland Park Hospital

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)	CY2007	CY2008	CY2009
Inpatient	415	417	424
Outpatient	1,143	1,526	2,155
Total	1,558	1,943	2,579
Charity (cost in dollars)	FY2007	FY2008	FY2009
Inpatient	\$3,728,08	\$2,609,248	\$3,099,363
Outpatient	\$4,203,922	\$3,676,592	\$4,430,577
Total	\$7,931,930	\$6,285,940	\$7,529,940
MEDICAID			
Medicaid (# of patients)	CY2007	CY2008	CY2009
Inpatient	445	572	732
Outpatient	4,155	4,448	10,795
Total	4,600	5,020	11,527
Medicaid (revenue)	FY2007	FY2008	FY2009
Inpatient	\$2,026,816	\$2,237,518	\$2,680,203
Outpatient	\$48,786	8,839	\$306,049
Total	\$2,075,602	\$2,336,357	\$2,986,852

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

XI. Safety Net Impact Statement

Evanston Hospital

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)	CY2007	CY2008	CY2009
Inpatient	1,182	1,052	1,110
Outpatient	3,338	4,744	6,133
Total	4,520	5,796	7,243
Charity (cost in dollars)	FY2007	FY2008	FY2009
Inpatient	\$3,307,454	\$3,949,995	\$4,791,184
Outpatient	\$3,277,747	\$4,692,288	\$5,507,087
Total	\$6,585,201	\$8,642,262	\$10,298,271
MEDICAID			
Medicaid (# of patients)	CY2007	CY2008	CY2009
Inpatient	1,692	1,737	2,024
Outpatient	15,832	20,247	38,787
Total	17,525	21,984	40,811
Medicaid (revenue)	FY2007	FY2008	FY2009
Inpatient	\$16,203,293	\$17,100,815	\$16,607,006
Outpatient	\$161,443	\$158,543	\$8,469,570
Total	\$16,364,736	\$17,259,358	\$25,076,576

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

XII. Charity Care Information Glenbrook Hospital

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			
	FY2007	FY2008	FY2009
Net Patient Revenue	\$191,407,352	\$213,825,125	\$223,587,677
Amount of Charity Care (charges)	\$8,410,705	\$9,048,084	\$11,328,113
Cost of Charity Care	\$3,038,956	3,013,012	\$3,574,112

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

XII. Charity Care Information

Skokie Hospital

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			
	FY2007	FY2008	FY2009
Net Patient Revenue	\$174,764,318	\$175,975,000	\$117,669,423
Amount of Charity Care (charges)	\$3,161,779	\$1,522,523	\$1,980,078
Cost of Charity Care	\$1,142,414	\$507,000	\$624,731

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

XII. Charity Care Information

Highland Park Hospital

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			
	F2007	FY2008	FY2009
Net Patient Revenue	\$180,559,161	\$205,160,229	\$208,296,248
Amount of Charity Care (charges)	\$7,931,930	\$6,285,940	\$7,529,940
Cost of Charity Care	\$2,865,965	\$2,093,218	\$2,375,759

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

XII. Charity Care Information

Evanston Hospital

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			
	FY2007	FY2008	FY2009
Net Patient Revenue	\$403,688,598	\$434,017,660	\$453,496,414
Amount of Charity Care (charges)	\$18,225,399	\$25,952,742	\$32,640,263
Cost of Charity Care	\$6,585,201	\$8,642,263	\$10,298,271

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

COMMUNITY BENEFITS REPORT 2009

The more NorthShore University HealthSystem and the community connect,



the stronger and healthier both will become.

NorthShore
University HealthSystem

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NorthShore University HealthSystem Mission Statement

The core mission of NorthShore University HealthSystem is to preserve and improve human life. This mission will be achieved through the provision of superior clinical care, academic excellence and innovative research.

NorthShore University HealthSystem is a not-for-profit corporation formed principally to provide quality healthcare services for the communities it serves. The delivery of healthcare services is provided in a wide range of inpatient and ambulatory healthcare settings, community-wide, employing modern technology and expertise. Support for qualified residents who may not be able to pay the entire cost of their care is a part of NorthShore's commitment. The organization's primary service area includes Chicago's "North Shore," northern suburbs and environs. In support of its primary mission of patient care, the corporation engages in a wide range of academic activities in medical education and research.

This statement recognizes the Board of Directors' responsibility to maintain the organization's viability to meet its long-term commitment to the communities it serves. It further recognizes the responsibility to maintain technologically current assets for this purpose. This includes the cultivation and development of our physicians, employees, physical plant, equipment and other resources to assure orderly growth of our services.

October 1, 2000

Community Relations Vision Statement

*NorthShore University HealthSystem is only one
of the partners integral to improving the health of the
communities it serves.*

*We are committed to taking
a leadership role -- offering resources
and support to achieve our mission
to preserve and improve human life.*

*Working with partners in making
decisions that impact community health
is at the core of our efforts.*

Community Benefits Guiding Principles*

NorthShore University HealthSystem recognizes and embraces its responsibility to ensure that it fulfills its charitable obligations in the most cost-effective and sustainable manner. In order to achieve this goal, NorthShore University HealthSystem is guided and its initiatives measured by five guiding principles:

1. **Disproportionate Unmet Health-Related Needs** – Seek to accommodate the needs of communities with disproportionate unmet health-related needs
2. **Primary Prevention** – Address the underlying causes of persistent health problems
3. **Seamless Continuum of Care** – Demonstrate continuum of care by establishing operational linkages between hospital services and community health improvement activities
4. **Build Community Capacity** – Target resources to mobilize and build capacity of existing community assets
5. **Community Collaboration** – Engage diverse community stakeholders in the selection, design, implementation and evaluation of program activities

*NorthShore University HealthSystem has aligned its community benefits program with the guiding principles outlined in *Advancing the State of the Art of Community Benefit* for nonprofit hospitals, which provides a set of uniform standards to increase accountability and align governance, management and operations to return benefit to local communities. *Advancing the State of the Art of Community Benefit* is a national demonstration program administered by the Public Health Institute and funded by the W.K. Kellogg Foundation, California Endowment, UniHealth Foundation, The Health Trust and coordinated through the Robert F. Wagner Graduate School of Public Service at New York University.

The Community Benefits Program Tracking & Evaluation table on the following pages tracks NorthShore University HealthSystem's community benefits initiatives, which are evaluated against an assessed community need, outcome(s) and guiding principles.

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 – September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
Ongoing	Evanston Hospital Outpatient Department provides medical care to adults and children who lack private medical insurance. Medical services include, but are not limited to: Primary Care, Obstetrics/Gynecology, General Surgery, Orthopedics, Diabetes Education and Podiatry.	Access to healthcare for the medically underserved Access to healthcare Information about NorthShore University HealthSystem services	Treated 6,015 adult patients at 13,191 visits and 3,808 adolescent patients at 7,201 visits.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
Ongoing	Emergency Departments within NorthShore University HealthSystem are staffed 24/7 with physicians, nurses and technicians who are trained to respond to medical emergencies. Evanston Hospital provides level I trauma services.	Access to healthcare Information about NorthShore University HealthSystem services	Provided care to 124,778 individuals in the Evanston, Glenbrook, Highland Park and Skokie Hospital emergency departments.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input type="checkbox"/> Community Collaboration
Ongoing	Be Well-Lake County Pilot Program	Access to healthcare for the medically underserved Access to healthcare Coordinate services/create partnerships Community outreach	Provided \$1 million in funding and services for diabetes management for more than 500 current patients at the LCHD Community Health Center in North Chicago. Funding resources include increased staffing, assistance with medication and testing supplies, access to subspecialty care, on-site Hemoglobin A1C testing and a comprehensive approach to a healthy lifestyle for the entire family.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 – September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
Ongoing	Family Care Center at Glenbrook Hospital	<p>Access to healthcare</p> <p>Access to healthcare for the medically underserved</p> <p>Coordinate services/create partnerships</p> <p>Community outreach</p>	<p>Glenbrook Hospital provided comprehensive care for people of all ages and served as a training site for Family Medicine resident physicians and medical students from Northwestern University's Feinberg School of Medicine. From August 2008 through June 2009, 17 residents were trained through the Family Care Center.</p>	<p><input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input checked="" type="checkbox"/> Primary Prevention</p> <p><input checked="" type="checkbox"/> Seamless Continuum of Care</p> <p><input checked="" type="checkbox"/> Build Community Capacity</p> <p><input type="checkbox"/> Community Collaboration</p>
Ongoing	The Dental Center at Evanston Hospital provides primary care dental services and special consultations for medically underserved adult patients, pre-screenings for cardiovascular patients, and management for oral complications in oncology patients and for those with refractory dental problems.	<p>Dental care</p> <p>Access to healthcare for the medically underserved</p> <p>Access to healthcare</p>	<p>The Dental Center provided free and discounted care for 2,448 adult patients.</p>	<p><input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input checked="" type="checkbox"/> Primary Prevention</p> <p><input checked="" type="checkbox"/> Seamless Continuum of Care</p> <p><input type="checkbox"/> Build Community Capacity</p> <p><input type="checkbox"/> Community Collaboration</p>
Ongoing	Evanston Township High School Health Center is a school-based health clinic, funded in part by NorthShore University HealthSystem for approximately \$429,670, which provides physical exams, immunizations, treatment of acute and chronic illnesses, individual counseling, health education, gynecological care and support groups to students whose parents allow them to enroll in the health center.	<p>Access to healthcare</p> <p>Access to healthcare for the medically underserved</p> <p>Coordinate services/create partnerships</p> <p>Community outreach</p>	<p>For the 2008-2009 academic year 907 ETHS students made 2,361 visits to the Health Center. For District 65, 155 students made 216 visits; 61 encounters were on site at the students' school.</p>	<p><input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input checked="" type="checkbox"/> Primary Prevention</p> <p><input checked="" type="checkbox"/> Seamless Continuum of Care</p> <p><input checked="" type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 - September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
Ongoing	Interpretive Services provides comprehensive, in-person and telephonic translation and interpretation services for patients and family members receiving medical treatment at any of the NorthShore facilities.	Community outreach Access to healthcare	NorthShore provided \$1,066,157 for interpretive services including 22,000 hours of verbal interpretive services provided by three NorthShore University HealthSystem staff interpreters and nine members of an in-house resource pool.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input type="checkbox"/> Community Collaboration
Ongoing	The Medication Assistance Program helps with the cost of prescriptions for patients of the Evanston Hospital Outpatient Department.	Access to healthcare for the medically underserved Access to healthcare Information about NorthShore University HealthSystem services	The program assisted 1,477 patients and filled 19,582 prescriptions costing NorthShore University HealthSystem \$528,097.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input type="checkbox"/> Community Collaboration
Ongoing	Provide Financial and Direct Support to not-for-profit organizations that support NorthShore University HealthSystem's mission to preserve and improve human life, as well as to help NorthShore University HealthSystem connect with the communities it serves.	Access to healthcare for the medically underserved Access to healthcare Community outreach Coordinate services/create partnerships	NorthShore University HealthSystem provided \$769,390 in financial contributions to 87 organizations and \$223,663 in non-cash donations to 13 organizations.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
Ongoing	The Eye and Vision Center hosts ophthalmology clinics for medically underserved clients referred through the Outpatient Department at Evanston Hospital, providing a spectrum of pediatric and adult vision services.	Access to healthcare Access to healthcare for the medically underserved	The Eye and Vision Center treated 1,070 medically underserved patients through clinic visits and surgical cases.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input type="checkbox"/> Community Collaboration

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Principle Addressed

Community benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 - September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
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Ongoing	Center for Simulation Technology and Academic Research [CSTAR]	Community outreach Access to healthcare	Center for Simulation Technology and Academic Research [CSTAR] at Evanston and Highland Park Hospitals utilizes multiple high-fidelity simulators to provide high-impact training events. The Simulator Center staff simulated trauma and preparedness training opportunities in a controlled environment.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input type="checkbox"/> Community Collaboration
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Ongoing	NorthShore University HealthSystem has a Community Relations Manager assigned to each of its hospitals.	Access to healthcare for the medically underserved Access to healthcare Community outreach Coordinate services/create partnerships Information about NorthShore University HealthSystem services Impact public policy	The Community Relations Department, established in 2005, manages and coordinates community benefits activities that improve community health and serve as a liaison to NorthShore University HealthSystem communities.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
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Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 -- September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
Ongoing	<p>Mental Health Services for adults, adolescents and children are offered along a continuum of care including group, individual and family outpatient services, intensive outpatient and day hospital programs, and inpatient centers for both adults and adolescents. Staff from NorthShore University HealthSystem's Psychiatry Department also provided Mental Health Outreach by offering presentations and professional services to outside organizations on a variety of mental health issues.</p>	<p>Mental Health Community outreach Coordinate services/create partnerships Information about NorthShore University HealthSystem services</p>	<p>NorthShore University HealthSystem's Department of Psychiatry supervises social work interns for clinical training across programs. The Access Center offers 24-hour crisis intervention and triage over the phone and in the Emergency Department. The Access Center answers more than 500 calls per month for intakes and referrals to outside counseling or treatment.</p>	<p><input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration</p>
Ongoing	<p>Mobile Meals/Meals at Home programs provide meals for homebound individuals.</p>	<p>Diet/nutrition/obesity Senior services Community outreach</p>	<p>Food and Nutrition Services prepared 7,618 meals at Evanston Hospital. Food and Nutrition Services at Glenbrook Hospital prepared 8,103 meals for the Meals at Home programs in Evanston and Glenbrook service areas. Skokie Hospital prepared 6,317 meals and Mobile Meals of Highland Park Hospital provided 10,889 meals to approximately 51 recipients monthly.</p>	<p><input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration</p>
Ongoing	<p>NorthShore University HealthSystem provides Internship and Mentoring opportunities for high school and college students. Students interned in the following departments: Cardiology, Laboratory, Medical Social Work, Occupational Therapy, Patient Care, Infection Control, Perinatal Family Support Center, Physical Therapy, Radiology and Hospital Administration.</p>	<p>Community outreach Coordinate services/create partnerships</p>	<p>NorthShore University HealthSystem provided 1,009 students with 78,345 internship hours. NorthShore University HealthSystem staff provided 66,380 hours of supervision.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration</p>

Principle Addressed

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 - September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
Ongoing	Hospital Tours	Community outreach	Throughout the year, all four hospitals provide the opportunity for community, civic, social service, school or other groups to take hospital tours that provide demonstrations of hospital services and technology for the purposes of education and outreach.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
Ongoing	Cancer Wellness Center, Northbrook is a not-for-profit organization that provides psychosocial support to cancer patients and their families.	Cancer Access to healthcare Coordinate services/create partnerships	NorthShore University HealthSystem Kellogg Cancer Care Centers offered 16 educational programs and provided \$3,500 in financial support.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
Ongoing	Perinatal Depression Program identifies women who are suffering from perinatal depression and offers referrals for women who may need additional help. The program screens women for perinatal depression during and after their pregnancy and offers a 24/7 crisis hotline for women and their family members who may find themselves in an emergent situation. All services are provided free of charge.	Mental health Community outreach Information about NorthShore University HealthSystem services	NorthShore University HealthSystem physicians conducted 4,818 screenings to identify at-risk patients. Free psychological support and referrals were provided for 472 women identified through the screenings as at-risk for perinatal mood disorders. The hotline received 497 calls.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
Ongoing	Health Education programs are offered at NorthShore University HealthSystem sites.	Health information Community outreach Information about NorthShore University HealthSystem services	NorthShore University HealthSystem provided 515 health education classes to 12,848 participants.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration

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Principle Addressed

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 – September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore-University HealthSystem Guiding Principles Addressed
Ongoing	Exercise Programs are offered at NorthShore University HealthSystem sites.	Health information	NorthShore University HealthSystem provided 100 exercise programs to 770 participants.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
Ongoing	Experts from NorthShore University HealthSystem Speakers' Bureau are available to organizations throughout the NorthShore University HealthSystem service area. Presentations range from health-related topics to issues relevant to communities and hospitals.	Health information Community outreach Information about NorthShore University HealthSystem services	NorthShore University HealthSystem provided 28 presentations to 959 participants.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
Ongoing	Staff members from NorthShore University HealthSystem participate in community Health Fairs throughout the year.	Senior Services Community outreach Health information Access to healthcare Access to healthcare for the medically underserved Information about NorthShore University HealthSystem services	NorthShore University HealthSystem participated in 31 health fairs. Staff members provided resource information and/or health screenings.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration

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Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 - September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
Ongoing	Health Screenings are offered at NorthShore University HealthSystem sites on a monthly basis, as well as in the community by request.	Community outreach Health information Access to healthcare Access to healthcare for the medically underserved Information about NorthShore University HealthSystem services	NorthShore University HealthSystem provided 190 screening events to 6,254 individuals.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
Ongoing	Community Advisory Committees	Community outreach Health information Access to healthcare Access to healthcare for the medically underserved Information about NorthShore University HealthSystem services	Community Advisory Committees, comprising 12-15 members, are active at each NorthShore University HealthSystem hospital. The committees' role is to help identify gaps in healthcare services within the community, seek opportunities for partnerships between the hospital and community organizations and serve as a liaison within the communities we serve.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
Ongoing	Reach Out and Read is a program that promotes early literacy by bringing new books and advice about the importance of reading aloud.	Youth health Community outreach	Doctors and nurses give new books to children at each well-child visit from six months of age to five years, and accompany these books with developmentally appropriate advice to parents about reading aloud with their child.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input type="checkbox"/> Community Collaboration

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 – September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
Ongoing	OASIS Institute, a national senior-based membership organization located on the North Shore of Chicago.	Community outreach Health information Information about NorthShore University HealthSystem services	NorthShore University HealthSystem provided 49 speaking and screening engagements, reaching 1,985 OASIS members.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
Ongoing	Meeting Room Space	Community outreach Coordinate services/create partnerships	NorthShore University HealthSystem provides free meeting room space for community organizations.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
Ongoing	Access to Care Program with Family Care Center (Residency Program in Family Medicine) and Glenbrook South High School.	Access to healthcare for the medically underserved Access to healthcare Community outreach	Glenbrook Hospital provides immediate access to care to all Glenbrook South High School students, especially reaching out to those without access to primary care services. Back-to-School physicals are also provided to students in need at the start of the school year.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
Ongoing	The Perinatal Family Support Center provides a wide array of services free of charge to women and their families experiencing challenges related to pregnancy, birth, prematurity or perinatal loss. Services are provided in both inpatient and outpatient settings and also include groups, sibling tours and a literacy program in the Child and Adolescent Clinic.	Community outreach Health information Access to healthcare Access to healthcare for the medically underserved Information about NorthShore University HealthSystem services	The perinatal family support center provided services to 1,468 patients.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 – September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
Ongoing	Connections for Pregnant & Parenting Teens partners with a consortium of agencies to network and share resources to provide education and assistance to pregnant and parenting teens.	Community outreach Health information Coordinate services/create partnerships Youth Health	NorthShore University HealthSystem provided services to 150 teenagers.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
Ongoing	NorthShore provides financial support to the McGaw YMCA Club FYT program.	Community outreach Coordinate services/create partnerships Youth health	The program works to address the issue of childhood obesity in Evanston. Club FYT is designed to create behavior changes that will be sustained outside the program, in the community and at home. A total of 80 youths from third through eighth grade participate in the Club FYT program.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
Ongoing/ Year	District 214 Medical Academy provides an opportunity for motivated high school students to gain insight into health careers by rotating through hospital departments with one-on-one job shadowing for high school credit.	Community outreach Coordinate services/create partnerships Youth health	In the 2008-2009 school year, Glenbrook Hospital provided approximately 1,116 hours of rotations for high school students participating in the District 214 medical academy.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
Ongoing/ School Year	Glenbrook South High School Medical Technologies Hospital-Based Curriculum	Community outreach Coordinate services/create partnerships	Throughout the school year, Glenbrook Hospital provided 60 students with the opportunity to interact with various hospital technologies in healthcare service lines.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration

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Principle Addressed

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 - September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
October 15	Northwestern University Health Fair	<p>Health information</p> <p>Community outreach</p> <p>Information about NorthShore University HealthSystem services</p>	<p>Provided information and screenings to community members, students and staff of Northwestern University.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input checked="" type="checkbox"/> Primary Prevention</p> <p><input checked="" type="checkbox"/> Seamless Continuum of Care</p> <p><input checked="" type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>
October 19	Making Strides Walk for Breast Cancer Awareness, Chicago	<p>Community outreach</p> <p>Coordinate services/create partnerships</p> <p>Cancer</p>	<p>Approximately 60 employees and family members took part in a five-mile walk and raised more than \$3,500 for the event.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input checked="" type="checkbox"/> Primary Prevention</p> <p><input type="checkbox"/> Seamless Continuum of Care</p> <p><input checked="" type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>
October 20	Flu shots for Evanston McGaw YMCA Residents	<p>Access to healthcare</p> <p>Access to healthcare for the medically underserved</p> <p>Coordinate services/create partnerships</p> <p>Community outreach</p>	<p>Provided flu vaccinations for approximately 30 residents of the Evanston McGaw YMCA.</p>	<p><input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input checked="" type="checkbox"/> Primary Prevention</p> <p><input checked="" type="checkbox"/> Seamless Continuum of Care</p> <p><input checked="" type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>
October '08	Flu vaccines were provided at NorthShore University HealthSystem Pharmacies within Sunset Foods.	<p>Community outreach</p> <p>Coordinate services/create partnerships</p>	<p>NorthShore University HealthSystem provided 1,332 flu vaccines to Northern Cook and Lake County residents.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input checked="" type="checkbox"/> Primary Prevention</p> <p><input type="checkbox"/> Seamless Continuum of Care</p> <p><input checked="" type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>

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Principle Addressed

Community benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 – September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
October 25	Halloween Safety at The Glen	Community outreach Youth health	Glenbrook Hospital provided health information about Halloween safety to 100 children and parents at the first annual Halloween Resource Fair in The Glen.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
November	Diabetes Awareness Month Outreach	Community outreach Health information Information about NorthShore University HealthSystem services	Provided information about diabetes and conducted glucose, blood pressure and lipid screenings at five events during the month of November. Nearly 500 individuals participated in these events.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
November 2	Diabetes and Diabetic Retinopathy Screenings	Community outreach Coordinate services/create partnerships Health Information Information about NorthShore University HealthSystem services	Highland Park Hospital partnered with the Lake County Health Department, Highland Park Senior Center, Moraine Township and the Lions Club to offer screenings for residents at risk for diabetes and diabetic retinopathy, providing vision, hearing, glucose and blood pressure screenings to 120 community members.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input checked="" type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
November 10-20	Evanston Hospital Thanksgiving Food Drive	Community outreach Coordinate services/create partnerships	Evanston Hospital collected food items and distributed them to local agencies in the Evanston community via the Food Assistance Center of Evanston, FACE.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration

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Principle Addressed

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 – September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
November 12	Diabetes Health Fair	Diabetes Health Information Community outreach Coordinate services/create partnerships	Diabetes educators and physicians presented educational seminars, screenings and information to about 200 individuals at the Park Center in Glenview.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
November 19 – December 10	Glenbrook Hospital Holiday Gift Drive	Community outreach Coordinate services/create partnerships	Glenbrook Hospital partnered with Youth Services and the North Shore Senior Center to provide holiday gifts to over 80 kids, adults and seniors.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
November 14 December 9 May 20	Whitehall of Deerfield Lecture Series for the Elderly	Community outreach Health information Coordinate services/create partnerships	Three lectures covering nutrition, fall prevention and Medicare Part D coverage for the elderly in our communities reached more than 75 people.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
December	Uniform Donation	Community outreach Coordinate services/create partnerships	NorthShore donated \$166,913 in uniforms to 11 organizations.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
December 5	Cancer Survivor and Beauty Support Day	Community outreach Coordinate services/create partnerships	NorthShore University HealthSystem served as a sponsor with the City of Evanston and the American Cancer Society to recruit beauty shops to provide free services to nearly 100 cancer survivors.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 – September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
December 8-19	Evanston Hospital Holiday Gift Drive	Community outreach Coordinate services/create partnerships	Evanston Hospital employees collected items/toys that were distributed to the YWCA Emergency Shelter (Mary Lou's Place) of Evanston. Donations were valued at \$2,300.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
December 15-19	Highland Park Hospital Holiday Gift Drive	Community outreach Coordinate services/create partnerships	Highland Park Hospital collaborated with Moraine Township to adopt families for the holidays. Hospital staff and physicians gave 150 gifts and gift cards to local grocery stores to the township gift drive.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
December 17	Laughter Yoga	Community Outreach	The Integrative Medicine Center partnered with Manor Care in Highland Park to present an interactive session to 40 individuals on the benefits of Laughter Yoga for caregivers.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
January 28	NorthShore University HealthSystem School District 65 Health Challenge Bowl	Community outreach Youth health Health Information	Evanston Hospital sponsored and hosted the fourth annual Health Challenge Bowl. All five District 65 middle schools sent a team of four students (two sixth & two seventh graders) to participate in fun academic competition on health issues. Teams played for a traveling trophy, medals and \$50 awards. All contestants received prizes.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration

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Principle Addressed

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 – September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
February	American Cancer Society Daffodil Days	Community outreach Coordinate services/create partnerships	Employees at NorthShore University HealthSystem raised funds for the American Cancer Society's Daffodil Days program, benefiting cancer patients at Glenbrook and Highland Park Hospitals.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
February 13	Heart Health Education Event	Community outreach Health information Information about NorthShore University HealthSystem services	Glenbrook Hospital cardiologists, nurses and an APN provided heart health education and blood pressure readings to more than 100 community residents at the Park Center in Glenview.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
February 16	Glenview Kohl Children's Museum Pediatric Dental Day	Community outreach Youth health Health information	NorthShore University HealthSystem pediatric dental residents participated in this daylong event, educating children and their parents about lifelong healthy dental hygiene habits.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
February 21	Glenview New Resident Open House	Community outreach Health information Information about NorthShore University HealthSystem services	NorthShore University HealthSystem provided free blood pressure screenings to attendees of the New Resident Open House as well as primary prevention education to more than 200 attendees.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration

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Principle Addressed

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 – September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University Health System Guiding Principles Addressed
February 22	Hustle Up the Hancock	Community outreach	Twenty Kellogg Cancer Care staff members participated in this annual fundraising event for lung disease research in greater Chicago.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
March	Northfield Pantry Food Collection	Community outreach	Glenbrook Hospital employees collected hundreds of pounds of staple food pantry items for the Northfield Food Pantry program.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
March - June	Women Out Walking	Community outreach Coordinate services/create partnerships	A supporting sponsor with the City of Evanston of Women Out Walking, a free walking and health education campaign to promote health, wellness, community and physical activity for the women of Evanston.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
April 16	Organ Donor Outreach	Community outreach Coordinate services/create partnerships	NorthShore hosted Gift of Hope Organ Donor Registry at each of its hospitals to sign up employees for organ donation.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
April 17	School District 113 Student Scholarship Awards Dinner	Community outreach Coordinate services/create partnerships	Provided a \$1,000 scholarship to a Highland Park High School senior interested in pursuing a career in healthcare.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration

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Principle Addressed

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 – September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
April 18	Northbrook Leadership Program	<p>Community outreach</p> <p>Health information</p> <p>Information about NorthShore University HealthSystem services</p> <p>Community outreach</p>	<p>Annually, Glenbrook Hospital hosts the final class and graduation ceremony for the Northbrook Leadership program, providing breakfast, lunch and an hour-long tour of the hospital and services.</p> <p>Glenbrook Hospital is a sponsor of one home project and also engages employees to volunteer to help rebuild the home of a low-income senior or disabled person in the community.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input type="checkbox"/> Primary Prevention</p> <p><input type="checkbox"/> Seamless Continuum of Care</p> <p><input type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>
April 25	Rebuilding Together	Community outreach	<p>Dermatologists on staff at NorthShore University HealthSystem provided skin cancer screenings to 79 individuals.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input type="checkbox"/> Primary Prevention</p> <p><input type="checkbox"/> Seamless Continuum of Care</p> <p><input type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>
May 3	Skin Cancer Screening at Skokie Hospital	<p>Community outreach</p> <p>Coordinate services/create partnerships</p> <p>Health Information</p> <p>Information about NorthShore University HealthSystem services</p>	<p>Glenbrook Hospital provided two scholarships for post high school education (valued at \$750) to two high school students interested in a career in the field of medical technology.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input type="checkbox"/> Primary Prevention</p> <p><input type="checkbox"/> Seamless Continuum of Care</p> <p><input checked="" type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>
May 13	Medical Technologies Scholarship Awards	<p>Community outreach</p> <p>Coordinate services/create partnerships</p>	<p>Glenbrook Hospital provided two scholarships for post high school education (valued at \$750) to two high school students interested in a career in the field of medical technology.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input type="checkbox"/> Primary Prevention</p> <p><input type="checkbox"/> Seamless Continuum of Care</p> <p><input checked="" type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 – September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	North Shore University Health System Guiding Principles Addressed
May 16	Glenview Police Department Bike Safety Fair	Community outreach Health information Coordinate services/create partnerships	Glenbrook Hospital provided an education session on bike safety for 120 children and their parents. The session consisted of providing bike helmet checks and inspecting helmets for safety.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
May 17	American Cancer Society Rock & Roll	Community outreach	Twenty-six Kellogg Cancer Care staff members volunteered a total of 104 hours at this annual fundraising event.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
May 16-17	Skokie Festival of Cultures	Community outreach Health Information	Nurses from Skokie Hospital provided health information to participants attending this annual event.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
May 29	Evanston Relay for Life	Community outreach Coordinate services/create partnerships Cancer Health information	Evanston Hospital donated \$5,000 to the Relay and had four staff members participate at the event.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration

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Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 - September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
May 29	Glenview Relay for Life	<p>Community outreach</p> <p>Coordinate services/create partnerships</p> <p>Cancer</p> <p>Health information</p>	<p>Glenbrook Hospital provided \$5,000 in addition to \$2,844 in food with 15 hospital employee volunteers to help serve the dinner and provided 17 Kellogg Cancer Care Center employees to walk at the event.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input checked="" type="checkbox"/> Primary Prevention</p> <p><input type="checkbox"/> Seamless Continuum of Care</p> <p><input checked="" type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>
May 30-31	Highland Park/Deerfield Relay for Life	<p>Community outreach</p> <p>Coordinate services/create partnerships</p> <p>Cancer</p> <p>Health information</p>	<p>Highland Park Hospital donated \$5,000 to the Relay and had 13 Kellogg Cancer Care Center employees walk at the event.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input checked="" type="checkbox"/> Primary Prevention</p> <p><input type="checkbox"/> Seamless Continuum of Care</p> <p><input checked="" type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>
Summer Months	Mayor's (Evanston) Summer Youth Job Program	<p>Community outreach</p> <p>Coordinate services/create partnerships</p> <p>Job training</p>	<p>One student was hired by Evanston Hospital for the summer and given the opportunity to work in a professional setting and gain valuable work experience.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input type="checkbox"/> Primary Prevention</p> <p><input type="checkbox"/> Seamless Continuum of Care</p> <p><input checked="" type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>
Summer Months	Partnership for the Future (PFF)	<p>Community Outreach</p> <p>Coordinate services/create partnerships</p> <p>Job training</p>	<p>As a PFF business partner, Evanston Hospital hired one Evanston Township High School student during the summer months, to work in radiology. At the end of summer, NorthShore made a \$1,000 contribution to the student's college fund.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input type="checkbox"/> Primary Prevention</p> <p><input type="checkbox"/> Seamless Continuum of Care</p> <p><input type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>

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Principle Addressed

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 - September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
June 13, 14, 28	Whole Foods Men's Health Events	Community outreach Coordinate services/create partnerships Health information	Staff from NorthShore Medical Group offices participated in four health fairs held at various Whole Foods markets. The events offered information on men's health issues, blood pressure checks, blood sugar (glucose) testing and an "Ask the Doctor" booth whereby a physician was available to discuss health-related questions.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
June 6-7	Dr. Tammy Novak's Hope Clinic	Access to healthcare for medically underserved Community outreach Coordinate services/create partnerships Health information	Glenbrook Hospital was a key sponsor and participant in the first annual Hope Clinic, which offered free preventive screenings such as cervical and mammography to uninsured women. Glenbrook Hospital provided funding for all Pap smears, including HPV screenings, in addition to offering free diabetes, cholesterol, stroke screenings and a variety of health information that affect women.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
June 21	Leukemia & Lymphoma Society Blood Sweat and Tears Charity Bicycle Ride	Community outreach Coordinate services/create partnerships	Highland Park Hospital staff maintained a first aid booth at this charity cycling event, which attracted 230 riders.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration

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Principle Addressed

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 – September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
June 27	Glenview Summer Festival	Community outreach Information about NorthShore University HealthSystem services	Glenbrook Hospital employees provided blood pressure screenings during the daylong community event.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
June 28	Ricky Byrdsong/YWCA Race Against Hate	Community outreach Coordinate services/create partnerships	An ongoing financial sponsor of the race, as well as provided staff to serve in a medical support role.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
June 28	Park District of Highland Park Firecracker 4 Run and Walk	Community outreach Coordinate services/create partnerships	The four-mile run and family walk raised funds for the park district's SMILE program, which provides scholarships to park district programs for underserved families in Highland Park and Highwood. Highland Park Hospital contributed \$750 in addition to staffing a water station on the course. This year's event raised more than \$13,000.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
July 19	NorthShore Grand Prix of Cycling	Community Outreach Health information Information about NorthShore University HealthSystem services	This NorthShore-sponsored event brings 10,000-15,000 spectators to downtown Evanston. NorthShore diabetes educators, Medical Group and Oncology personnel provided a combined 71 hours of volunteer time offering information and answering questions.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 – September 30, 2009

Date	Initiative	Community-Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
August 5	Kids 1 st Fair	<p>Access to healthcare for the medically underserved</p> <p>Youth health</p> <p>Community outreach</p> <p>Coordinate services/create partnerships</p>	<p>Highland Park Hospital is a sponsor for Lake County Health Department's fair. Highland Park Hospital contributed \$2,000 toward medical supplies and 16 staff members volunteered approximately 65 hours at the event, which provided back-to-school physicals and screenings for 2,785 underserved/underserved children.</p>	<p><input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input checked="" type="checkbox"/> Primary Prevention</p> <p><input checked="" type="checkbox"/> Seamless Continuum of Care</p> <p><input checked="" type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>
August	School Supplies Collection	<p>Community outreach</p> <p>Coordinate services/create partnerships</p>	<p>Glenbrook Hospital collected school supplies for distribution to families of the Northfield Township Food Pantry program.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input type="checkbox"/> Primary Prevention</p> <p><input type="checkbox"/> Seamless Continuum of Care</p> <p><input type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>
August 7 – September 17	Design for America (Hand Hygiene Project)	<p>Coordinate services/create partnerships</p> <p>Community outreach</p>	<p>NorthShore provided four Northwestern University students with supervision, training and access to the Intensive Care Unit in order to design a program to improve hand hygiene compliance. NorthShore physicians, nurses and therapists provided nearly 200 hours of support for the project.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input checked="" type="checkbox"/> Primary Prevention</p> <p><input type="checkbox"/> Seamless Continuum of Care</p> <p><input type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 – September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
August 8	Pioneer Press Health and Safety Day	Community outreach Health Information	Medical Group staff provided blood pressure screenings to more than 60 individuals and offered health and prevention guidelines to more than 100 families attending the event.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
August 8	American Cancer Society Family Health Fair at Lincolnwood Mall	Community outreach Coordinate services/create partnerships Health Information Information about NorthShore University HealthSystem services	NorthShore University HealthSystem served as a financial sponsor and provided nuclear medicine technicians to conduct 43 bone density screenings, dentists to offer 280 dental screenings and nurses to perform more than 130 blood pressure screenings.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
August 10 – September 4	School Supplies Collection	Community outreach Coordinate services/create partnerships	Evanston Hospital staff collected and distributed school supplies to students in need at the Youth Umbrella Organization (Y.O.U.) of Evanston.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
August 14	School Supplies Collection	Community outreach Coordinate services/create partnerships	Highland Park Hospital staff collected three large boxes of school supplies and distributed them to students at Oak Terrace Elementary School.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration

Principle Addressed

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 – September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
August 16	Skokie Picnic in the Park	Community outreach Health Information	Skokie Hospital nurses provided 75 blood pressure readings and offered health instruction on proper use of pill boxes and other health education pertaining to senior needs.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
August 22	Evanston Latino Health Fair at Fleetwood Jourdain Community Center	Access to healthcare for the medically underserved Community outreach Coordinate services/create partnerships	Provided blood pressure screenings, body mass index measurements and distributed health information. Approximately 30 people received screenings.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration
August 28	HINI City of Evanston Conference	Health Information Information about NorthShore University HealthSystem services Health Information Coordinate services/create partnerships	NorthShore's infection control specialists participated in the City of Evanston's HINI conference to address the challenge of the H1N1 virus.	<input type="checkbox"/> Disproportionate Unmet Health-Related Needs <input type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration

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Principle Addressed

Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
October 1, 2008 – September 30, 2009

Date	Initiative	Community Assessed Need Addressed	Outcome	NorthShore University HealthSystem Guiding Principles Addressed
August 29-30	Information and First Aid Booth at Port Clinton Art Festival	<p>Community outreach</p> <p>Coordinate services/create partnerships</p> <p>Health Information</p> <p>Information about NorthShore University HealthSystem services</p>	<p>Four staff members provided 32 volunteer hours to staff a first aid booth and provide health information at the annual art festival that attracted approximately 25,000 individuals.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input type="checkbox"/> Primary Prevention</p> <p><input type="checkbox"/> Seamless Continuum of Care</p> <p><input type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>
August 28-30	Skokie Backlot Bash	<p>Community outreach</p> <p>Health Information</p> <p>Information about NorthShore University HealthSystem services</p>	<p>Clinical staff from Skokie Hospital and Medical Group provided health education, screening and prevention information at the three-day community event.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input checked="" type="checkbox"/> Primary Prevention</p> <p><input type="checkbox"/> Seamless Continuum of Care</p> <p><input type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community</p>
September 23	Evanston Community Forum	<p>Health Information</p> <p>Information about NorthShore University HealthSystem services</p>	<p>NorthShore Foundation hosted a community forum attended by 70 individuals that highlighted advances in surgery by four of NorthShore's leading physicians.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input type="checkbox"/> Primary Prevention</p> <p><input type="checkbox"/> Seamless Continuum of Care</p> <p><input checked="" type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>
September 27	American Heart Walk	<p>Community outreach</p> <p>Health information</p>	<p>NorthShore University HealthSystem participated in the Annual Heart Walk with 417 employees, raising \$46,879.</p>	<p><input type="checkbox"/> Disproportionate Unmet Health-Related Needs</p> <p><input type="checkbox"/> Primary Prevention</p> <p><input type="checkbox"/> Seamless Continuum of Care</p> <p><input type="checkbox"/> Build Community Capacity</p> <p><input checked="" type="checkbox"/> Community Collaboration</p>

Principle Addressed

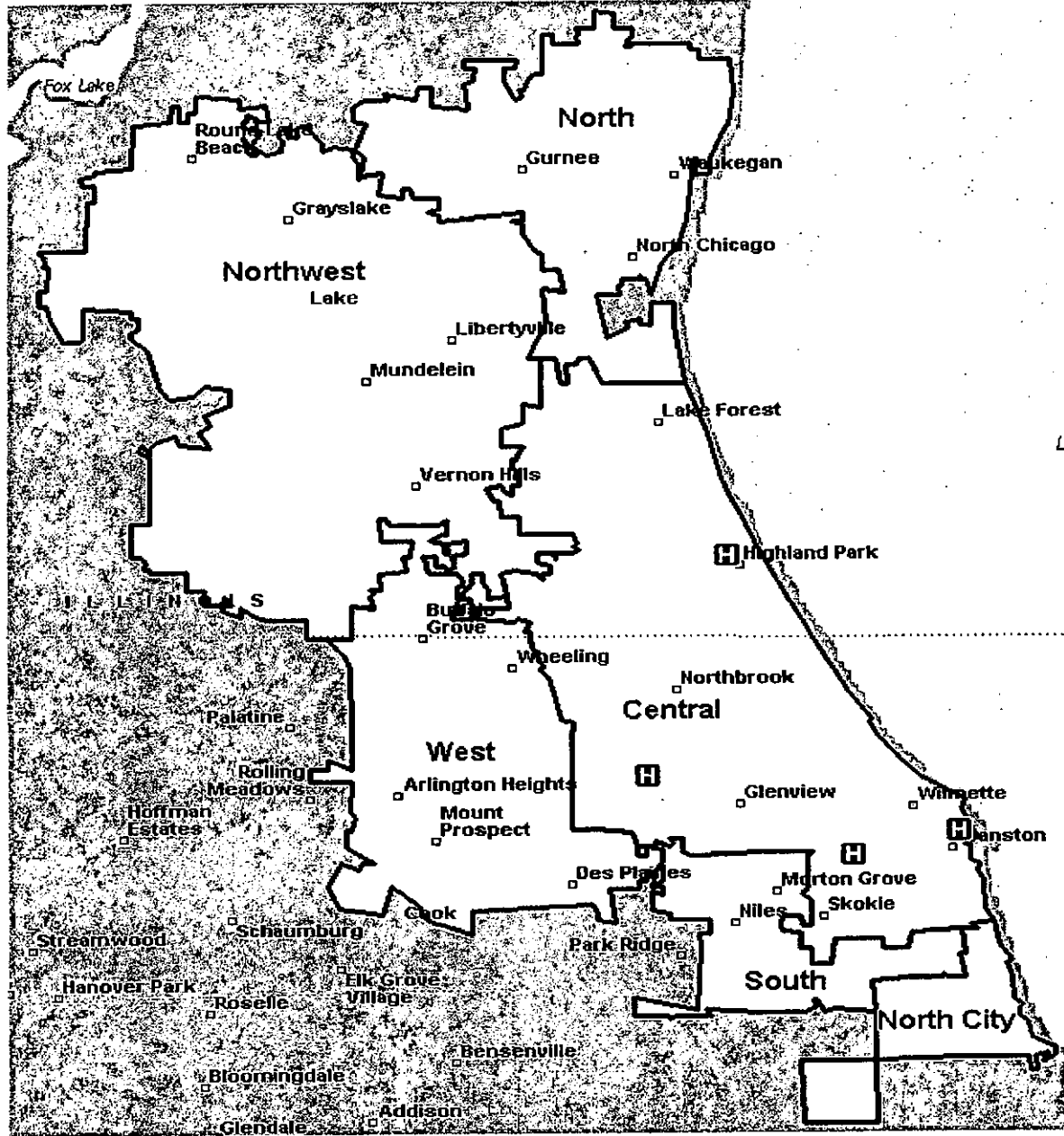
Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2009
 October 1, 2008 – September 30, 2009

<i>Date</i>	<i>Initiative</i>	<i>Community Assessed Need Addressed</i>	<i>Outcome</i>	<i>NorthShore University Health System Guiding Principles Addressed</i>
September 29	Illinois Children's Healthcare Foundation/Children's Mental Health Initiative	Community outreach Coordinate services/create partnerships Mental Health	At the request of the City of Evanston, NorthShore was invited to be an applicant along with 10 other Evanston-based community groups to comply with the required "system of care" approach to address youth mental health.	<input checked="" type="checkbox"/> Disproportionate Unmet Health-Related Needs <input checked="" type="checkbox"/> Primary Prevention <input type="checkbox"/> Seamless Continuum of Care <input checked="" type="checkbox"/> Build Community Capacity <input checked="" type="checkbox"/> Community Collaboration

NorthShore University HealthSystem Service Area Map

50 Zip Codes



NorthShore University HealthSystem Communities

Central Communities

60015	Deerfield
60022	Glencoe
60025	Glenview
60026	Glenview
60029	Golf
60035	Highland Park
60037	Fort Sheridan
60040	Highwood
60043	Kenilworth
60045	Lake Forest
60062	Northbrook
60065	Northbrook
60076	Skokie
60077	Skokie
60082	Techny
60091	Wilmette
60093	Winnetka
60201	Evanston
60202	Evanston
60203	Evanston

West Communities

60004	Arlington Heights
60005	Arlington Heights
60016	Des Plaines
60056	Mount Prospect
60070	Prospect Heights
60089	Buffalo Grove
60090	Wheeling

North Communities

60031	Gurnee
60044	Lake Bluff
60064	North Chicago
60085	Waukegan
60087	Waukegan

N. City Communities

60625	Ravenswood
60626	Edgewater
60640	Uptown
60659	North Town
60660	Rogers Park

NW Communities

60030	Grayslake
60047	Long Grove
60048	Libertyville
60060	Mundelein
60061	Vernon Hills
60069	Lincolnshire
60073	Round Lake

South Communities

60053	Morton Grove
60631	Norwood Park
60645	Lincolnwood
60646	Edgebrook
60712	Lincolnwood
60714	Niles

NorthShore University HealthSystem Demographics

Population Size and Projected Growth

	2009	2014	% Change
Central	378,908	385,598	1.8%
North	169,274	174,331	3.0%
North City	368,146	361,596	-1.8%
Northwest	242,110	261,460	8.0%
South	162,672	160,786	-1.2%
West	288,470	286,549	-0.7%
Total	1,609,580	1,630,320	1.3%

Population by Gender, 2009

	% Male	% Female
Central	48%	52%
North	50%	50%
North City	51%	49%
Northwest	50%	50%
South	48%	52%
West	49%	51%
Total	49%	51%

Population by Age Cohorts, 2009

	0-17	18-34	35-44	45-54	55-64	65-74	75-84	85+
Central	24%	20%	11%	16%	13%	8%	5%	2%
North	29%	24%	16%	13%	9%	5%	3%	1%
North City	22%	25%	18%	14%	10%	6%	3%	2%
Northwest	29%	20%	15%	16%	11%	5%	3%	1%
South	21%	18%	13%	15%	13%	9%	7%	4%
West	23%	20%	15%	16%	12%	7%	5%	2%
Total	24%	21%	15%	15%	12%	7%	4%	2%

Income / Household, Average Household Size, 2009

	#HH	Avg HH Income	Under \$25k	\$25k up to \$50k	\$50k up to \$100k	\$100k up to \$150k	\$150k up to \$200k	\$200k+
Central	139,586	\$ 133,304	11%	17%	28%	18%	8%	18%
North	55,157	\$ 76,002	19%	25%	33%	14%	4%	4%
North City	141,757	\$ 57,485	28%	29%	29%	9%	2%	2%
Northwest	79,412	\$ 114,963	8%	15%	34%	22%	9%	12%
South	62,152	\$ 78,458	17%	23%	34%	16%	5%	5%
West	111,546	\$ 87,331	12%	22%	36%	18%	6%	6%
Total	589,610	\$ 92,776	16%	22%	32%	16%	6%	8%

Population by Race, 2009

	African American	Asian	Caucasian	Multi-Racial	Native American	Other	Pacific Islander
Central	6.2%	10.7%	77.9%	2.3%	0.1%	2.7%	0.0%
North	15.9%	6.3%	53.7%	3.6%	0.5%	20.0%	0.1%
North City	11.0%	12.5%	53.9%	5.8%	0.5%	16.1%	0.1%
Northwest	2.0%	7.4%	79.5%	2.3%	0.3%	8.5%	0.0%
South	3.8%	15.1%	73.3%	3.2%	0.2%	4.4%	0.0%
West	1.8%	12.5%	77.1%	2.2%	0.2%	6.0%	0.1%
Total	6.7%	10.9%	69.5%	3.3%	0.3%	9.2%	0.1%

Source: US Census via Thomson Reuters Market Planner Plus

Community Assessments

In 1997, NorthShore University HealthSystem (NorthShore) conducted a community health assessment utilizing telephone surveys and focus groups to identify community concerns. Residents identified arthritis, asthma, back pain, breast cancer, dental care, heart disease, mental health services, substance abuse, as well as the need to improve access to healthcare for the underserved communities in Evanston, Glenview and Northbrook, as among their primary concerns.

A May 2000 community assessment survey conducted by the Bain Consulting Group for the United Way Evanston revealed the top issues ranked in order of priority. They are: housing and shelter and health access (tied for 1st), income insufficiency, labor force, substance abuse, school achievement, community stability, race relations, youth engagement and job training.

In Fall 2004, NorthShore conducted a community health assessment that included focus groups and individual interviews with representatives from local government, schools, providers and businesses surrounding the three current hospital campuses. Participants identified significant social and healthcare challenges facing their communities:

- Evanston: affordable housing; transportation to services outside of Evanston; uninsured patients; undocumented residents; lack of information about hospital services; dental/vision care.
- Glenbrook: affordable housing; drug/alcohol abuse; transportation; elder abuse; suicide; continuity of services for seniors.
- Highland Park: affordable housing; undocumented residents; drug/alcohol abuse; affordable healthcare/drugs; diet and nutrition; convenient, affordable transportation.

In 2006, the Evanston Department of Health and Human Services, as a certified local health department in the State of Illinois, was required to assess the needs of the community it serves and plan new service priorities accordingly. This Evanston Project for Local Assessment of Needs (EPLAN) document represents more than a year's worth of effort by staff of the Department of Health and Human Services, our Evanston Community Health Advisory Board, and many of the City's public health partners. The process for developing this document allowed the City to analyze the health needs of our community in a comprehensive manner not previously attempted in Evanston.

The City developed an online needs survey, which more than 1,000 Evanston residents completed. The Department convened a number of special meetings and focus groups aimed at soliciting input on the health of Evanston. Finally, the staff sought out and analyzed every bit of available data on the demographics, illnesses, lifestyles, risk factors and accidents of Evanston residents. Any review of the community's health must recognize that Evanston is a part of a very large metropolitan area and Evanston's population reflects national and regional health issues. The City is not immune for example, from the national trends regarding obesity and fitness. Nonetheless, the City did try to identify problems that reflect local areas of importance.

Evanston has always been a leader in recognizing the impact of social factors such as income and housing on health. Access to care remains a priority. Evanston also has historically known the equal importance of both mental health and physical health, and mental health services remain a high priority. In a fortunate bit of timing, this health assessment process coincided with the City of Evanston's Strategic Plan initiative. As the City's priorities began to evolve, it had an opportunity to link into the EPLAN process. Evanston's growing emphasis on environmental health issues is reflected in the plan in addition to developing new partnerships with the healthcare providers in our community.

Based on the information generated, the Community Health Group ranked the focus area issues in order of importance for the community to address. EPLAN ranked its six strategic focus areas as: 1) Physical Activity and Fitness/Nutrition and Overweight; 2) Access to Care; 3) Healthy Environment; 4) Chronic and Communicable Disease; 5) Mental Health; and 6) Emergency Preparedness.

In 2007, NorthShore provided a grant to the Evanston Community Foundation to conduct a study among community organizations to identify health priorities that would motivate community organizations and the community to improve the community's health. A task force was formed and research was conducted by students from Northwestern University's Communications Department to gauge community organizations' views on how organizations were contributing to Evanston's health and how they could work collaboratively with other organizations to affect Evanston's health. Priorities identified included: quality affordable housing; mental and behavioral health care; substance abuse services; comprehensive youth services; and senior services.

Based on 2007 population estimates, the Lake County Health Department and Community Health Center (LCHD/CHC) identified that approximately 7 percent of residents (52,000 individuals) in Lake County are diagnosed with diabetes. This information—coupled with American Diabetes Association data that indicates that people with diabetes have medical expenses 2.4 times higher than those without diabetes—served as a catalyst to the development of the Be Well-Lake County initiative between NorthShore and the LCHD/CHC.

In fiscal year 2010, NorthShore University HealthSystem will be conducting a comprehensive community-wide needs assessment evaluating vital statistics, health behaviors, disease incidence and prevalence, health status, healthcare access, utilization and demographics of the organization's service area.

Community Relations Department

Department Overview

The Community Relations Department ensures that NorthShore University HealthSystem activities are aligned with community needs, state requirements, corporate goals and other internal initiatives. The Department has community relations managers assigned to Glenbrook, Highland Park and Skokie hospitals and a director with staff oversight who is assigned to Evanston Hospital and the system. NorthShore Community Relations' responsibilities include:

- Building relationships with local agencies, officials and community groups
- Working with hospital staff to prepare a system-wide annual community benefits plan, as required by the State of Illinois
- Developing individual community relations plans for each NorthShore University HealthSystem hospital
- Working with administration and finance to prepare community benefits reports for tax return and community distribution
- Assisting with community needs assessment(s)
- Communicating NorthShore's community benefits to internal and external audiences
- Advocacy education
- Participation in NorthShore signature community initiatives

Contacts

NorthShore University HealthSystem/ Evanston Hospital

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Glenbrook Hospital

Seema Terry, Manager
Community Relations - Glenbrook Hospital
2100 Pfingsten Road, Room B076
Glenview, IL 60026
Phone/Fax: (847) 657-6751/(847) 657-5999
E-mail: sterry@northshore.org

Highland Park Hospital

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Community Relations - Highland Park Hospital
777 Park Avenue West
Highland Park, IL 60035
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Skokie Hospital

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E-mail: sterry@northshore.org

Plan Content

- Situation Analysis
- Target Audience
- Strategies
- Tactics: Six Steps to Success

Situation Analysis

In creating the community relations plan, NorthShore University HealthSystem strengths, challenges and opportunities were analyzed. The issues were identified through assessments of community health needs, focus groups, community leader forums, industry trends and partnerships with community organizations.

Strengths:

- High-quality care
- Cutting-edge clinical research and innovative technology
- Electronic medical records
- Industry leader in patient safety and quality
- Financial stability
- Capital investments to enhance clinical services
- University of Chicago Pritzker School of Medicine affiliation, which enhances physician expertise and accelerates clinical research to patients
- National reputation – “50 Best Hospitals”
- Highly regarded employer
- Corporate commitment to community relations
- Numerous initiatives working to improve community health
- Established, successful community relations program
- Hospital Presidents’ leadership of community advisory committees

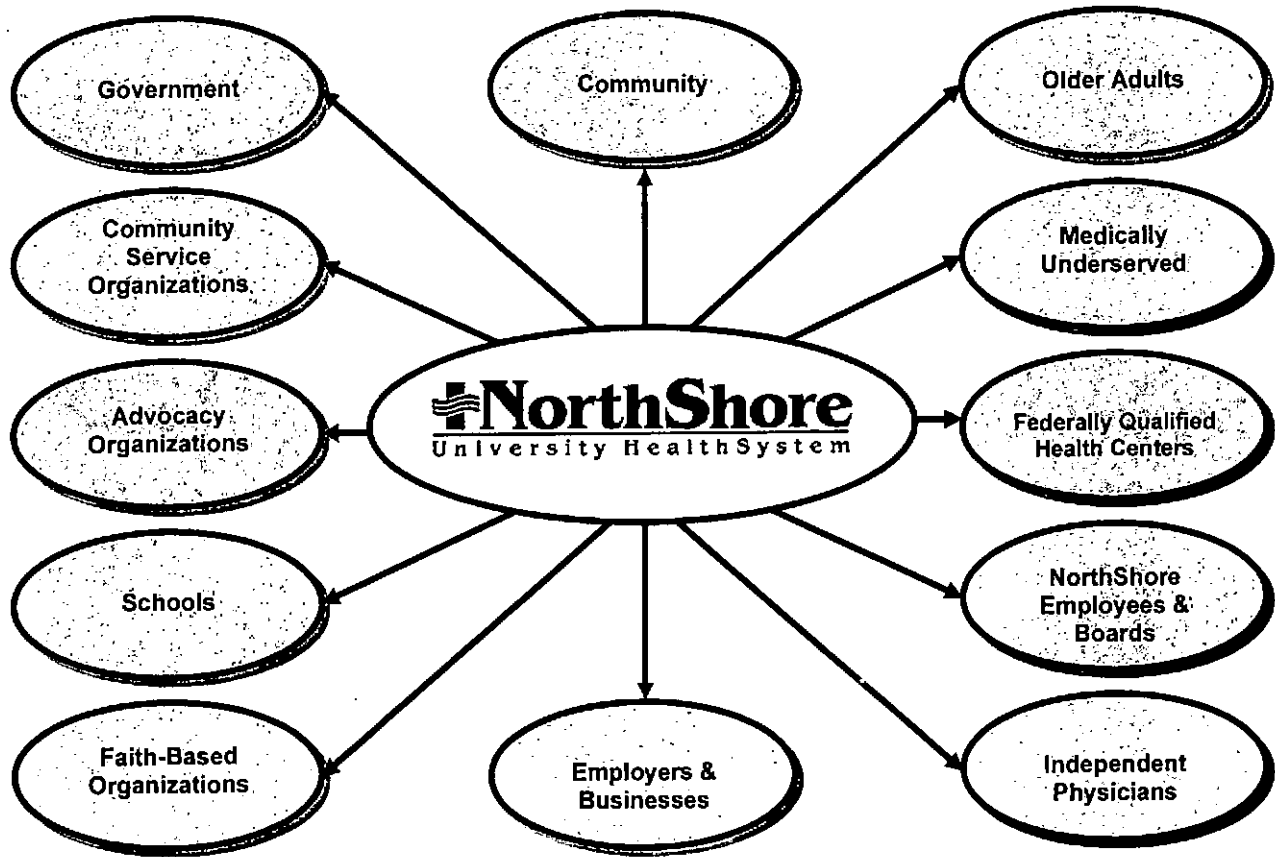
Challenges:

- Federal and State reimbursement
- Fluctuations in charity care
- Economic downturn
- Maintaining image and reputation
- Community impressions
- Community awareness of state-of-the-art safety and quality features
- Public awareness of services and contributions
- Balancing stewardship of business with NorthShore’s mission
- Fluctuation in admission trends

Opportunities:

- Continual improvement in quality, safety and service
- Build upon existing community relationships and outreach programs
- Strong community relations team in place to launch, manage and sustain initiatives
- Empower the talent and caring spirit of NorthShore University HealthSystem employees via community service

Target Audiences



Strategies

- Create innovative and recognizable community partnerships to identify and address community health issues
- Focus outreach efforts to foster positive relationships with target audiences
- Expand NorthShore University HealthSystem's community presence through greater employee volunteerism
- Communicate community benefits and outreach efforts
- Monitor and continually improve standards to increase accountability and align governance, management and operations to return benefits to local communities
- Evaluate activities

Tactics: 6 Steps to Success

1. Partnership & Collaboration
2. Outreach
3. Volunteerism
4. Share Our Story
5. Health Screenings & Education
6. Track & Evaluate

1. Tactic: Partnership & Collaboration

- Created a NorthShore University HealthSystem Community Advisory Committee (CAC) at each hospital
- Collaborative governance (charge of CAC clearly defined in charter document)
- Continue to identify community health issues and partnership opportunities
- Serve as communications link to the community

2. Tactic: Outreach

- Continue leadership roles on committees, task forces, coalitions and planning groups
 - › Maintain memberships in key community organizations
 - › Make strategic contributions to community-based initiatives that promote prevention, enhance the health of specifically targeted communities and meet unmet health needs
 - › Respond to appropriate requests for assistance and leadership

3. Tactic: Volunteerism

- Promote employee and auxiliary members' involvement in community organizations
 - › Community Relations to provide employees and auxiliary members with volunteer opportunities
 - › Promote participation through internal communication vehicles
 - › Recognize and reward employees for volunteerism and community service

4. Tactic: Share Our Story

- Northshore.org
- NorthShore University HealthSystem Annual Report
- NorthShore University HealthSystem Annual Community Benefits Report
- Community leader briefings
- Community forums
- Internal communication vehicles (*Inside NorthShore*, NorthShore intranet, meetings, etc.)
- External communication vehicles (*Connections Magazine*, *HealthWatch* newsletter and *Philanthropy Perspectives* electronic newsletter)
- External speaking opportunities
- NorthShore University HealthSystem-sponsored forums
- Partner publications
- Media placements
- Physicians who publish in health industry publications

5. Tactic: Health Screenings & Education

- Identify venues for:
 - Health screenings
 - Health fairs
 - Speakers' Bureau
 - Hospital-based screenings for organizations
 - NorthShore University HealthSystem support group services
 - Community forums

6. Tactic: Track & Evaluate

External

- Comply with Illinois Community Benefits Act
- Conduct community health assessment(s) as required by applicable government agencies
- Track and evaluate initiatives against community needs assessed, outcomes and NorthShore University HealthSystem Guiding Principles
- Conduct community survey(s)
- Conduct CAC survey(s)
- Document individual success stories
- "Share our Story" via media placements
- Gain community and industry recognition for providing excellence in community benefits

Internal

- Track and evaluate initiatives against community needs assessed, outcomes and NorthShore University HealthSystem Guiding Principles
- Track participation in NorthShore University HealthSystem community benefits programs and initiatives
- Track participation level of NorthShore University HealthSystem employees in volunteer activities

Community Benefits Programs

Program Description

NorthShore engages in community relations programs that include significant investment of human and financial resources to address community health needs. The following programs and activities are implemented throughout NorthShore University HealthSystem.

- Be-Well Lake County
- CACHE-Community Action for Child Health Equity
- Community Advisory Committees
- Community Charitable Contributions
- Community Wellness
- Dental Center
- Employee Volunteerism
- LIFE: Living in the Future Cancer Survivorship Program
- Medication Assistance Program
- Mentoring and Clinical Internships
- OASIS
- Outpatient Clinic at Evanston Hospital
- Perinatal Depression Program
- Speakers' Bureau

Contacts

- Mark Schroeder, Director, Community Relations, NorthShore University HealthSystem and Evanston Hospital
- Seema Terry, Manager, Community Relations, NorthShore University HealthSystem Glenbrook and Skokie Hospitals
- Hania Fuschetto, Manager, Community Relations, NorthShore University HealthSystem Highland Park Hospital

Be Well-Lake County

Program Description

Be Well-Lake County was developed by NorthShore in a partnership with the Lake County Health Department and Community Health Center (LCHD/CHC) to address diabetes, which research has identified as the fastest-growing health threat in Lake County. NorthShore has dedicated \$1 million to pay for direct services at the Health Department's North Chicago Clinic and to support specialty care and research for patients with complications from diabetes. Additionally, NorthShore's Auxiliary at Highland Park Hospital is raising funds to establish a \$1 million endowment, so that the pilot program can be rolled out to all six Lake County Health Centers. The multi-tiered program starts when a patient is diagnosed and receives a glucometer and supplies to monitor blood sugar levels. A dietitian meets with the patient on the day of diagnosis or soon after. Interpreters are available to bridge any language differences, and patients enroll in an eight-week nutrition class (available in English and Spanish) to teach them how to manage their illness. One of the most innovative elements of Be Well is an urban farm where patients will be able to grow and purchase affordable fresh produce.

Contacts

- Sara Smith, Director, NorthShore University HealthSystem
- Patricia Leonard, Assistant Vice President, NorthShore Medical Group

CACHÉ - Community Action for Child Health Equity

Program Description

NorthShore's Community Action for Child Health Equity (CACHÉ) is one of five national sites in a groundbreaking National Institutes of Health-funded study. It focuses on how maternal stress gets "under the skin," affects the expectant mother's physiology and predisposes her unborn child to being born preterm and affecting the child's health, growth and development over the long term. The overall goal of the study is to gain information that will ultimately lead to the elimination of disparities in maternal health and child development. The study is groundbreaking because it involves mothers and fathers equally and incorporates assessments that span the environment, the family and its relationships. Mothers and fathers are interviewed and biospecimens collected even before pregnancy, and are repeated over time. CACHÉ has pushed the study to offer immediate community benefit by developing a pioneering parallel system that provides outreach efforts to interview subjects in real time, when important health interventions are needed.

Contacts

- Madeleine U. Shalowitz, MD, MBA, Primary Investigator, NorthShore University HealthSystem
- Elizabeth Clark Kauffman, MHS, Project Director, NorthShore University HealthSystem

Community Advisory Committees

Program Description

The Community Advisory Committees' (CAC) role is to advise hospital administration on services and initiatives from a community perspective. CACs are structured to ensure NorthShore University HealthSystem's accountability to the community by working to fulfill our community relations vision that the more NorthShore University HealthSystem and the community connect, the stronger and healthier both will become.

CAC Role, Scope and Charge

- Serve as an advocate for the greater good of the community and its health
- Provide recommendations for annual community benefits planning
- Help identify opportunities for partnerships between hospital and community organizations
- Serve as a communication link between the hospital and the community
- Identify gaps in healthcare services within the community
- Help identify community resources that work to enhance the health of the community
- Quarterly meetings (or more frequently, depending on the interests of the CAC)

Membership Composition

- Comprising 12-15 community members
- Comprising 2-3 hospital administrative and professional staff
- Strive for proportional geographic representation from the NorthShore University HealthSystem service area
- Strive for diverse membership to include business, faith community, social services, civic organizations, government officials, elected officials, interested citizens, former patients, healthcare professionals, etc.
- Hospital president to appoint CAC Chairperson/Co-Chairs
- Appointment to CAC is for multi-year tiered terms with optional reappointment

Contacts

- Mark Schroeder, Director, Community Relations, NorthShore University HealthSystem / Evanston Hospital
- Seema Terry, Manager, Community Relations, Glenbrook and Skokie Hospitals
- Hania Fuschetto, Manager, Community Relations, Highland Park Hospital

Community Contributions

Program Description

NorthShore University HealthSystem provides financial support to nonprofit organizations that support NorthShore's mission to preserve and improve human life, as well as to help NorthShore University HealthSystem connect with the communities it serves. NorthShore supports a variety of national and local organizations that help extend the mission of the organization.

Contacts

- Mark Schroeder, Director, Community Relations, NorthShore University HealthSystem and Evanston Hospital
- Seema Terry, Manager, Community Relations, NorthShore University HealthSystem Glenbrook and Skokie Hospitals
- Hania Fuschetto, Manager, Community Relations, NorthShore University HealthSystem Highland Park Hospital

Community Wellness

Program Description

Various NorthShore University HealthSystem departments offer Community Wellness programs. NorthShore typically partners with a community organization to provide health screening services and educational programs.

Activities

- CPR Classes
- First Aid Classes
- Baby-sitting Classes for Adolescents
- Blood Pressure Screenings
- Cholesterol Screenings
- Glucose Screenings
- Osteoporosis Screenings
- Glaucoma Screenings
- Lung Function Screenings
- Fitness Screenings
- Body Fat Analysis Screenings

Contacts

- Primary
 - › Mary Alvarado, Assistant Vice President, Glenbrook Hospital
 - › Andy Anderson, MD, MBA, Director, Internal Medicine, Evanston Hospital
- Secondary
 - Appropriate department related to topic request*
 - › CPR Classes – Anne Middaugh, RN
 - › First Aid Classes – Anne Middaugh, RN
 - › Baby-sitting Classes – Anne Middaugh, RN
 - › Blood Pressure Screenings – Anne Middaugh, RN; Paulette Brody, RN
 - › Cholesterol Screenings – Anne Middaugh, RN; Paulette Brody, RN
 - › Glucose Screenings – Mary Bennett, RD, CDE
 - › Osteoporosis Screenings – Beth Tobias, RT(N) – Nuclear Medicine
 - › Glaucoma Screenings – Al Campos, COA - Eye & Vision Center
 - › Lung Function Screenings – Rick Pahomi, RRT – Respiratory Therapy
 - › Fitness Screenings – Paulette Brody, RN
 - › Body Fat Analysis Screenings – Paulette Brody, RN

Dental Center

Program Description

The Dental Center at Evanston Hospital provides primary care dental services and special consultations for medically underserved adult patients, pre-screenings for cardiovascular patients, and management for oral complications in oncology patients and those with refractory dental problems. The Dental Center provided free and discounted care for 2,448 patients in fiscal year 2009.

Contacts

- Christine Milne, Manager, Evanston Hospital Dental Clinic

Employee Volunteerism

Program Description

NorthShore employees have a longstanding tradition of community service. Countless charitable organizations and schools benefit from the generosity and the hard work of NorthShore volunteers. NorthShore employees volunteer to carry out community service projects that meet community needs and promote good will. Employees invest their skills and time to have a positive impact on the communities they touch. Employee volunteerism in the community is centered on the ability to strengthen the NorthShore University HealthSystem culture of caring while benefiting the communities NorthShore University HealthSystem serves; strengthen partnerships with the community and not-for-profit organizations that work to improve the health of our community; and connect NorthShore employees and auxiliary members with the opportunity to serve.

Activities

- Highlight volunteer organizations, their missions and volunteer opportunities through *Inside NorthShore*, *Pulse* and *Connections*
- Identify community projects for NorthShore University HealthSystem employees to participate in during the year
- Community Relations Department recognizes and rewards employees for community service and volunteerism through the annual *Sharing Spirit* Volunteer Award

Contacts

- Mark Schroeder, Director, Community Relations, NorthShore University HealthSystem/Evanston Hospital
- Seema Terry, Manager, Community Relations, Glenbrook and Skokie Hospitals
- Hania Fuschetto, Manager, Community Relations, Highland Park Hospital

LIFE: Living in the Future Cancer Survivorship Program

Program Description

Living in the Future (LIFE) is a unique cancer survivorship program designed to create a bridge for continued care of post-treatment cancer survivors. At its cornerstone is a customized survivorship care plan that facilitates a dynamic partnership among the patient, the oncologist and the primary care physician. The LIFE program features an individualized risk-adapted visit with a specialized oncology nurse who has expertise in cancer survivorship. The nurse provides counseling based on the customized care plan, following a unique template set forth by the Institute of Medicine. Another important aspect of the LIFE program is the Myra Rubenstein Weis Survivorship 101 Seminar: Thrivership! This educational workshop and resource series is available to the community and covers major topics related to cancer survivorship.

Contacts

- Carol A. Rosenberg, MD, Program Director, NorthShore University HealthSystem
- Carole Martz, RN, AOCN, Clinical Coordinator, NorthShore University HealthSystem
- Hania Fuschetto, Manager, Community Relations, Highland Park Hospital

Medication Assistance Program

Program Description

Many patients cannot afford their medications. Financial support for prescription drugs can make a significant difference in patients' well-being and lives. Unfortunately, prescription drugs continue to be the single greatest out-of-pocket healthcare expense. When faced with the costs of prescription drugs, some patients simply stop taking their medication, take partial doses or try to stretch their medications in other ways. NorthShore's Medication Assistance Program offers aid to patients who need help paying for prescription drugs. The Medication Assistance Program helps with prescription costs for patients of the Evanston Hospital Outpatient Department. NorthShore University HealthSystem's Medication Assistance program assisted 1,477 patients in filling 19,582 prescriptions valued at \$528,097 in fiscal year 2009.

Contacts

- Stan Kent, Assistant Vice President, Pharmacy, NorthShore University HealthSystem

Mentoring and Clinical Internships

Program Description

NorthShore University HealthSystem provides internship and mentoring opportunities for high school, college and post-graduate students interested in the medical and allied health fields. Throughout the HealthSystem, students are offered the opportunity to intern in departments such as Cardiology, Laboratory, Medical Social Work, Occupational Therapy, Patient Care, Infection Control, Perinatal Family Support Center, Physical Therapy, Radiology and Hospital Administration.

Contacts

- Mark Schroeder, Director, Community Relations, NorthShore University HealthSystem/Evanston Hospital
- Seema Terry, Manager, Community Relations, Glenbrook and Skokie Hospitals
- Hania Fuschetto, Manager, Community Relations, Highland Park Hospital

OASIS

Program Description

OASIS was created in 1982 to offer older adults classes in the arts and humanities, preventive health care, and technology, as well as volunteer opportunities tutoring public-school students. NorthShore University HealthSystem is the corporate health sponsor of the OASIS center in Illinois, which is located in the North Shore area and has approximately 13,000 members. As a corporate sponsor for the past 17 years, NorthShore University HealthSystem provides health screenings and speakers to OASIS on health-related topics. In fiscal year 2009, NorthShore provided 49 lectures to 1,985 members.

Contacts

- Seema Terry, Manager, Community Relations, Glenbrook and Skokie Hospitals

Outpatient Clinic at Evanston Hospital

Program Description

The outpatient clinic provides medical care to adults and children who lack private medical insurance. Medical services include, but are not limited to: primary care, obstetrics/gynecology, general surgery, orthopedics, diabetes education and podiatry. In fiscal year 2009, the clinic treated 6,015 adult patients at 13,191 visits and 3,808 adolescent patients at 7,201 visits.

Contacts

- Elizabeth Raymond, RN, Clinical Manager, Evanston Hospital Outpatient Department

Perinatal Depression Program

Program Description

The Perinatal Depression Program seeks to identify women who are suffering from perinatal depression and offers referrals for women who may need additional help. The program screens women for perinatal depression during and after their pregnancy and offers a 24/7 crisis hotline for women and their family members who may find themselves in an emergent situation. The hotline provides multilingual interpretation services to assist those with limited or no English-speaking ability. All services are provided free of charge. In fiscal year 2009, NorthShore University HealthSystem physicians conducted 4,818 screenings to identify at-risk patients. Free psychological support and referrals were provided to 472 women identified through the screenings as at-risk for perinatal mood disorders. The hotline received 497 calls. This program is administered at Evanston Hospital and made available throughout all NorthShore University HealthSystem communities.

Contacts

- Jo Kim, PhD, Director, Perinatal Depression Program, Northshore University HealthSystem

Speakers' Bureau

Program Description

Medical and health experts from NorthShore University HealthSystem's Speakers' Bureau are available, free of charge and by request, to make presentations on a variety of health issues. The Speakers' Bureau program provided 28 presentations to 959 participants in fiscal year 2009.

Contacts

- Hania Fuschetto, Manager, Community Relations, Highland Park Hospital
- Seema Terry, Manager, Community Relations, Glenbrook and Skokie Hospitals

Evanston Hospital – Community Programs

Overview

The programs listed below were created specifically for the Evanston community and designed to improve the community's health, expand healthcare access and promote civic engagement. These programs are in addition to Evanston Hospital's participation in NorthShore University HealthSystem's system-wide programs that include: Community Advisory Committee; Be Well-Lake County; CACHE; LIFE: Living in the Future Cancer Survivorship program; OASIS; Community Contributions; Community Wellness; Employee Volunteerism; Speakers' Bureau; and Mentoring and Clinical Internships.

Programs

Evanston Township High School Health Center

- Established in 1996 as a collaborative partnership with Evanston Township High School, the Evanston Health Department and NorthShore University HealthSystem provide a free school-based health clinic for the school's approximately 3,000 students. NorthShore University HealthSystem's annual contribution of \$429,670 works to support the center, which is staffed by NorthShore employees who include a physician, two part-time nurse practitioners and a social worker. During the 2008-2009 school year, 907 students utilized the health center at 2,361 visits.

Support for Nurse Practitioner for Evanston/Skokie School District 65

- NorthShore University HealthSystem contributes funding for a nurse practitioner to provide specific healthcare services one day per week for the students of Evanston/Skokie School District 65.

Mayor's Summer Youth Job Program

- As a participant in the program, Evanston Hospital hired one high school student for the summer, giving the student the opportunity to work in a professional setting and gain valuable work experience. Although the program can be subsidized by the city, the hospital pays the full minimum hourly rate.

Programs

Ricky Byrdsong / YWCA Evanston/North Shore Race Against Hate

- The Ricky Byrdsong Memorial 5K Race Against Hate brings together a diverse group of individuals from all over Evanston, the North Shore and Chicagoland to say “no” to racism, discrimination, violence and hate crimes and to raise funds for the YWCA Evanston/North Shore in areas of anti-racism and racial justice. The event is to honor Ricky Byrdsong, a former Northwestern men’s basketball coach who was tragically gunned down in a hate crime on July 2, 1999. NorthShore University HealthSystem is a financial sponsor and provides volunteers to serve as medical staff for the race.

NorthShore University HealthSystem Grand Prix of Cycling

- In 2009, NorthShore sponsored one stage of the Point Premium Root Beer International Cycling Classic in the City of Evanston. The event consisted of eight professional and amateur-category races along a 0.9-mile, hourglass-shaped course, and drew more than 15,000 spectators. The full, weeklong cycling event attracts riders from across the country and around the world to compete in the longest-running bicycle race held in the United States. The professional sports event provides NorthShore with the opportunity to connect residents to a host of health and wellness initiatives and healthcare services, while creating an event that resulted in economic development for the City of Evanston.

NorthShore University HealthSystem/District 65 Health Challenge Bowl

- In a continuing partnership to teach the importance of good health at an early age, Evanston Hospital and School District 65 hosted the Fourth Annual Health Challenge Bowl in January. Teams comprised of sixth and seventh graders from all five district middle schools participated in a football-themed health quiz game. The Health Challenge Bowl provides Evanston Hospital with an opportunity to engage its home school district in a fun, academic way, while also giving students the chance to visit their local hospital and interact with medical professionals.

Evanston Township High School Health Sciences Rotation Program

- Since 1985, Evanston Township High School and Evanston Hospital have partnered to offer students participation in the Health Sciences Rotation Program (HSRP), which affords students an opportunity to explore healthcare careers up close. Designed for junior and senior students, this program combines classroom instruction with job shadowing rotations among different hospital departments. HSRP is a yearlong course, through which students can earn four semester credits: two science and two applied science. On average, 40 students participate in the program each year.

Programs

Simulator Center

- The Center for Simulation Technology and Academic Research [CSTAR] at Evanston Hospital utilizes multiple high-fidelity simulators to provide high-impact training events. The Simulator Center provides hospital staff, physicians, residents, local paramedics, firefighters and police with simulated trauma and preparedness training opportunities in a controlled environment.

McGaw YMCA Club FYT

- NorthShore provides financial support to the McGaw YMCA Club FYT program, which works to address the issue of childhood obesity in the City of Evanston. Observations of YMCA staff indicate that at least 20 percent of the children they serve are significantly overweight; this is particularly evident among African-Americans, Hispanics and children from low-income families. Club FYT has two goals: to motivate youth members to be more active by recognizing and rewarding many different kinds of physical activity; and to educate youth members in the importance of physical fitness and nutrition. Club FYT is designed to create behavior changes that will be sustained outside the program, in the community and at home. By teaching children the values and skills of healthy lifestyles, Club FYT gives them the tools to make healthy choices throughout their lives.

Evanston Hospital – Community Advisory Committee

Program Description

The Community Advisory Committee's (CAC) role is to advise Evanston Hospital administration on services and initiatives from a community perspective. The CAC is structured to ensure Evanston Hospital's accountability to the community by working to fulfill our community relations vision that the more NorthShore University HealthSystem and the community connect, the stronger and healthier both will become.

Evanston Hospital Members

Martha Arntson

Executive Director
Childcare Network of Evanston

Christopher Canning

President
Village of Wilmette

Carol Chaya Siegel

Community Nurse
CJE Senior Life

Katie Dold White

Trustee
Village of Kenilworth

Willis Francis

Chairman
Evanston Latino Resource Coalition

Paul Grant

Lincolnwood Resident

Jacqueline Grossman

Home Sharing Coordinator
Interfaith Housing Center of the North Suburbs

Jane Grover

Alderman, 7th Ward
City of Evanston

Sandra Hill

Former Executive Director
Family Focus, Evanston

Sandi Johnson

Past Executive Director
North Shore Senior Center

Colleen Kahler

Coordinator of Health Services
New Trier High School

Gerri Kahnweiler

Winnetka Resident

Kelley Kalinich

Superintendent
Kenilworth School District 38

Mary Larson

Coordinator of Health Services
Evanston/Skokie School District 65

Onnie Scheyer

Past President
New Trier Township Volunteer Center

Evonda Thomas

Director, Department of Health & Human Services
City of Evanston

Glenbrook Hospital – Community Programs

Overview

The programs listed below were created specifically for the Glenbrook community and designed to improve the community's health, expand healthcare access and promote civic engagement. These programs are in addition to Glenbrook Hospital's participation in NorthShore University HealthSystem's system-wide programs that include: Community Advisory Committee; Be Well-Lake County; CACHE; LIFE: Living in the Future Cancer Survivorship program; OASIS; Community Contributions; Community Wellness; Employee Volunteerism; Speakers' Bureau; and Mentoring and Clinical Internships.

Programs

Glenbrook Family Care Center Access to Care Program

- Glenbrook Hospital, through a partnership with Glenbrook South High School, created this program to offer instant access to primary care services for all students at Glenbrook South High School, but particularly for those students who lack private health insurance. These children are the ones who, throughout the year, because of lack of health insurance, do not visit primary care physicians for preventive health and primary care services. They often spend the entire school day in the nurse's office or misuse the Emergency Department at Glenbrook Hospital as a means for primary care services.

Rebuilding Together

- The Rebuilding Together mission is to preserve and revitalize houses and communities, assuring that low-income homeowners, from the elderly and disabled to families with children, live in warmth, safety and independence. In partnership with communities, their goal is to make a sustainable impact. For a fourth year, Glenbrook Hospital sponsored a home in Glenview and provided more than 20 employee volunteers to help rebuild the home. The level of participation ranged from spring cleaning, to installation of plumbing, to teardown of the attic and rebuilding of the porch.

Programs

District 214 Medical Academy

- Each school year, Glenbrook Hospital participates in High School District 214's Medical Academy program by providing students with an opportunity to rotate through hospital departments, job shadow and get hands-on clinical healthcare experience. Glenbrook Hospital provides approximately 1,500 rotation hours of one-on-one mentoring to students interested in the field of healthcare each school year.

Glenbrook South High School Medical Technology Hospital-Based Curriculum

- Approached by the Department of Sciences at Glenbrook South High School, Glenbrook Hospital now provides students enrolled in the Medical Technology classes the opportunity to interact with various hospital technologies in various healthcare service lines such as laboratory, emergency department, radiology and interventional cardiology as part of the Medical Technology curriculum.

Heart of Glenview

- With the sponsorship of a "Heart" and various other donated services, Glenbrook participated in its 2nd annual Heart of Glenview event. This is a community-wide fundraising event that then donates all proceeds to those local charities in Glenview aimed at helping residents of Glenview.

Kohl's Dental Health Education Day

- During the nationally recognized "Children's Dental Health Month," the residents of the NorthShore University HealthSystem Dental Center attended and helped facilitate a free day-long workshop at the Kohl Children's Museum in Glenview. Oral hygiene instruction and training, nutritional counseling, and fun arts and crafts projects educated children about oral health. Puppet shows discussed the importance and ease of the child's first dental visit and multiple other resources for parents or caretakers.

Glenbrook Hospital – Community Advisory Committee

Program Description

The Community Advisory Committee's (CAC) role is to advise Glenbrook Hospital administration on services and initiatives from a community perspective. The CAC is structured to ensure Glenbrook Hospital's accountability to the community by working to fulfill our community relations vision that the more NorthShore University HealthSystem and the community connect, the stronger and healthier both will become.

Glenbrook Hospital Members

Lorelei Beaucaire
Chief Professional Officer
North Suburban United Way

William Lustig
Police Chief
Village of Northfield

Nada Becker
Executive Director
Northfield Chamber of Commerce

Barbara Marzillo
School Nurse
Glenbrook South High School

Jill Brickman
Township Supervisor
Northfield Township

Robert Noone, PhD
Executive Director
Family Service Center

Eric Dawson
Pastor
St. Philip Lutheran Church

Joyce Pottinger
Director
Glenview Senior Center

Julie Fleckenstein
Social Worker
Glenview Police Department

Michael Riggle, PhD
Superintendent
High School District 225

Kim Hand
Senior Services
Village of Glenview

Gary Smith
Executive Director
The Josselyn Center

Sidney Helbraun
Rabbi
Temple Beth-El

Dana Turban
Northfield Resident

Jason Herbster
Director
Glenview Park Center

Highland Park Hospital – Community Programs

Overview

The programs listed below were created specifically for the Highland Park community and designed to improve the community's health, expand healthcare access and promote civic engagement. These programs are in addition to Highland Park Hospital's participation in NorthShore University HealthSystem's system-wide programs that include: Community Advisory Committee; Be Well-Lake County; CACHE; LIFE: Living in the Future Cancer Survivorship program; OASIS; Community Contributions; Community Wellness; Employee Volunteerism; Speakers' Bureau; and Mentoring and Clinical Internships.

Programs

Region X Pod Hospital for Northeastern Illinois

- The Illinois Department of Public Health has designated Highland Park Hospital as one of 12 "pod hospitals" in the state. As such, it functions as a coordinating hospital for the purpose of preparedness and response within Northeastern Illinois and the state disaster plan.

Simulator Center

- The Center for Simulation Technology and Academic Research [CSTAR] at Highland Park Hospital utilizes multiple high-fidelity simulators to provide high-impact training events. The Simulator Center provides hospital staff, physicians, residents, local paramedics, firefighters, police and Lake County Health Department staff with simulated trauma and preparedness training opportunities in a controlled environment.

Lake County Access Project

- Highland Park Hospital, along with other healthcare organizations in Lake County, has made a three-year commitment to the Lake County Health Department to provide diagnostic services for the department's patients. The multi-year commitment of \$500,000 allows Highland Park Hospital to provide GI, cardiovascular and diagnostic services against charges to uninsured patients.

Lake County Health Department Kids 1st Fair

- Highland Park Hospital contributed \$2,000 toward medical supplies and 15 staff members volunteered more than 65 total hours at the event, which provided physicals and screenings for 2,785 underserved children.

Fire Cracker Four

- The hospital was a community sponsor of the four-mile run and family walk, which raised funds for the park district's SMILE program. SMILE provides scholarships to park district programs for underserved families in Highland Park and Highwood.

Highland Park Hospital – Community Advisory Committee

Program Description

The Community Advisory Committee's (CAC) role is to advise Highland Park Hospital administration on services and initiatives from a community perspective. The CAC is structured to ensure Highland Park Hospital's accountability to the community by working to fulfill our community relations vision that the more NorthShore University HealthSystem and the community connect, the stronger and healthier both will become.

Highland Park Hospital Members

Jeanne Ang

Associate Director, Primary Care Services
Lake County Health Department

Matt Barbini

Director of Student Services
School District 112

Mari Barnes

Township Supervisor
Moraine Township

Anne Bassi

Board Member
Lake County Board

Patrick Brennan

Deputy City Manager
City of Highland Park

Alicia De La Cruz

Highland Park Resident

Susan Garrett

State Senator
Illinois District 29

Greg Jackson

City Manager
City of Highwood

Linda Kimball

Director
OASIS

Karen May

State Representative
Illinois District 58

Liza McElroy

Executive Director
Park District of Highland Park

Julie Morrison

Supervisor
West Deerfield Township

Rabbi Isaac Serrotta

South East Lake County Clergy Association

Veronica Werhane

Highland Park High School Student

Skokie Hospital – Community Programs

Overview

The programs listed below were created specifically for the Skokie community and designed to improve the community's health, expand healthcare access and promote civic engagement. These programs are in addition to Skokie Hospital's participation in NorthShore University HealthSystem's system-wide programs that include: Community Advisory Committee; OASIS; Community Contributions; Community Wellness; Employee Volunteerism, Speakers' Bureau and Mentoring and Clinical Internships.

Programs

Festival of Cultures

- Since its inception in 1991, the Skokie Festival of Cultures has become one of the premier ethnic festivals in Illinois. Participants enjoy two days of ethnic folk music and dance, a wide range of food, unique arts and crafts, international children's games, a merchandise bazaar, and dozens of cultural booths and displays. Skokie Hospital provides a health booth, offering health education, blood pressure screenings and fun, interactive learning with the "Wheel of Health" game.

Backlot Bash

- Over three days, Skokie's Backlot Bash features more than 15 hours of free live music, an amusement park/carnival, a 5K Run, a classic auto show, a business expo and sidewalk sale, activities and more. Skokie Hospital provides a health booth, filled with health education, blood pressure screenings and fun, interactive learning with the "Wheel of Health" game.

English Language Learning (ELL) Parent Center

- The ELL Parent Center provides parents from outside the United States with resources that will help them to successfully navigate the American school system. Upon request from the center, Skokie Hospital provides health education classes addressing health concerns and needs for both parents and children.

Teddy Bear Clinics

- Skokie Hospital provides this community education event, which aims to teach children basic first aid skills while also alleviating any fears or concerns they might have about hospitals. The event uses the teddy bears to demonstrate different tests that could take place in the hospital and covers general health and safety information for the kids.

Programs

Skin Cancer Screening

- For more than 25 years, the dermatologists at Skokie Hospital have sponsored an annual skin cancer screening in collaboration with the American Academy of Dermatology's national skin cancer screening program. The fiscal year 2009 event provided skin cancer screenings to 79 individuals.

Skokie Hospital – Community Advisory Committee

Program Description

In January 2009, NorthShore University HealthSystem merged with Rush North Shore Medical Center to become Skokie Hospital. In the first year, NorthShore focused on implementing an integrated community relations department as well as forming relationships with community leaders and organizations. A community advisory committee will be identified and implemented at Skokie Hospital in fiscal year 2010.

- To be created in fiscal year 2010.

Charity Care and Financial Assistance Evaluation and Eligibility

NorthShore University HealthSystem
Area Affected NorthShore Hospitals and Clinics, and Home Health

Administrative Directives Manual AD09-1032
Effective Date: 04/01/2009

Charity Care and Financial Assistance Evaluation and Eligibility

1. POLICY:

Patients who are potentially eligible for financial assistance will be evaluated upon request according to the NorthShore University HealthSystem (NorthShore) income eligibility guidelines. The level of financial assistance for healthcare services will be determined based from the Hospital Uninsured Patient Discount Act (Public Act 95-0965) and from the Federal Poverty Levels and guidelines herein this policy. Appropriate intake and determination documentation will be maintained, and will exhibit appropriate and consistent application of eligibility guidelines. NorthShore will serve the emergency health care needs of everyone in accordance with the Emergency Medical Treatment and Active Labor Act, regardless of a patient's ability to pay for care.

2. SCOPE:

All recipients of care who have been assessed and determined as unable to pay for medically necessary healthcare services, and are potentially eligible for financial assistance for healthcare services delivered.

3. DEFINITIONS:

Uninsured Patient: A hospital patient without any health insurance or coverage.

Underinsured Patient: A hospital patient with health insurance or coverage but facing high deductibles, coinsurance and or large out-of-pocket expenses.

Billable service: Any service for which a charge description master (CDM) code and/or associated dollar charge is assigned.

Medically necessary: Healthcare services ordered by a licensed healthcare practitioner with the intent to evaluate, manage or treat a medical condition.

Federal Poverty Guidelines: A version of the federal poverty measure, issued each year in the Federal Register by the Department of Health and Human Services (DHHS). The guidelines are a simplification of the poverty thresholds, intended for use for administrative purposes and assist in determining eligibility for certain Federal programs.

Aid Program: Any program that provides medical, health, and other related assistance to individuals and with low or no income or resources and categorically qualify for the program. Programs include, but are not limited to Medicaid, Kid Care, Section 1011 for undocumented residents, etc. The Illinois Comprehensive Health Program (ICHP) is an example of an aid program for uninsurable people who are not necessarily in a low income group.

Household Income: Family's annual earnings and cash benefits from all sources before taxes (including distributions and payments from pensions or retirement plans) less payments made for child support.

Liquid Asset: Cash or assets easily converted to cash, e.g. bank accounts, CD's, treasury notes, money market funds, mutual funds or other non-retirement savings.

Asset Spend down: The conversion of liquid assets in order to cover some level of medical costs before charity discounts can apply.

15. Charity Care and Financial Assistance Policies

PROCEDURE:

	<u>Action</u>	<u>Responsibility</u>
A.	<p><u>Financial Counselors, Customer Service Representatives intake of financial information for eligibility determination</u></p> <ol style="list-style-type: none"> 1. Interview and screen the patient for potential eligibility for NorthShore Financial Assistance 2. If the patient's financial situation appears to be appropriate for Financial Assistance, then <ol style="list-style-type: none"> a. Explain the components of the program b. Describe the application process c. Assist the patient or their representative to complete the financial statement application, and to procure required/supporting documents 	<ul style="list-style-type: none"> - Financial Counselors - Business Office Staff or Liaison - Manager, Financial Counseling
B.	<p><u>Eligibility Determination for the Uninsured</u></p> <ol style="list-style-type: none"> 1. Charges must be greater than \$300.00 to be considered eligible for discount. 2. Must have family income less than 600% FPL. Uninsured patients with household incomes above 600% may be eligible for self pay discounts per Procedural Guideline: Self Pay Adjustments, Payment Arrangements, and Collection Agency Arrangements. 3. Patient must be an Illinois resident. Exceptions to Illinois residency requirement will be evaluated on a case by case basis. 4. Assess eligibility for any other aid program. If the patient appears eligible, then refer the patient to the aid program. (See Procedural Guideline for Public Aid Application). 5. If the patient is not eligible for any other Aid Program, then evaluate income information against the Uninsured Discount Table in Attachment A. 6. Evaluate the patient's Liquid Asset Level and determine if some level of Asset Spend Down is appropriate. Asset Spend Downs must be approved by the Director Customer Service who is responsible for financial counseling. 7. Maximum amount collected in a 12-month period from an eligible patient is 25% of family's annual gross income. Time period begins as the first date of service determined to be eligible for discount. For any subsequent services to be included in the maximum, the patient must inform the hospital that he/she had received prior services from that hospital which were determined to be eligible for discount. 8. Installment payment plans may be set up, if necessary, for the amount owed by the patient (Refer to Procedural Guideline: Self Pay Adjustments, Payment Arrangements, and Collection Agency Arrangements). 9. Patients will be provided with the financial assistance determination. If approved, the level of assistance (free care or discount level) will be communicated in writing whenever possible. 10. Management has the discretion to evaluate and classify individual accounts for charity care on a case-by-case circumstance and will appropriately document services rendered and financial evaluation in the system. 11. If a patient's financial condition or ability to pay has changed since their most recent eligibility determination by NorthShore, a re-evaluation will be performed at the request of the patient 	<ul style="list-style-type: none"> - Financial Counselors - Manager, Financial Counseling - Liaison in Business Office - Director Customer Service, Manager Financial Counseling - Director Customer Service
C.	<p><u>Eligibility Determination for the Underinsured</u></p> <ol style="list-style-type: none"> 1. Assess eligibility for any other aid program. If the patient appears eligible, then refer the patient to the aid program. (See Procedural Guideline for Public Aid Application) 2. Patient balance (liability) must be \$300.00 or greater to be eligible for consideration. 	<ul style="list-style-type: none"> - Financial Counselors - Manager, Financial Counseling - Liaison in Business Office - Director Customer

15. Charity Care and Financial Assistance Policies

3. If the patient is not eligible for any other aid program, then evaluate income information against the Underinsured Discount Table in Attachment A
4. Discounts are will be extended to families up to 4 times the poverty level.
5. Evaluate the patient's Liquid Asset Level and determine if some level of Asset Spend Down is appropriate. Asset Spend Downs must be approved by the Director Customer Service who is responsible for financial counseling.
6. Installment payment plans may be set up, if necessary, for the amount owed by the patient (Refer to Procedural Guideline: Self Pay Adjustments, Workout Arrangements, and Collection Agency Arrangements)
7. Patients will be provided with the financial assistance determination. If approved, the level of assistance (free care or discount level) will be communicated in writing whenever possible.
8. If a patient's financial condition or ability to pay has changed since their most recent eligibility determination by NorthShore, a re-evaluation will be performed at the request of the patient

Service, Manager
Financial Counseling

D. Patient Responsibilities

1. Patients may be required to apply for Medicare, Medicaid, AllKids, ICHIP, or other public program if there is reason to believe they would qualify.
2. Patient are required to apply for the discount within 60 days of service. After 60 days eligibility for a discount will be at NorthShore's discretion.
3. Patient must provide third-party verification of income, information regarding assets and documentation of residency within 30 days of request.
4. Income documentation shall include any one of the following: copy of most recent tax return; copy of most recent W-2 form and 1099 forms; copies of 2 most recent pay stubs; written income verification from an employer if paid in cash; or one other reasonable form of verification acceptable to the hospital.
5. Acceptable verification of Illinois residency shall include any on of the following: a valid state-issued identification card; a recent residential utility bill; a lease agreement; a vehicle registration card; a voter registration card; mail addressed to the uninsured patient at an Illinois address from a government or other credible source; a statement from a family member who resides at the same address and presents verification of residency; or a letter from a homeless shelter, transitional house or other similar facility verifying that the uninsured patient resides at the facility.
6. Acceptable documentation regarding assets may include statements from financial institutions or some other third-party verification of an asset's value. If no third-party verification exists, then the patient shall certify to the estimated value of the asset.
7. NorthShore may require patients to certify that all information provided on the application is true and if any information is untrue, the discount is forfeited and the patient is responsible for the full charges.

E. Eligibility guidelines will be updated annually at the time the Department of Health and Human Service publishes the updated Federal Poverty Level (FPL) guidelines in the Federal Register

1. Eligibility for free care for uninsured must have family income that is no more than 600% FPL. The minimum discount will be to 135% of the most recently filed Medicare Cost Report Ratio of Cost to Charges.
2. The Senior Vice President Business Services will approve the annual adjustments to NorthShore Financial Assistance Guidelines

- Sr. VP of Business
Services

15. Charity Care and Financial Assistance Policies

F. Procedure for Account Adjustment and Review

1. If the patient is determined to be income-eligible for free or discounted care, then
 - a. Document the level of financial assistance (free care, or discount level) in the patient accounting system. - Financial Counselors
 - b. Fax a copy of the patient's Financial Assistance application, with associated supporting documents to the Business Office, Attn: Correspondence Care Liaison. - Legal/Bad Debt Liaison in Business Office
 - c. Documents will be scanned imaged and indexed to the patient account. - Manager, Financial Counseling
 - d. Documentation will be faxed to NorthShore Medical Group Business Office for evaluation against physician services.
 - e. Write-off or adjust the discounted amount to the appropriate NorthShore account or service code within NorthShore billing system(s). - Director Customer Service
 - f. Notate in the patients account that the patient qualified for Free Care or discounted care. - Sr. VP Business Services
 - g. Monthly review and signoff of charity discounts and high dollar adjustments (greater than \$20,000) - Hospital Presidents

G. Confidentiality

1. Access patient records on a need to know basis only
 2. Confidential patient medical information will not be disclosed for purposes other than those indicated on the Conditions of Admission and/or Release of Medical Information Forms (Refer to HIPAA policies in the Administrative Directives Manual under Agreement of Information)
- Financial Counselors
- Business Office Liaison
- Manager, Financial Counseling
- Sr. VP Business Services

4. ATTACHMENT:

Sliding Scale Discount Table & Federal Poverty Guidelines
NorthShore Charity Care Information Protocol

Attachment A
Attachment B

5. DISTRIBUTION:

Administrative Directives Manual

6. POLICY RESPONSIBILITY:

Sr. Vice President, Business Services

In Coordination With:

Patient Care Services
Hospital and Clinics
Home Health

7. REFERENCES:

Internal

Procedural Guideline: Self Pay Adjustments, Workout Arrangements, and Collection Agency Arrangements
Administrative Directives Manual: HIPAA Polices (Agreement of Information)
Administrative Directives Manual: HIPAA Polices

External

Health and Human Services (HHS)
Federal Poverty Guideline, most current year
Hospital Uninsured Patient Discount Act (Public Act 95-0965)

8. REVISION:

The organization reserves the right to unilaterally revise, modify, review, or alter the terms and conditions of the policy within the constraints of the law, with or without reasonable notice.

15. Charity Care and Financial Assistance Policies

9. APPROVAL:

<u>Jeffrey H. Hillebrand</u>	<u>Chief Operating Officer</u> Title	<u>3/31/09</u> Date
<u>Brian Washa</u>	<u>Sr. Vice President, Business Services</u> Title	<u>3/31/09</u> Date

10. DATES:

Origination: 6/04 Last Review: 3/09 Next Review: 2/11

Financial Assistance Eligibility Guidelines

Attachment A

Sliding Scale Discount Tables

UNINSURED DISCOUNT TABLE

Income Range		PERCENT DISCOUNT PER INCOME LEVEL AND FAMILY SIZE							
Household Income		Number in Family							
Low	High	1	2	3	4	5	6	7	8
\$ -	\$ 21,660	Free	Free	Free	Free	Free	Free	Free	Free
\$ 21,661	\$ 29,140	80.00%	Free	Free	Free	Free	Free	Free	Free
\$ 29,141	\$ 36,620	65.00%	80.00%	Free	Free	Free	Free	Free	Free
\$ 36,621	\$ 44,100	60.00%	65.00%	80.00%	Free	Free	Free	Free	Free
\$ 44,101	\$ 64,980	58.00%	60.00%	65.00%	80.00%	Free	Free	Free	Free
\$ 64,981	\$ 87,420	0.00%	58.00%	60.00%	65.00%	80.00%	Free	Free	Free
\$ 87,421	\$ 109,860	0.00%	0.00%	58.00%	60.00%	65.00%	80.00%	Free	Free
\$ 109,861	\$ 132,300	0.00%	0.00%	0.00%	58.00%	60.00%	65.00%	80.00%	Free
\$ 132,301	\$ 154,740	0.00%	0.00%	0.00%	0.00%	58.00%	60.00%	65.00%	80.00%
\$ 154,741	\$ 177,180	0.00%	0.00%	0.00%	0.00%	0.00%	58.00%	60.00%	65.00%
\$ 177,181	\$ 199,620	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	58.00%	60.00%
\$ 199,621	\$ 222,060	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	58.00%
\$ 222,061	and above	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Upper Asset Level (Liquid)		\$ 64,980	\$ 87,420	\$ 109,860	\$ 132,300	\$ 154,740	\$ 177,180	\$ 199,620	\$ 222,060

% Discount off charges.

Uninsured Discount Table effective for dates of service after 3/31/2009

UNDERINSURED DISCOUNT TABLE

Income Range		PERCENT DISCOUNT PER INCOME LEVEL AND FAMILY SIZE							
Household Income		Number in Family							
Low	High	1	2	3	4	5	6	7	8
\$ -	\$ 21,660	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%
\$ 21,661	\$ 29,140	75.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%
\$ 29,141	\$ 36,620	55.00%	75.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%
\$ 36,621	\$ 43,320	35.00%	55.00%	75.00%	95.00%	95.00%	95.00%	95.00%	95.00%
\$ 43,321	\$ 58,280	0.00%	35.00%	55.00%	75.00%	95.00%	95.00%	95.00%	95.00%
\$ 58,281	\$ 73,240	0.00%	0.00%	35.00%	55.00%	75.00%	95.00%	95.00%	95.00%
\$ 73,241	\$ 88,200	0.00%	0.00%	0.00%	35.00%	55.00%	75.00%	95.00%	95.00%
\$ 88,201	\$ 103,160	0.00%	0.00%	0.00%	0.00%	35.00%	55.00%	75.00%	95.00%
\$ 103,161	\$ 118,120	0.00%	0.00%	0.00%	0.00%	0.00%	35.00%	55.00%	75.00%
\$ 118,121	\$ 133,080	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	35.00%	55.00%
\$ 133,081	\$ 148,040	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	35.00%
\$ 148,041	and above	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Upper Asset Level (Liquid)		\$ 43,320	\$ 58,280	\$ 73,240	\$ 88,200	\$ 103,160	\$ 118,120	\$ 133,080	\$ 148,040

% Discount off account self pay balance

Sliding Scale Discount Table

Attachment B

2009 HHS Poverty Guidelines¹			
Income Levels for the 48 Contiguous States and DC			
Size of Family Unit	Household Income	Gross Monthly Income	Approximate Hourly Income²
1	\$10,830	\$903	\$5.21
2	\$14,570	\$1,214	\$7.00
3	\$18,310	\$1,526	\$8.80
4	\$22,050	\$1,838	\$10.60
5	\$25,790	\$2,149	\$12.40
6	\$29,530	\$2,461	\$14.20
7	\$33,270	\$2,773	\$16.00
8	\$37,010	\$3,084	\$17.79
Each additional person, added	\$3,740	\$312	\$1.79

¹ Source: *Federal Register*, (74, FR -4199-4201), January 23, 2009.

² Assumes 2080 hours is a full-time job year

These scales are effective for dates of service March 1, 2009- February 28, 2010.

NorthShore Charity Care Information Protocol

HOW TO RESPOND TO INQUIRES REGARDING FINANCIAL ASSISTANCE:

EVANSTON HOSPITAL

- | | | |
|----------------------------|---|--|
| * CURRENT PATIENTS: | ⇒ | <i>Direct patient to Patient Financial Counseling</i>
LOCATION: Evanston Hospital, RM 1222
PHONE: (847) 570-2100 |
| * NON-REGISTERED PATIENTS: | ⇒ | <i>Direct patient to Outpatient Clinic</i>
LOCATION: Evanston Hospital, RM G155
PHONE: (847) 570-2700 |

GLENBROOK HOSPITAL

- | | | |
|-----------------|---|---|
| * ALL INQUIRIES | ⇒ | <i>Direct patient to Patient Financial Counseling</i>
LOCATION: Glenbrook Hospital, Room 1120
PHONE: (847) 832-6200 |
|-----------------|---|---|

HIGHLAND PARK HOSPITAL

- | | | |
|-----------------|---|---|
| * ALL INQUIRIES | ⇒ | <i>Direct patient to Patient Financial Counseling</i>
LOCATION: Highland Park Hospital, RM 1153
PHONE: (847) 926-5300 |
|-----------------|---|---|

SKOKIE HOSPITAL

- | | | |
|-----------------|---|---|
| * ALL INQUIRIES | ⇒ | <i>Direct patient to Patient Financial Counseling</i>
LOCATION: Skokie Hospital, Ground Floor Lobby
PHONE: (847) 933-6970 |
|-----------------|---|---|

BILLING AND CHARGE RELATED INQUIRIES:

If a patient has questions related to their bill, please direct patient to:

PHONE:

*Patient Customer Service for
Evanston Hospital
Glenbrook Hospital
Highland Park Hospital
(847) 570-5000*

PHONE:

*Patient Customer Service for
Skokie Hospital
(847) 933-6721*

ALL EMPLOYEES SHOULD:

- 1) Know that NorthShore has a charity care and financial assistance program that offers both free and discounted care
- 2) Be able to direct patient inquiries appropriately as outlined above

PATIENT FINANCIAL COUNSELING and PATIENT CUSTOMER SERVICE SHOULD:

- 1) Know that NorthShore has a charity care and financial assistance program that offers both free and discounted care
- 2) Understand the NorthShore Charity Care and Financial Assistance Evaluation and Eligibility Policy
- 3) Remain current on all changes related to charity care and financial assistance

COLLECTION AGENCIES SHOULD:

- 1) Know that NorthShore has a charity care and financial assistance program that offers both free and discounted care
- 2) Be able to direct patient inquiries appropriately

If a patient inquires about financial assistance or informs a collection agency that their financial condition has since changed, the collection agency should direct the patient to NorthShore Customer Service @ (847) 570-5000

If you have any questions related to the NorthShore Charity Care and Financial Assistance Program, you may contact Patient Financial Counseling @ (847) 570-2100

NorthShore University HealthSystem System-Wide Support

NorthShore University HealthSystem provides support to a variety of national and local organizations that help support our core mission to preserve and improve human life. In 2009, a total of \$993,053 in financial support and non-cash donations were provided to numerous not-for-profit organizations. System-wide recipients include:

- American Brain Tumor Association
- American Craft Exposition
- American Cancer Society
- American Diabetes Association
- American Heart Association
- Association for Community Cancer Centers
- Cancer Wellness Center
- Have a Heart for Sickle Cell
- Illinois Hospital Research and Education Foundation
- Lake County Partners
- March of Dimes
- North Shore Senior Center (OASIS)
- Nursing Scholarship to Local High School Senior

Hospital-Based Community Support

To help support its mission, NorthShore University HealthSystem makes financial contributions to local organizations. We recognize that the more NorthShore University HealthSystem and the community connect, the stronger and healthier we both will become. Hospital-based recipients include those in the list below, among others.

Evanston Hospital-Based Community Support

- Better Existence with HIV
- Childcare Network of Evanston
- City of Evanston
- Connections for the Homeless
- Erika's Lighthouse
- Evanston 4th of July Association
- Evanston Inventure
- Evanston Coalition for Latino Resources
- Evanston Community Foundation
- Evanston/Skokie School District 65
- Family Focus
- Family Service Center of Wilmette
- Haven Youth and Family Service
- Interfaith Housing Center for the Northern Suburbs
- King Lab Magnet School PTA

Evanston Hospital-Based Community Support (continued)

- Links
- McGaw YMCA
- Peer Services
- Village of Lincolnwood
- Volunteer Center of New Trier
- The Winnetka Alliance for Early Childhood
- Warming House Youth Services
- Winnetka Youth Services
- Youth Connection of Wilmette
- Youth Organization Umbrella (Y.O.U.)
- YWCA/Evanston North Shore (Ricky Byrdsong Memorial 5K Race Against Hate)
- Youth Job Center of Evanston

Glenbrook Hospital-Based Community Support

- Hope Clinic
- Village of Glenview Social Services Fund
- Village of Northbrook Emergency Crisis Fund
- The Josselyn Center
- Family Service Center
- North Suburban United Way
- Helping Hands

Highland Park Hospital-Based Community Support

- Family Network
- Lake County Health Department
- North Shore Health Center
- North Suburban Special Recreation Center
- Park District of Highland Park

Skokie Hospital-Based Community Support

- Backlot Bash
- Festival of Cultures
- Northwest Suburban United Way – Skokie Trail to Fitness

NorthShore University HealthSystem Employees

- The *Sharing Spirit* volunteer award recognizes and supports employees who selflessly give of their time and skills to improve the lives of others. Winners were honored at a breakfast ceremony, where 10 employees each received a \$500 contribution to give to the organization for which they volunteer. Organizations receiving contributions included: Gift of Hope, Greater Wheeling Area Youth Outreach, Village Medical Project, Community Works and Sports Alternative, American Cancer Society, Hadassah, Orphan Foundation of America, LYDIA Home Association, Christian Peacemaker Team Inc. and Northfield Presbyterian Church.

Industry Recognition

Among the many honors bestowed on NorthShore University HealthSystem during the past year, these stand out and distinguish us in the marketplace.

- **HIMSS Stage 7 Award.** We were one of just two healthcare systems in the nation recognized for full EMR adoption by the Healthcare Information and Management Systems Society (HIMSS).
- **Top 100 Hospitals/Top 15 Major Teaching Hospitals.** For an unprecedented 13 of 15 years, NorthShore has ranked among the best in this Thomson Reuters study. We are the only hospital system nationwide to ever have achieved this consistency of performance.
- **2009 Gold Medal Award.** Mark R. Neaman, NorthShore President and CEO, received the 2009 Gold Medal Award from the American College of Healthcare Executives (ACHE). The award—ACHE's highest honor—acknowledged Neaman for building one of the nation's first system-wide EMR systems that demonstrably improved our quality, safety and efficiency.
- **100 Most Wired Hospitals.** NorthShore was ranked in the Most Wired Survey and Benchmarking study for the sixth consecutive year by Hospitals and Health Networks.
- **Top Leadership Teams in Healthcare Award.** The NorthShore Medical Group was recognized by Health Leaders Media for its transformation over the past decade into a thriving, high performance, nationally recognized multispecialty group practice.
- **National Institutes of Health (NIH) Research Ranking.** NorthShore ranked No. 10 in the nation and No. 1 in Illinois among Comprehensive Independent Research Hospitals in funding from the NIH.
- **Leapfrog Top Hospitals List.** For the third consecutive year, NorthShore's Evanston Hospital has been named a top national hospital by this industry group. It is one of only two hospitals in Illinois and 33 nationwide to receive this honor.
- **Beacon Award.** For its high performance, innovation and exceptional patient care, NorthShore's Highland Park Hospital Intensive Care Unit (ICU) received the American Association of Critical Care Nurses (AACN) Beacon Award—one of only 66 ICUs recognized with this honor.
- **Patient Safety and Quality Award.** NorthShore received the John M. Eisenberg Patient Safety and Quality Award for our methicillin-resistant Staphylococcus aureus (MRSA) Reduction Program, recognizing our national leadership in attacking this serious threat to patient safety.
- **Accreditation by the National Accreditation Program for Breast Centers.** NorthShore's Breast Health Program was the first health system in the Chicago area to be granted this esteemed status.
- **Surescripts Safe-Rx Award.** NorthShore was recognized nationally for its advanced e-prescribing system.
- **Workforce Chicago Award.** NorthShore received this prestigious award for excellence, recognizing our establishment of superior employee development and learning strategies in the workplace.

Annual Non Profit Hospital Community Benefits Plan Report

Hospital or Hospital System: NorthShore University HealthSystem

Mailing Address: 1301 Central Street
(Street Address/P.O. Box)

Evanston, IL 60201
(City, State, Zip)

Physical Address (if different than mailing address):

(Street Address/P.O. Box)

(City, State, Zip)

Reporting Period: 10 / 1 / 08 through 09 / 30 / 09 Taxpayer Number: 36-2167060
Month Day Year Month Day Year

If filing a consolidated financial report for a health system, list below the Illinois hospitals included in the consolidated report.

<u>Hospital Name</u>	<u>Address</u>	<u>FEIN #</u>
<u>Evanston Hospital</u>	<u>2650 Ridge Avenue, Evanston</u>	<u>36-2167060</u>
<u>Glenbrook Hospital</u>	<u>2100 Pfingsten Rd, Glenview</u>	<u>36-2167060</u>
<u>Highland Park Hospital</u>	<u>777 Park Ave W, Highland Park</u>	<u>36-2167060</u>
<u>Skokie Hospital</u>	<u>9600 Gross Point Road, Skokie</u>	<u>36-2167060</u>

1. ATTACH Mission Statement:

The reporting entity must provide an organizational mission statement that identifies the hospital's commitment to serving the health care needs of the community and the date it was adopted.

2. ATTACH Community Benefits Plan:

The reporting entity must provide it's most recent Community Benefits Plan and specify the date it was adopted. The plan should be an operational plan for serving health care needs of the community. The plan must:

1. Set out goals and objectives for providing community benefits including charity care and government-sponsored indigent health care.
2. Identify the populations and communities served by the hospital.
3. Disclose health care needs that were considered in developing the plan.

3. REPORT Charity Care:

Charity care is care for which the provider does not expect to receive payment from the patient or a third-party payer. Charity care does not include bad debt. In reporting charity care, the reporting entity must report the actual cost of services provided, based on the total cost to charge ratio derived from the hospital's Medicare cost report (CMS 2552-96 Worksheet C, Part 1, PPS Inpatient Ratios), not the charges for the services.

Charity Care \$ 16,872,873

ATTACH Charity Care Policy:

Reporting entity must attach a copy of its current charity care policy and specify the date it was adopted.

4. **REPORT Community Benefits** actually provided other than charity care:
 See instructions for completing Section 4 of the Annual Non Profit Hospital Community Benefits Plan Report.

Community Benefit Type

Language Assistant Services	\$ 1,066,157
Government Sponsored Indigent Health Care	\$ 88,047,576
Donations	\$ 993,053
Volunteer Services	
a) Employee Volunteer Services	\$ 17,484
b) Non-Employee Volunteer Services	\$ 2,068,209
c) Total (add lines a and b)	\$ 2,085,693
Education	\$ 17,665,877
Government-sponsored program services	\$ 736,601
Research	\$ 4,163,000
Subsidized health services	\$ 16,265,169
Bad debts	\$ 47,381,000
Other Community Benefits	\$ 456,274

Attach a schedule for any additional community benefits not detailed above.

5. **ATTACH Audited Financial Statements** for the reporting period.

Under penalty of perjury, I the undersigned declare and certify that I have examined this Annual Non Profit Hospital Community Benefits Plan Report and the documents attached thereto. I further declare and certify that the Plan and the Annual Non Profit Hospital Community Benefits Plan Report and the documents attached thereto are true and complete.

Gary L. Gephart, AVP & Controller
 Name / Title (Please Print)

Gary L. Gephart
 Signature

Gary L. Gephart
 Name of Person Completing Form

ggephart@northshore.org
 Electronic / Internet Mail Address

(847) 570-5053
 Phone: Area Code / Telephone No.

3-25-10
 Date.

(847) 570-5053
 Phone: Area Code / Telephone No.

(847) 570-5240
 FAX: Area Code / FAX No.

**NorthShore University HealthSystem
Annual Non Profit Hospital Community Benefits Plan Report
For the Year Ended September 30, 2009
Attachment**

NorthShore University HealthSystem (NorthShore) continues to evaluate all unreimbursed services for proper classification in the Annual Non Profit Hospital Community Benefits Plan Report as defined by the State of Illinois. The organization also continues to work with all eligible patients to apply for financial assistance to which they may qualify.

NorthShore provided \$196 million in total community benefits, which is a 14% increase from last year. Below are the results of NorthShore's community benefit activities by category:

- The Charity Care and Subsidized Health Services categories were higher than the prior year due to increased patient volumes and activity. These categories also increased because of the addition of Skokie Hospital (formerly known as Rush North Shore Medical Center).
- Language Assistant Services increased due to the addition of Skokie Hospital and providing more services with in-house staff at higher costs.
- Donations increased because of a contribution to the Lake County Health Department as part of the affiliation with the University of Chicago.
- Volunteer Services increased due to the addition of Skokie Hospital.
- The Education line decreased primarily due to additional start-up costs last year with the new affiliation with the University of Chicago.
- The Research category decreased because the additional expenses as part of the new academic affiliation with the University of Chicago were included in last year's Research amount.
- The Bad Debts expenses increased due to the current economic conditions and the addition of Skokie Hospital.



To all to whom these Presents Shall Come, Greeting:

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

NORTHSHORE UNIVERSITY HEALTHSYSTEM, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON DECEMBER 04, 1891, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION 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 30TH day of NOVEMBER A.D. 2010 .



Jesse White

Authentication #: 1033402262

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

SECRETARY OF STATE

ATTACHMENT 1



Healthcare Property Insurance Binder

ZURICH

FOR

NORTHSHORE UNIVERSITY HEALTHSYSTEM

And

Your affiliated or subsidiary companies or corporations owned, controlled or coming under your active management and your interest in partnerships or joint ventures as now exist or may hereafter be constituted or acquired during the policy period.

1301 CENTRAL STREET
EVANSTON, IL 60201-0201

We're always speaking your language with the Healthcare Policy and Risk Engineering Services.

Presented to:

MARSH USA

500 W MONROE ST STE 2100
CHICAGO, IL 60661-3655

Prepared by -

Benjamin Johnson
Property Underwriter
10 S. Riverside Plaza, 6th Floor
Chicago, IL 60606
Global Corporate - Property

Direct Telephone No. - (312) 496-9166
Fax Telephone No. - (312) 496-9234
Internet - benjamin.johnson@zurichna.com

Binder Preparation Date - 03/31/2009
Binder Expiration Date - 06/01/2009

Policy Number: ZMD.3588826-09

Policy issuing Company
American Guarantee & Liability

If you want to learn more about the compensation Zurich pays agents and brokers visit:
<http://www.zurichnaproducercompensation.com> or call the following toll-free number: (866) 903-1192.
This Notice is provided on behalf of Zurich American Insurance Company and its underwriting subsidiaries.

ATTACHMENT 2
Confidential Page 1

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Special Coverage Exceptions (if any)

- Ordinary Payroll is excluded
- The following Special Limitation(s), for premises described per Schedule dated as of 03/09/2009 that has been reported, filed and accepted by us, are made a part of this policy –

1. This limitation is part of and not in addition to the stated Limit of Insurance. We will pay no more in any one occurrence than our proportionate share of _____ for the total of all coverage(s) combined including any applicable limited covered cause of loss and only for the following premises:

Evanston Hospital, 2650 Ridge Ave, Evanston, IL 60201.

Coverage is for Property Damage/Time Element (BI) Premises Limit:

2. This limitation is part of and not in addition to the stated Limit of Insurance. We will pay no more in any one occurrence than our proportionate share of _____ for the total of all coverage(s) combined including any applicable limited covered cause of loss and only for the following premises:

Highland Park Hospital, 777 Park Ave West, 767 Park Ave West and 757 Park Ave West, Highland Park, IL 60035

Coverage is for Property Damage/Time Element (BI) Premises Limit:

3. This limitation is part of and not in addition to the stated Limit of Insurance. We will pay no more in any one occurrence than our proportionate share of _____ for the total of all coverage(s) combined including any applicable limited covered cause of loss and only for the following premises:

Glenbrook Hospital, 2100 Pfingsten Rd, 2050 Pfingsten Rd and 2150 Pfingsten Rd, Glenview, IL 60025.

Coverage is for Property Damage/Time Element (BI) Premises Limit:

4. This limitation is part of and not in addition to the stated Limit of Insurance. We will pay no more in any one occurrence than our proportionate share of _____ for the total of all coverage(s) combined including any applicable limited covered cause of loss and only for the following premises:

Skokie Hospital, 9600 Gross Point Road, 9669 North Kenton, and 9700 North Kenton, Skokie, IL 60076.

Coverage is for Property Damage/Time Element (BI) Premises Limit:

5. This limitation is part of and not in addition to the stated Limit of Insurance. We will pay no more in any one occurrence than our proportionate share of _____ for the total of all coverage(s) combined including any applicable covered cause of loss and only for the following premises:

Research Office Building, 1001 University Ave, Evanston, IL 60201

Coverage is for Property Damage/Time Element (BI) Premises Limit:

6. This limitation is part of and not in addition to the stated Limit of Insurance. We will pay no more in any one occurrence than our proportionate share of _____ for the total of all coverage(s) combined including any applicable covered cause of loss and only for the following premises:

4901 N. Searle Parkway, Skokie, IL 60077

Coverage is for Property Damage/Time Element (BI) Premises Limit:

11P

7. This limitation is part of and not in addition to the stated Limit of Insurance. We will pay no more in any one occurrence than our proportionate share of _____ for the total of all coverage(s) combined including any applicable covered cause of loss and only for the following premises:

Corporate Offices, 1301 Central Street, Evanston, IL 60201

Coverage is for Property Damage/Time Element (BI) Premises Limit:

8. This limitation is part of and not in addition to the stated Limit of Insurance. We will pay no more in any one occurrence than our proportionate share of _____ for the total of all coverage(s) combined including any applicable covered cause of loss and only for the following premises:

Medical Office Building, 1000-20 Central Street, Evanston, IL 60201

Coverage is for Property Damage/Time Element (BI) Premises Limit:

9. This limitation is part of and not in addition to the stated Limit of Insurance. We will pay no more in any one occurrence than our proportionate share of _____ for the total of all coverage(s) combined including any applicable covered cause of loss and only for the following premises:

Vernon Hills Medical Center, 225 N. Milwaukee Ave, Vernon Hills, IL 60061

Coverage is for Property Damage/Time Element (BI) Premises Limit:

10. This limitation is part of and not in addition to the stated Limit of Insurance. We will pay no more in any one occurrence than our proportionate share of _____ for the total of all coverage(s) combined including any applicable covered cause of loss and only for the following premises:

****At all other listed premises on file per Statement of Values dated 03/09/2009 which has been received, filed and accepted by us.****

(Refer to) SCHEDULE

The following is applicable for specific premises having a limitation other than those previously indicated under Sub-Limits of Insurance.

Earth Movement - Additional Sub-Limits of Insurance

Description of Premises	Per Occurrence	Annual Aggregate	Specific Deductible

(Refer to) SCHEDULE

Flood - Additional Sub-Limits of Insurance

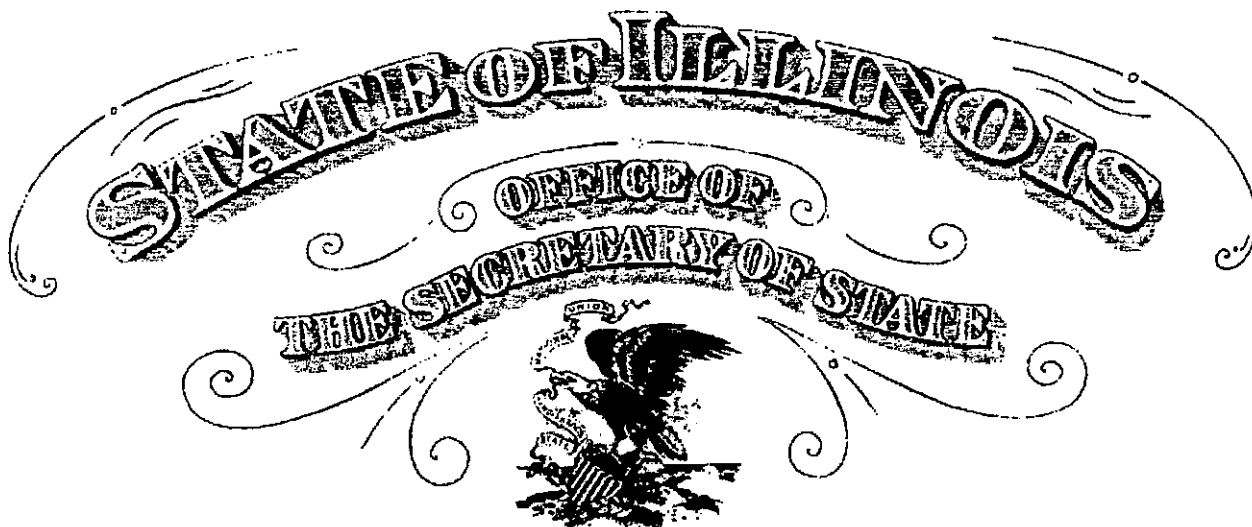
Description of Premises	Per Occurrence	Annual Aggregate	Specific Deductible

(Refer to) SCHEDULE

Named Storm Wind - Additional Sub-Limits of Insurance

Description of Premises	Per Occurrence	Annual Aggregate	Specific Deductible

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To all to whom these Presents Shall Come, Greeting:

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

NORTHSHORE UNIVERSITY HEALTHSYSTEM, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON DECEMBER 04, 1891, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



Authentication #: 1033402262

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

In Testimony Whereof, I hereto set
*my hand and cause to be affixed the Great Seal of
the State of Illinois, this 30TH
day of NOVEMBER A.D. 2010 .*

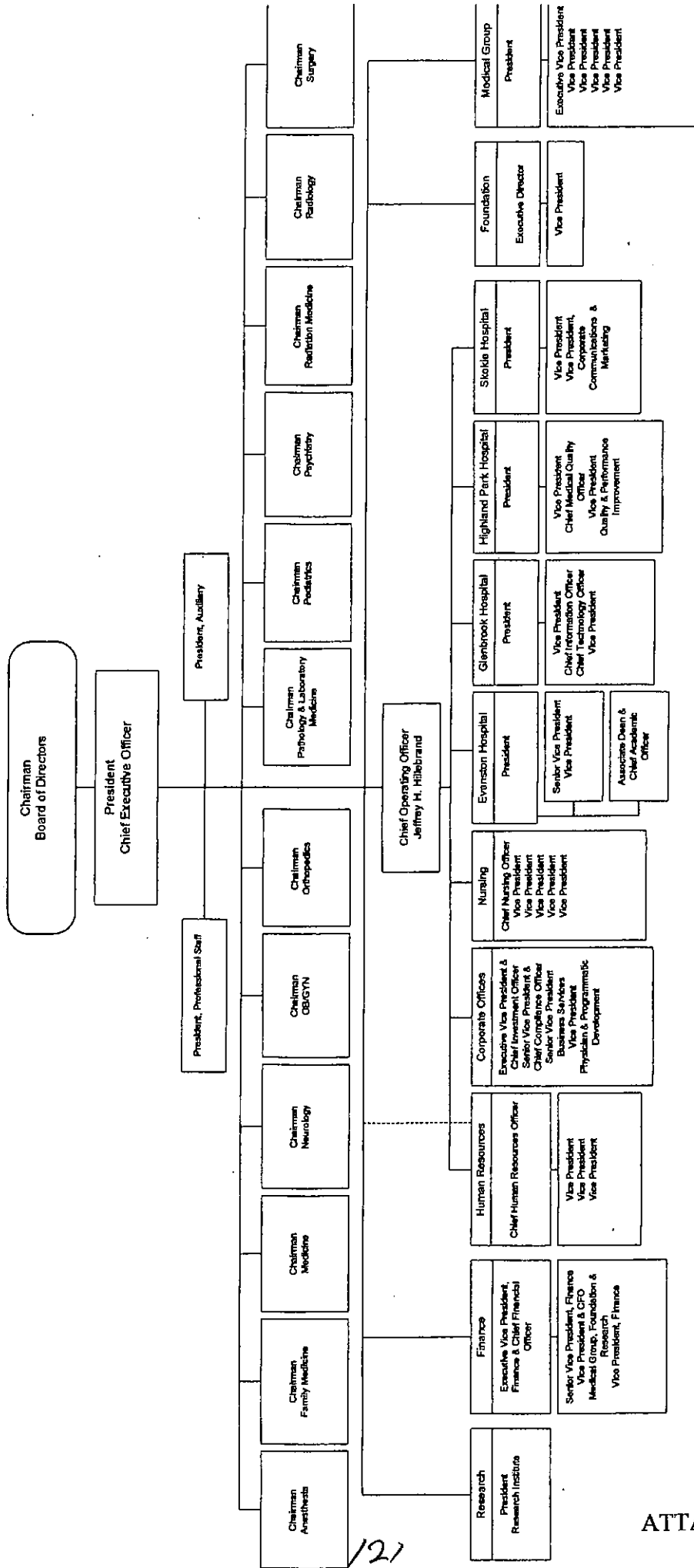
Jesse White

SECRETARY OF STATE

ATTACHMENT 3

NorthShore University HealthSystem
Organization Chart

2010-2011



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Glenbrook Hospital

2100 Pfingsten Road
Glenview, IL 60026
www.northshore.org

(847) 657-5600
(847) 657-5990 Fax
dsilverstein@northshore.org

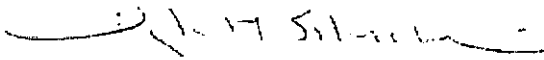
March 17, 2011

Illinois Health Facilities
and Services Review Board
Springfield, IL 62761

To Whom It May Concern:

I hereby attest that Glenbrook Hospital is not located in a floodplain, and that the proposed project complies with Executive Order #20025-5

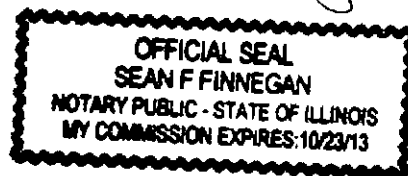
Sincerely,



Douglas M. Silverstein
President
Glenbrook Hospital

Notarized:

On the 16th day of March, 2011



Axel & Associates, Inc.

MANAGEMENT CONSULTANTS

February 25, 2011

Ms. Anne E. Haaker
Deputy State Historic Preservation Officer
Illinois Historic Preservation Agency
1 Old State Capitol Plaza
Springfield, IL 62701-1507

RE: Proposed Modernization of
Glenbrook Hospital
Glenview, Illinois

Dear Ms. Haaker:

I am in the process of developing a Certificate of Need application, to be filed with the Illinois Health Facilities Services and Review Board, and I am in need of a determination of applicability from your agency.

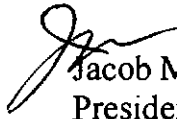
The project proposes the addition of a fifth floor to Glenbrook Hospital, which is located at 2100 Pfingsten Road, Glenview, Illinois. The general area of the site has been developed over the past thirty years, and I do not believe there to be any structures of historical significance in the vicinity.

I have enclosed photographs of the proposed site and a map for your review.

A letter from your office, confirming that the Preservation Act is not applicable to this project would be greatly appreciated.

Should you have any questions, I may be reached at the phone number below.

Sincerely,


Jacob M. Axel
President

enclosures (photographs and map)

ITEMIZATION OF PROJECT COSTS

Preplanning Costs (\$503,000)

Evaluation of alternatives and feasibility assessments.

Site Preparation (\$790,000)

Preparation of site for cranes and equipment, safety fencing, temporary enclosures at entrances, and repair of site/landscaping at conclusion of project.

New Construction Contracts (\$14,918,662)

Construction of the fifth floor, consistent with ATTACHMENT 76c.

Modernization Contracts (\$5,562,490)

Renovation to existing medical/surgical units consistent with ATTACHMENT 76c, to facilitate the conversion of semi-private to private patient rooms.

Contingencies (\$1,219,430)

New construction and renovation-related contingencies.

Architectural and Engineering Fees (\$1,908,000)

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 (\$2,050,180)

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

Moveable and Other Equipment (\$7,964,000)

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

Structural Reinforcement (\$1,600,000)

Additional reinforcement to the lower floors required by code changes enacted since the construction of the building, and necessary to add the fifth floor.

Cost Space Requirements

Dept./Area	Cost	Gross Square Feet			Amount of proposed Total Square Feet			Vacated Space
		Existing	Proposed	New Const.	Modernized	As Is		
Reviewable								
Medical/Surgical	\$ 22,640,802	66,145	83,494	17,349	66,145	0	0	0
Observation	\$ 5,310,806	0	8,475	8,475	0	0	0	0
DGSF>>BGSF contingency				25,824	66,145			
TOTAL	\$ 27,951,608			1,291	1,937			
				27,115	68,082			
Non-Reviewable								
Staff Facilities	\$ 513,849			788				
Public Areas	\$ 3,939,511			4,631				
Mechanical	\$ 4,110,794			9,787				
DGSF>>BGSF contingency				15,206				
TOTAL	\$ 8,564,154			760				
				15,966				
PROJECT TOTAL	\$ 36,515,762			43,082				

1301 Central Street
Evanston, IL 60201

March 16, 2011

(847) 570-5151
(847) 570-5179 Fax
jhillebrand@northshore.org

Ms. Courtney Avery, Administrator
Illinois Health Facilities and
Services Review Board
525 West Jefferson
Springfield, IL 62761

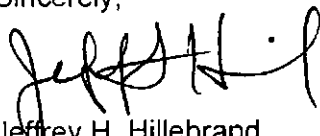
Dear Ms. Avery:

In accordance with Review Criterion 1110.230.b, Background of Applicant, we are submitting this letter assuring the Illinois Health Facilities and Services Review Board that:

1. NorthShore University HealthSystem does not (nor did its predecessor, Evanston Northwestern Healthcare Corporation, also commonly known as Evanston Northwestern Healthcare) have any adverse actions against any facility owned and operated by the applicant during the three (3) year period prior to the filing of this application, and
2. NorthShore University HealthSystem authorizes the State Board and Agency access to information to verify documentation or information submitted in response to the requirements of Review Criterion 1110.230.b or to obtain any documentation or information which the State Board or Agency finds pertinent to this application.

If we can in any way provide assistance to your staff regarding these assurances or any other issue relative to this application, please do not hesitate to call.

Sincerely,

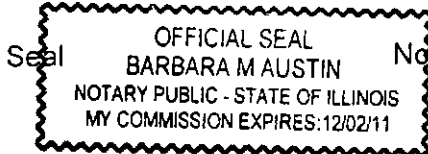


Jeffrey H. Hillebrand
Chief Operating Officer

Notarization:

State of Illinois
County of Cook

Subscribed and sworn to before me this 17th day of March 2011 by Jeffrey H. Hillebrand.



Notary Barbara M Austin

ATTACHMENT 11

State of Illinois 2009528

Department of Public Health

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

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.

JAMON T. ARNOLD, M.D.
DIRECTOR

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

EXPIRATION DATE	CATEGORY	ID NUMBER
12/31/11	868D	0003483
FULL LICENSE		
GENERAL HOSPITAL		
EFFECTIVE: 01/01/11		

BUSINESS ADDRESS

GLENBROOK HOSPITAL
2100 PFINGSTEN ROAD
GLENVIEW IL 60025

face of this license has a colored background. Printed by Authority of the State of Illinois - 4/87 -

← DISPLAY THIS PART IN A
CONSPICUOUS PLACE

REMOVE THIS CARD TO CARRY AS AN
IDENTIFICATION



State of Illinois 2009528
Department of Public Health

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

GLENBROOK HOSPITAL

EXPIRATION DATE	CATEGORY	ID NUMBER
12/31/11	868D	0003483

FULL LICENSE

GENERAL HOSPITAL

EFFECTIVE: 01/01/11

11/06/10

GLENBROOK HOSPITAL
2100 PFINGSTEN ROAD

GLENVIEW IL 60025

FEE RECEIPT NO.

← DISPLAY THIS PART IN A CONSPICUOUS PLACE

REMOVE THIS CARD TO CARRY AS AN IDENTIFICATION



State of Illinois 2009543
Department of Public Health

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

HIGHLAND PARK HOSPITAL

EXPIRATION DATE	CATEGORY	IS NUMBER
12/31/11	B6BD	0005066

FULL LICENSE

GENERAL HOSPITAL

EFFECTIVE: 01/01/11

11/06/10

HIGHLAND PARK HOSPITAL
777 PARK AVENUE WEST
777 PARK AVENUE WEST
HIGHLAND PARK IL 60035

FEE RECEIPT NO.



State of Illinois 2009543
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

DAWON T. ARNOLD, M.D.
DIRECTOR

EXPIRATION DATE	CATEGORY	IS NUMBER
12/31/11	B6BD	0005066

FULL LICENSE
GENERAL HOSPITAL
EFFECTIVE: 01/01/11

BUSINESS ADDRESS

HIGHLAND PARK HOSPITAL
777 PARK AVENUE WEST

HIGHLAND PARK IL 60035
The face of this license has a colored background. Printed by Authority of the State of Illinois • 4/97 •

State of Illinois 2009462
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

WAMON T. ARNOLD, M.D.
DIRECTOR

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

EXPIRATION DATE 12/31/11	CATEGORY B6BD	ID NUMBER 0000646
FULL LICENSE GENERAL HOSPITAL EFFECTIVE: 01/01/11		

BUSINESS ADDRESS

EVANSTON HOSPITAL
 2650 RIDGE AVENUE

EVANSTON IL 60201

The face of this license has a colored background. Printed by authority of the State of Illinois • 437 •

← DISPLAY THIS PART IN A CONSPICUOUS PLACE

REMOVE THIS CARD TO CARRY AS AN IDENTIFICATION

State of Illinois 2009462
Department of Public Health

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

EXPIRATION DATE 12/31/11	CATEGORY B63C	ID NUMBER 0000646
-----------------------------	------------------	----------------------

FULL LICENSE

GENERAL HOSPITAL


EFFECTIVE: 01/01/11

11/06/10

EVANSTON HOSPITAL
 2650 RIDGE AVENUE

EVANSTON IL 60201

FEE RECEIPT NO.



State of Illinois 2009546
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.

DAMON J. ARNOLD, M.D.
DIRECTOR

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

EXPIRATION DATE 12/31/11	CATEGORY BGBD	ID. NUMBER 0005587
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FULL LICENSE

GENERAL HOSPITAL

EFFECTIVE: 01/01/11

BUSINESS ADDRESS

NORTHSHORE UNIVERSITY HEALTHSYSTEM
D/B/A SKOKIE HOSPITAL
9600 GROSS POINT ROAD
SKOKIE IL 60076

The face of this license has a colored background. Printed by Authority of the State of Illinois • 4/97 •

DISPLAY THIS PART IN A
CONSPICUOUS PLACE

REMOVE THIS CARD TO CARRY AS AN
IDENTIFICATION

State of Illinois 2009546
Department of Public Health

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NORTHSHORE UNIVERSITY HEALTHSYSTEM

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SKOKIE

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131

ATTACHMENT 11



October 2, 2009

Mark R. Neaman, FACHE
CEO
NorthShore University HealthSystem
1301 Central Street, Suite 300
Evanston, IL 60201

Joint Commission ID #: 7343
Accreditation Activity: Measure of Success
Accreditation Activity Completed: 10/2/2009

Dear Mr. Neaman:

The Joint Commission would like to thank your organization for participating in the 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 Behavioral Health Care
- Comprehensive Accreditation Manual for Hospitals

This accreditation cycle is effective beginning December 13, 2008. 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,

A handwritten signature in black ink that reads 'Ann Scott Blouin RN, PhD'.

Ann Scott Blouin, RN, Ph.D.
Executive Vice President
Accreditation and Certification Operations



October 23, 2009

Jeffrey H. Hillebrand
Chief Operating Officer
NorthShore University HealthSystem-Skokie
Hospital
9600 Gross Point Road
Skokie, IL 60076

Joint Commission ID #: 7429
Program: Hospital Accreditation
Accreditation Activity: Measure of Success
Accreditation Activity Completed: 10/23/2009

Dear Mr. Hillebrand:

The Joint Commission would like to thank your organization for participating in the 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 Hospitals

This accreditation cycle is effective beginning May 01, 2009. 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.

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Sincerely,

A handwritten signature in black ink that reads "Ann Scott Blouin RN, PhD".

Ann Scott Blouin, RN, Ph.D.
Executive Vice President
Accreditation and Certification Operations

ATTACHMENT 11

PURPOSE

The purpose of the proposed project is to better address the needs and expectations of NorthShore University HealthSystem's Glenbrook Hospital patients through increasing the availability of private patient rooms.

Glenbrook Hospital has experienced high medical/surgical utilization rates (please see discussion in ATTACHMENT 15) in each of the past two years, and for a variety of reasons discussed in ATTACHMENT 15, including an aging service area population, additional physicians recently joining the medical staff, increased volumes of patients being treated at the hospital's family care center, the high number of long term care facilities in close proximity to the hospital, and recent and projected population increases in the hospital's service area population, those high utilization levels are projected to continue.

The proposed project will not result in a net increase in the number of medical/surgical beds provided at the hospital, rather, only an increase in the number of beds provided in private rooms.

Glenbrook Hospital has historically and will continue to serve a patient population residing primarily in the northern and northwestern Cook County suburbs of

Chicago, as well as the southeastern portions of Lake County. The table below identifies the hospital's 2010 patient origin. No changes to patient origin are anticipated to result from the proposed project.

ZIP Code	Community	%	Cumulative %
60062	Northbrook	20.5%	20.5%
60025	Glenview	16.7%	37.2%
60090	Wheeling	6.8%	44.0%
60026	Glenview	4.7%	48.7%
60093	Winnetka	3.7%	52.4%
60089	Buffalo Grove	3.3%	55.7%
60015	Deerfield	2.8%	58.5%
60016	DesPlaines	2.3%	60.8%
60056	Mount Prospect	2.2%	63.0%
60714	Niles	2.0%	65.0%
60070	Prospect Heights	1.9%	66.9%
60091	Wilmette	1.9%	68.8%
60053	Morton Grove	1.9%	70.7%
60004	Arlington Heights	1.7%	72.4%
60201	Evanston	1.5%	73.9%
60076	Skokie	1.3%	75.2%
60035	Highland Park	1.1%	76.3%
	all other	23.7%	100.0%

As can be seen in the table above, Glenview and Northbrook together account for approximately 41.9% of Glenbrook Hospital's inpatient admissions, with fifteen other communities each accounting for 1% or more of the 2009 admissions. These seventeen ZIP Code areas/communities together account for over 76% of the hospital's patients. As a result, the primary purpose of the project (and of Glenbrook Hospital) is to improve the health care and well being of the hospital's market area.

Historically, Glenbrook Hospital has received extraordinary patient satisfaction scores in every area, with the exception of the patients' satisfaction with their room. One of the cited reasons for less than virtually universal satisfaction (as is the case with many of the other measurements) is the expectation of a private room, which cannot often be met because of the hospital's high census. The community has come to expect private rooms as the standard of care for privacy and comfort during their hospital stay. In addition, private rooms help facilitate a healing environment. Private rooms reduce noise from roommate alarms, roommate televisions, and roommate visitors. Furthermore, private rooms reduce the chance of infectious disease being passed by a roommate. Private rooms also allow more room for equipment per patient therefore reduce the risk of falls during ambulation.

This project, which increases the private room complement from 58% to 100% will rectify that shortcoming. As a measurement of meeting the project's objectives, it is anticipated that patient satisfaction scores will improve immediately upon the opening of the new rooms and the conversion of the existing semi-private rooms into private rooms.

ALTERNATIVES

The purpose of the proposed project is to increase the number of private patient rooms available to Glenbrook Hospital's patients. The proposed project involves the construction of an additional floor above the hospital's existing patient care units to house 32 medical/surgical rooms and 16 rooms to be used as an observation unit, consistent with the projected bed need for the hospital. As discussed in other parts of this application, Glenbrook Hospital will require its full complement of 152 medical/surgical beds plus the proposed 16 observation beds, requiring 168 patient rooms (and the hospital's 17-bed ICU).

The continued use of the hospital's medical/surgical units for observation patients was considered, and subsequently dismissed. The accessibility and quality of care provided would be identical to the proposed project, and the associated capital cost of this alternative would be essentially the same as the proposed project. This alternative was dismissed, however, because of the perceived operational and patient care benefits associated with centralizing the care of observation patients on a single unit, with a dedicated nursing staff.

A second considered alternative involved the construction of the required beds, but in a different location. As with the alternative discussed above, the accessibility and

quality of care provided would be identical to the proposed project. The capital cost of this alternative would be slightly less than the cost of the proposed project (assuming the construction would be on grade). This alternative, however, was dismissed because any available site would "isolate" the new units so far from the other inpatient services and the ancillary services that support the inpatient units, that to do so would be impractical.

SIZE

The only function included in the proposed project for which the IDPH has a space norm is the 32-bed medical/surgical unit to be located on the fifth floor. That unit will include 17,349 DGSE, or 542.2 DGSE per bed, as compared to the IDPH norm of 660 DGSE per bed. As a result, the size of the unit is not excessive. The size and configuration of the unit are, to a great degree, dictated by the size and configuration of the nursing units on the floors below.

PROJECT SERVICES UTILIZATION

The proposed project involves only one service for which the IDPH maintains a utilization target: medical/surgical beds, and the project does not involve the addition of any medical/surgical beds to the hospital. Rather, the project involves the construction of 32 private medical/surgical rooms and the conversion of an additional 32 of the existing semi-private medical/surgical patient rooms into private medical/surgical rooms, retaining the existing complement of 152 approved medical/surgical beds. The result of the construction and associated conversion from semi-private to private rooms, will be the ability to locate every medical/surgical bed in a private room, consistent with the trend to do so in the Chicago area, and nationally. Numerous hospitals have undertaken projects to convert semi-private to private rooms over past five years, and virtually every Chicago area hospital construction project over that period that involved the construction of medical/surgical beds incorporated an all-private room model. As documented by many other applicants, private rooms improve infection control, provide for greater patient privacy, result in a quieter environment, improve patient satisfaction with their hospital stay and have become the expected norm.

Documentation in the form of a letter from the applicant indicating its anticipation that the retained 152 medical/surgical beds will operate at the IDPH's target occupancy level is provided in ATTACHMENT 20g.

As noted above, the proposed project does not involve the addition of any medical/surgical beds, and the applicant is confident that within two years of the project's completion (2015) the hospital's 152 medical/surgical beds will be operating at the IDPH's 85% target utilization level (average daily census of 129.2 patients). Further, and for the reasons described below, any reduction to the current beds would materially compromise the hospital's responsibility to provide necessary services to the communities it serves.

Three trends in the utilization of medical/surgical beds at Glenbrook Hospital have emerged in recent years and each underscores the need to maintain the hospital's current level of inpatient beds. First, overall utilization is increasing. For each of the four months of the current fiscal year (October 2010-January 2011), utilization has surpassed that of the same month the year before. In fact, three of those four months exceed the 2010 utilization by 14-17%. These increases are across all of the medical and surgical specialties, and the hospital has not experienced any unusual outbreaks of diseases that would cause a "one time only" increase in admissions over the past four months. In other words, the utilization of inpatient beds has increased significantly as a result of organic growth and it is the hospital's expectation that that utilization will continue.

Second, Glenbrook Hospital, unlike most other general acute care hospitals, does not experience a dip in census during the summer months and a bump up in census during

the winter months that most hospitals experience. Rather, the seasons appear to have little, if any, impact on the utilization of Glenbrook Hospital. The hospital believes that the constancy of its utilization may relate to the average age of its patients (please see discussion below) which is higher than at most hospitals. As an example of the absence of expected seasonal fluctuation, the average daily census in July 2010, which is typically a low-census month, actually exceeded that of February 2010, which is typically a high census month, by 9.7 patients per day.

Third, thoughtful prospective planning for medical/surgical services requires that Glenbrook plan for the consistently higher utilization that is experienced on Wednesday-Friday. In fact, during the period October 2009-January 2011, the Wednesday-Friday census exceeded that of any other 3-day period in thirteen of the sixteen months. During the last four months of the analysis, the Wednesday-Friday censuses were 110.3, 112.2 and 109.1 patients (average of 110.5), compared to the 7-day average daily census of 104.5 during that period. Because the trend of high censuses during the mid-week period is so pronounced, the hospital must plan to meet the needs of the mid-week census, rather than applying a simple 365-day average. With that in mind, the average Wednesday-Friday census over the last four months supports a "need" for 130 beds (110.5 average daily census \div .85 target utilization level).

Utilization of the hospital's medical/surgical beds is projected to continue to grow, although perhaps not at the 12.5% annualized rate that was experienced over the past four months. Applying conservative planning, the hospital believes that annual

medical/surgical inpatient utilization increases are expected to be, at minimum, 5% per year through 2015. The projected increases in medical/surgical utilization are primarily the result of two factors: the aging of the service area and significant growth of the hospital's medical staff.

Glenbrook Hospital's primary service area is projected to experience a significant increase in the 65+ age group of its population during the next 5-10 years. ZIP Code-specific population projections developed by Geolytics, Inc. project that within the three ZIP Code areas that accounted for the largest number of admissions to the hospital in 2010, the 65+ age group will increase by 10.7% between 2010 and 2015. Also significant is that there are nearly 70 long-term care facilities located within five miles of the hospital.

The significance of an aging population is reflected both in area-wide inpatient utilization rates, as well as in the historical utilization of the hospital. The most recent IDPH data available shows that within planning area A-08 (northern Cook County suburbs), the utilization rate (patient days/1,000) of the 65+ age group is nearly nine times that of the 15-64 year old age group. On a Glenbrook Hospital-specific basis, during 2010, the average age of a patient admitted to Glenbrook was 70.9 years old. IDPH data also shows that during 2009, patients over the age of 65 accounted for 71% of the hospital's medical/surgical patient days, and patients over the age of 75 accounted for 54% of the patient days.

Glenbrook Hospital has experienced significant Medical Staff growth over the past three years, and that trend is anticipated to continue. In 2010, 49% of the admissions to Glenbrook were attributable to NorthShore University HealthSystem Medical Group ("NorthShore Medical Group"), the multi-specialty group practice that is a part of NorthShore University HealthSystem. The remaining 51% of the patients were admitted by "independent" physicians, typically in either solo or small single-specialty group practices, often of no more than 2-3 physicians.

NorthShore Medical Group, itself, has grown from 573 physicians in 2008 to over 670 by the end of 2010. Growth within the Group as well as within the "independent" component of the Medical Staff is anticipated to continue, due in part to the hospital's addressing of the long-time need for additional physicians' office space on campus. The addition of actively practicing physicians at Glenbrook has been somewhat stunted in the past due to the lack of physicians' office space. That shortcoming is being addressed through the construction of nearly 110,000 square feet of office space, scheduled to be available in the Spring of 2013 (CON Permit #08-085). As of the writing of this application, there are 43 Medical Staff membership applications under review.

Attached is a letter from Dr. Joseph Golbus, President of NorthShore University HealthSystem Medical Group discussing anticipated utilization of Glenbrook Hospital. Dr. Golbus anticipates 5% annual growth in medical/surgical utilization through 2015, which would increase the Wednesday-Friday average daily census (ADC) by 13.5 patients. Assuming that NorthShore University HealthSystem will continue to account

for 49% of the hospital's admissions, the 5% growth rate will increase the Wednesday-Friday ADC by 26.98 patients a day by 2015.

With the current Wednesday-Friday ADC being 110.5 patients as noted above, a Wednesday-Friday ADC of 137.5 patients is projected to be reached by 2015, using the 5% annual growth rate, with that ADC supporting a need for 161 beds, compared to the current and proposed bed complement of 152 beds. For the factors discussed above, including an aging population, additions to the medical staff, and predictable mid-week census increases, the projected 5% annual increases appear to be realistic. However, even if the projected growth rate was missed by 30 %--a decrease from 5% to 3½ % a year—an average daily census of 128.8 patients would result, which, using the IDPH target, supports the proposed 152 beds. Given the minimal growth rate that will need to be realized to “justify” the proposed bed complement by 2015, the retaining of the current 152 beds is viewed by hospital management as the most conservative bed planning that can reasonably be undertaken.

Medical Group

(847) 570-5235
(847) 570-5378 Fax

March 17, 2011

Illinois Health Facilities and Services Review Board

To Whom It May Concern:

This letter is being provided in support of Glenbrook Hospital's Certificate of Need application to add a fifth floor to the hospital, and more specifically to address the hospital's future need for medical/surgical beds.

NorthShore University HealthSystem Medical Group is a multi-specialty group practice, consisting of nearly 700 physicians. The Medical Group practices at NorthShore's four hospitals, including Glenbrook Hospital, and it is reasonable to suggest that its presence at Glenbrook Hospital will expand when the new office space becomes available in late 2012-early 2013.

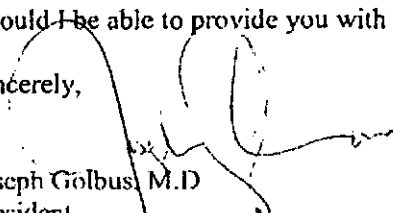
As you are well aware, the Medical Group has grown significantly in recent years, and continued growth is anticipated. Most importantly, that growth will have a measurable impact on the utilization of Glenbrook Hospital. For example, during second quarter of this year, a 5-member internal medicine group, intending to practice exclusively at Glenbrook, will be joining the Medical Group. The impact of this addition to the Medical Group on Glenbrook Hospital will be an immediate increase in the medical/surgical census by 10-12 patients per day.

Historically, admissions to Glenbrook Hospital have been equally split between members of the Medical Group and independent physicians. Even with the Medical Group's anticipated growth, I don't envision any significant change to that ratio, as a result of physicians who are not members of the Medical Group seeking admitting privileges.

While I am aware that utilization of Glenbrook Hospital has increased by 15%+ on a year-to-date basis, our utilization projections on a longer-term basis suggest annualized growth in admissions by the Medical Group of approximately 5%. In addition, and because utilization of Glenbrook Hospital by the independent physicians has so closely paralleled that of the Medical Group, I would anticipate utilization by the independent members of the medical staff to similarly increase at a 5% annual rate. As a result, I would anticipate overall inpatient utilization of Glenbrook Hospital (ICU, medical/surgical and observation patients) to increase by 5% annually, for at least the next five years. Furthermore, I do not foresee any measurable changes, either to the hospital's average length of stay or to the day-of-the-week admitting distribution that the hospital has experienced in recent years.

Should I be able to provide you with any additional information, please don't hesitate to contact me.

Sincerely,


Joseph Golbus, M.D.
President
NorthShore Medical Group

/bs

CATEGORY OF SERVICE MODERNIZATION

The proposed project involves the modernization of one category of service, medical/surgical beds, and as discussed in ATTACHMENT 15, the service is anticipated to operate above the target occupancy level by the year following the project's completion. Upon the completion of the project, no medical/surgical beds will be added. Rather, the modernization involves the construction of a 32-bed medical/surgical unit and the renovation of the existing medical/surgical units, converting existing semi-private rooms to private rooms. With the proposed construction and renovation, Glenbrook Hospital will have all 152 of its medical/surgical beds in private rooms, compared to the 88 beds that are currently in private rooms.

By contemporary standards, the current locating of 42% of the hospital's medical/surgical beds in shared rooms results in the existing units being functionally obsolete. Glenbrook is proposing transformation to an all-private room configuration for the same reasons numerous other area hospitals have done so over the past 5-10 years: improved infection control, enhanced patient privacy, a more tranquil recuperative environment, elimination of the need to "match" patients, and to foster family interaction.

With other hospitals providing or moving toward an all-private room configuration, access to a private room has become the expectation of many patients, and requests for private rooms at Glenbrook exceed their current availability.

Glenbrook takes great pride in the quality of care it provides, as well as its patients' assessment of their stay, and quantitative assessments as well as discharged patient surveys and interviews are used to gauge both quality of care and patient satisfaction. While the hospital has consistently scored well in the quantitative measurements of quality of care, the discharged patient interviews and patient surveys both highlight patient concerns and dissatisfaction with the issues anticipated to be corrected through the all-private room environment: general dislike of having to share a room, quietness, and a lack of privacy.

PERFORMANCE REQUIREMENTS

Through the proposed project, Glenbrook Hospital will retain its current 152 medical/surgical beds. As a result, the hospital will be in conformance with the performance requirement that hospitals located within a Metropolitan Statistical Area, and providing medical/surgical beds, provide a minimum of 100 medical/surgical beds.

ASSURANCES

The proposed project does not involve the addition of any medical/surgical beds to Glenbrook Hospital. Rather, the project involves the construction of 32 private medical/surgical rooms and the conversion of an additional 32 of the existing semi-private medical/surgical patient rooms into private medical/surgical rooms. The result of the construction and associated conversion from semi-private to private rooms, will be the ability to locate every medical/surgical bed in a private room, consistent with the trend to do so in the Chicago area, and nationally. Numerous hospitals have undertaken projects to convert semi-private to private rooms over past five years, and virtually every Chicago area hospital construction project over that period that involved the construction of medical/surgical beds incorporated an all-private room model. As documented by many other applicants, private rooms improve infection control, provide for greater patient privacy, result in a quieter environment, improve patient satisfaction with their hospital stay and have become the expected norm.

Documentation in the form of a letter from the applicant indicating its anticipation that the retained 152 medical/surgical beds will operate at the IDPH's target occupancy level is attached.

As noted above, the proposed project does not involve the addition of any medical/surgical beds, and the applicant is confident that within two years of the project's completion (2015) the hospital's 152 medical/surgical beds will be operating at the IDPH's 85% target utilization level (average daily census of 129.2 patients). Further, and for the reasons described below, any reduction to the current beds would materially compromise the hospital's responsibility to provide necessary services to the communities it serves.

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Second, Glenbrook Hospital, unlike most other general acute care hospitals, does not experience a dip in census during the summer months and a bump up in census during the winter months that most hospitals experience. Rather, the seasons appear to have little, if any, impact on the utilization of Glenbrook Hospital. The hospital believes that

the constancy of its utilization may relate to the average age of its patients (please see discussion below) which is higher than at most hospitals. As an example of the absence of expected seasonal fluctuation, the average daily census in July 2010, which is typically a low-census month, actually exceeded that of February 2010, which is typically a high census month, by 9.7 patients per day.

Third, thoughtful prospective planning for medical/surgical services requires that Glenbrook plan for the consistently higher utilization that is experienced on Wednesday-Friday. In fact, during the period October 2009-January 2011, the Wednesday-Friday census exceeded that of any other 3-day period in thirteen of the sixteen months. During the last four months of the analysis, the Wednesday-Friday censuses were 110.3, 112.2 and 109.1 patients (average of 110.5), compared to the 7-day average daily census of 104.5 during that period. Because the trend of high censuses during the mid-week period is so pronounced, the hospital must plan to meet the needs of the mid-week census, rather than applying a simple 365-day average. With that in mind, the average Wednesday-Friday census over the last four months supports a "need" for 131 beds (110.5 average daily census \div .85 target utilization level).

Utilization of the hospital's medical/surgical beds is projected to continue to grow, although perhaps not at the 12.5% annualized rate that was experienced over the past four months. Applying conservative planning, the hospital believes that annual medical/surgical inpatient utilization increases are expected to be, at minimum, 5% per year through 2015. The projected increases in medical/surgical utilization are primarily

the result of two factors: the aging of the service area and significant growth of the hospital's medical staff.

Glenbrook Hospital's primary service area is projected to experience a significant increase in the 65+ age group of its population during the next 5-10 years. ZIP Code-specific population projections developed by Geolytics, Inc. project that within the three ZIP Code areas that accounted for the largest number of admissions to the hospital in 2010, the 65+ age group will increase by 10.7% between 2010 and 2015. Also significant is that there are nearly 70 long-term care facilities located within five miles of the hospital.

The significance of an aging population is reflected both in area-wide inpatient utilization rates, as well as in the historical utilization of the hospital. The most recent IDPH data available shows that within planning area A-08 (northern Cook County suburbs), the utilization rate (patient days/1,000) of the 65+ age group is nearly nine times that of the 15-64 year old age group. On a Glenbrook Hospital-specific basis, during 2010, the average age of a patient admitted to Glenbrook was 70.9 years old. IDPH data also shows that during 2009, patients over the age of 65 accounted for 71% of the hospital's medical/surgical patient days, and patients over the age of 75 accounted for 54% of the patient days.

Glenbrook Hospital has experienced significant Medical Staff growth over the past three years, and that trend is anticipated to continue. In 2010, 49% of the admissions

to Glenbrook were attributable to NorthShore University HealthSystem Medical Group (“NorthShore Medical Group”), the multi-specialty group practice that is a part of NorthShore University HealthSystem. The remaining 51% of the patients were admitted by “independent” physicians, typically in either solo or small single-specialty group practices, often of no more than 2-3 physicians.

NorthShore Medical Group, itself, has grown from 573 physicians in 2008 to over 670 by the end of 2010. Growth within the Group as well as within the “independent” component of the Medical Staff is anticipated to continue, due in part to the hospital’s addressing of the long-time need for additional physicians’ office space on campus. The addition of actively practicing physicians at Glenbrook has been somewhat stunted in the past due to the lack of physicians’ office space. That shortcoming is being addressed through the construction of nearly 110,000 square feet of office space, scheduled to be available in the Spring of 2013 (CON Permit #08-085). As of the writing of this application, there are 43 Medical Staff membership applications under review.

Included in ATTACHMENT 15 is a letter from Dr. Joseph Golbus, President of NorthShore University HealthSystem Medical Group discussing anticipated utilization of Glenbrook Hospital. Dr. Golbus anticipates 5% annual growth in medical/surgical utilization through 2015, which would increase the Wednesday-Friday average daily census (ADC) by 13.5 patients. Assuming that NorthShore University HealthSystem will continue to account for 49% of the hospital’s admissions, the 5% growth rate will increase the Wednesday-Friday ADC by 26.98 patients a day.

With the current Wednesday-Friday ADC being 110.5 patients as noted above, a Wednesday-Friday ADC of 137.5 patients is projected to be reached by 2015, using the 5% annual growth rate, with that ADC supporting a need for 161 beds, compared to the current and proposed bed complement of 152 beds. For the factors discussed above, including an aging population, additions to the medical staff, and predictable mid-week census increases, the projected 5% annual increases appear to be realistic. However, even if the projected growth rate was missed by 30 %--a decrease from 5% to 3½ % a year—an average daily census of 128.8 patients would result, which, using the IDPH target, supports the proposed 152 beds. Given the minimal growth rate that will need to be realized to “justify” the proposed bed complement by 2015, the retaining of the current 152 beds is viewed by hospital management as the most conservative bed planning that can reasonably be undertaken.

Glenbrook Hospital

2100 Pfingsten Road
Glenview, IL 60026
www.northshore.org

(847) 657-5600
(847) 657-5990 Fax
dsilverstein@northshore.org

ASSURANCES

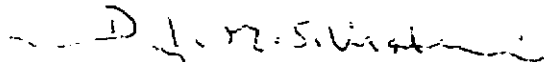
March 17, 2011

Illinois Health Facilities
and Services Review Board
Springfield, Illinois

To Whom It May Concern:

Please be advised that it is fully anticipated that Glenbrook Hospital's medical/surgical beds will reach the IHFSRB's target occupancy level by the second year following the proposed project's completion, and that they will maintain that level.

Sincerely,



Douglas M. Silverstein
President
Glenbrook Hospital

ATTACHMENT 20g

CLINICAL SERVICE AREAS OTHER THAN CATEGORIES OF SERVICE
NEED DETERMINATION

The proposed project involves only one clinical service area that is not an IDPH-designated "category of service"—a 16-bed observation unit to be developed in new construction of the fifth floor.

The observation unit, as is the case with all of the services provided at Glenbrook Hospital, will serve primarily residents from the immediate area surrounding the hospital. The table on the following page identifies the hospital's 2010 patient origin. No changes to patient origin are anticipated to result from the proposed project.

ZIP Code	Community	%	Cumulative %
60062	Northbrook	20.5%	20.5%
60025	Glenview	16.7%	37.2%
60090	Wheeling	6.8%	44.0%
60026	Glenview	4.7%	48.7%
60093	Winnetka	3.7%	52.4%
60089	Buffalo Grove	3.3%	55.7%
60015	Deerfield	2.8%	58.5%
60016	DesPlaines	2.3%	60.8%
60056	Mount Prospect	2.2%	63.0%
60714	Niles	2.0%	65.0%
60070	Prospect Heights	1.9%	66.9%
60091	Wilmette	1.9%	68.8%
60053	Morton Grove	1.9%	70.7%
60004	Arlington Heights	1.7%	72.4%
60201	Evanston	1.5%	73.9%
60076	Skokie	1.3%	75.2%
60035	Highland Park	1.1%	76.3%
	all other	23.7%	100.0%

Historically, Glenbrook Hospital has operated without a designated observation unit, and has provided the service on the hospital's medical/surgical units. Between 2007 and 2009, utilization of this service ranged between 4,035 and 4,964 patients, equating to average daily censuses of 11.05-13.60 patients. Utilization of observation beds has consistently accounted for between 11% and 12.4% of the combined (med/surg and observation) utilization of the medical/surgical units.

The IDPH does not have a target occupancy rate for observation beds, but to ensure conservative projections, the applicants have used an 85% occupancy rate, high for acute care services. Over the period 2007 to 2009, the average daily census (ADC) of observation patients on the medical/surgical units was 12.0 patients, which would support

a “need” 15 beds—compared to the proposed 16-bed unit—using the 85% target utilization rate. Stated another way, the ADC would need to increase by only 1.6 patients by 2015 in order to reach the target utilization rate.

Because the historical utilization of beds by “observation” patients has so closely paralleled that of medical/surgical inpatients, projected utilization is anticipated to increase at a rate similar to that of medical/surgical inpatients. The anticipated annual rate of increase of 5% is the result of the same factors cited for anticipated increases in the medical/surgical patient days: an aging service area population and increases to the medical staff. Please refer to Attachment 15 for a discussion of the impact of those factors. In addition, and included in that attachment is a letter from Dr. Joseph Golbus, President of NorthShore University HealthSystem Medical Group, addressing projected increases in utilization of the observation beds as well as the medical/surgical beds.

Using an anticipated 5% annual growth rate, approximately 5,575 patients will be “admitted” to an observation bed in 2015.

However, even if the projected growth rate was missed by 60 %--a decrease from 5% to 2 % a year—an average daily census sufficient to justify the proposed 16 beds would result. Given the minimal growth rate that will need to be realized to “justify” the proposed beds, a proposal for fewer beds would not be a reasonable addressing of conservatively anticipated demand.

It is not anticipated that the provision of observation beds at Glenbrook Hospital will have any impact on any other hospital's utilization of any service for which the IDPH has identified a target utilization rate.



CONSOLIDATED FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION

NorthShore University HealthSystem
Years Ended September 30, 2010 and 2009
With Reports of Independent Auditors

Ernst & Young LLP

 **ERNST & YOUNG**

ATTACHMENT 39

NorthShore University HealthSystem

Consolidated Financial Statements
and Other Financial Information

Years Ended September 30, 2010 and 2009

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Report of Independent Auditors

The Board of Directors
NorthShore University HealthSystem

We have audited the accompanying consolidated balance sheets of NorthShore University HealthSystem and its affiliates (the Corporation) as of September 30, 2010 and 2009, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Corporation's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of NorthShore University HealthSystem and its affiliates as of September 30, 2010 and 2009, and the consolidated results of their operations and changes in net assets and their cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

Ernst & Young LLP

February 7, 2011

NorthShore University HealthSystem

Consolidated Balance Sheets (Dollars in Thousands)

	September 30	
	2010	2009
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,456	\$ 24,331
Other short-term investments	51,042	-
Internally designated investments, current portion	47,327	51,621
Patient accounts receivable, less allowances for uncollectible and charity accounts (2010 - \$42,430; 2009 - \$47,292)	193,789	212,981
Inventories, prepaid expenses, and other	57,385	56,490
Collateral under securities lending program	52,389	83,721
Total current assets	404,388	429,144
Investments available for general use	1,124,124	1,010,525
Investments limited as to use:		
Internally designated for capital replacement and other	151,870	144,319
Investments under securities lending program	51,078	81,656
Total investments limited as to use	202,948	225,975
Property and equipment:		
Land and improvements	76,723	69,154
Buildings	1,052,901	964,127
Equipment and furniture	488,744	438,069
Construction-in-progress	75,851	65,945
	1,694,219	1,537,295
Less accumulated depreciation	848,736	748,798
Total property and equipment, net	845,483	788,497
Other noncurrent assets	153,076	62,829
Total assets	\$ 2,730,019	\$ 2,516,970

	September 30	
	2010	2009
Liabilities and net assets		
Current liabilities:		
Accounts payable	\$ 70,547	\$ 51,025
Accrued expenses and current portion of self-insurance	178,133	193,221
Payable under securities lending program	52,389	85,229
Due to third-party payors	59,020	69,472
Current maturities of long-term debt	9,713	5,700
Total current liabilities	<u>369,802</u>	<u>404,647</u>
Noncurrent liabilities:		
Long-term debt, less current maturities	394,055	280,800
Mark-to-market	-	17,737
Employee retirement plans liability	104,936	79,648
Accrued self-insurance and other liabilities	302,780	290,836
Total noncurrent liabilities	<u>801,771</u>	<u>669,021</u>
Net assets:		
Unrestricted	1,403,498	1,296,422
Temporarily restricted	85,601	83,933
Permanently restricted	69,347	62,947
Total net assets	<u>1,558,446</u>	<u>1,443,302</u>
Total liabilities and net assets	<u>\$ 2,730,019</u>	<u>\$ 2,516,970</u>

See accompanying notes.

NorthShore University HealthSystem

Consolidated Statements of Operations and Changes in Net Assets
(Dollars in Thousands)

	Year Ended September 30	
	2010	2009
Unrestricted revenues and other support		
Net patient service and premium revenue	\$ 1,473,682	\$ 1,404,820
Investment earnings supporting current activities	32,000	34,000
Net assets released from restrictions used for operations	11,554	10,046
Other revenue	77,870	81,715
Total unrestricted revenues and other support	<u>1,595,106</u>	<u>1,530,581</u>
Expenses		
Salaries and benefits	771,908	724,591
Supplies, services, and other	522,850	491,153
Depreciation and amortization	108,040	95,618
Insurance	28,365	54,286
Provision for uncollectible accounts	40,630	63,820
Medicaid assessment	24,828	28,698
Interest	9,098	7,299
Total expenses	<u>1,505,719</u>	<u>1,465,465</u>
Income from operations	<u>89,387</u>	<u>65,116</u>
Nonoperating income (loss)		
Dividend and interest income	25,106	20,547
Net realized gains (losses) on investments and derivatives	1,626	(81,906)
Net unrealized gains on investments and change in fair value of derivatives	79,584	82,585
Transfer of investment earnings supporting current activities	(32,000)	(34,000)
Other, net	(28,891)	(18,503)
Total nonoperating income (loss)	<u>45,425</u>	<u>(31,277)</u>
Revenue, gains, and other support in excess of expenses	<u>\$ 134,812</u>	<u>\$ 33,839</u>

NorthShore University HealthSystem

Consolidated Statements of Operations and Changes in Net Assets (continued)
(Dollars in Thousands)

	Year Ended September 30	
	2010	2009
Unrestricted net assets		
Revenue, gains, and other support in excess of expenses	\$ 134,812	\$ 33,839
Pension-related changes other than net periodic costs	(28,554)	(87,815)
Net assets released from restrictions used for capital	349	1,295
Contribution of net assets of hospital acquisition in excess of consideration	-	52,342
Other transfers, net	469	(5,810)
Increase (decrease) in unrestricted net assets	<u>107,076</u>	<u>(6,149)</u>
Temporarily restricted net assets		
Contributions and other	8,406	11,768
Net realized losses on investments	(5,612)	(4,035)
Net unrealized gains on investments	10,777	6,819
Net assets released from restrictions	(11,903)	(11,341)
Increase in temporarily restricted net assets	<u>1,668</u>	<u>3,211</u>
Permanently restricted net assets		
Contributions	6,400	4,844
Increase in permanently restricted net assets	<u>6,400</u>	<u>4,844</u>
Increase in net assets	115,144	1,906
Net assets at beginning of year	<u>1,443,302</u>	<u>1,441,396</u>
Net assets at end of year	<u>\$ 1,558,446</u>	<u>\$ 1,443,302</u>

See accompanying notes.

NorthShore University HealthSystem

Consolidated Statements of Cash Flows

(Dollars in Thousands)

	Year Ended September 30	
	2010	2009
Operating activities		
Increase in net assets	\$ 115,144	\$ 1,906
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Contribution of net assets of hospital acquisition in excess of consideration	-	(52,342)
Change in fair value of interest rate swaps	(17,737)	7,868
Change in net unrealized gain on investments	(90,365)	(97,327)
(Purchases) sales of trading portfolio investments, net	(208)	211,623
Restricted contributions and net change in pledges receivable	(11,888)	(13,606)
Depreciation and amortization	108,040	95,618
Pension-related changes other than net periodic cost	28,554	87,815
Changes in operating assets and liabilities:		
Patient accounts receivable, net	19,192	(22,135)
Other current assets	(18,128)	5,796
Noncurrent assets and liabilities	(18,583)	1,707
Net periodic retirement benefit cost	17,982	11,646
Accounts payable, accrued expenses, and securities lending	(28,426)	(9,748)
Due (from) to third-party payors	(10,452)	20,535
Net cash provided by operating activities	93,125	249,356
Investing activities		
Investments in property and equipment, net	(161,260)	(148,796)
Acquisition of other long-term assets, net	(85,832)	-
Acquisition of net assets of hospital, net of cash acquired	-	(57,202)
Net cash used in investing activities	(247,092)	(205,998)
Financing activities		
Restricted contributions	14,806	16,612
Proceeds from issuance of long-term debt	238,786	75,000
Payments of long-term debt	(121,500)	(5,500)
Payment of debt backed by self-liquidity, net	-	(150,000)
Net cash provided by (used in) financing activities	132,092	(63,888)
Decrease in cash and cash equivalents	(21,875)	(20,530)
Cash and cash equivalents at beginning of year	24,331	44,861
Cash and cash equivalents at end of year	\$ 2,456	\$ 24,331

See accompanying notes.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (Dollars in Thousands)

September 30, 2010

1. Organization and Basis of Presentation

NorthShore University HealthSystem (NorthShore) is a healthcare organization dedicated to providing healthcare services, including inpatient acute and non-acute care, primary and specialty physician services, and various outpatient services. NorthShore operates four acute care facilities, including Evanston Hospital, Highland Park Hospital, Glenbrook Hospital, and Skokie Hospital. Skokie Hospital (formerly Rush North Shore Medical Center (RNS)) results are included in the consolidated statements of operations and changes in net assets beginning January 1, 2009.

NorthShore is the sole corporate member of NorthShore University HealthSystem Faculty Practice Associates (FPA), Radiation Medicine Institute (RMI), NorthShore University HealthSystem Research Institute (RI), NorthShore University HealthSystem Home and Hospice Services (HHS), NorthShore University HealthSystem Hospice Services (Hospice), NorthShore University HealthSystem Insurance International (Insurance International) and NorthShore University HealthSystem Foundation (the Foundation). FPA is the sole shareholder of NorthShore University HealthSystem Medical Group, Inc. (MG). As of December 28, 2008, Hospice merged operations into HHS. Effective September 30, 2010, RI, HHS, and the Foundation merged operations into NorthShore. All significant intercompany accounts and transactions have been eliminated in consolidation. The accompanying consolidated financial statements include the accounts and transactions of NorthShore and its affiliates (the Corporation).

NorthShore, FPA, RMI, RI, HHS, and the Foundation are tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code. MG is a for-profit corporation. Insurance International is a foreign corporation organized in the Cayman Islands. The Cayman Islands do not tax the activities of this organization.

On July 1, 2008, the Corporation began an academic affiliation with the University of Chicago Pritzker School of Medicine (Pritzker), under which the Corporation sponsors graduate medical education programs for physicians and other healthcare-related personnel, and terminated its academic agreement with Northwestern University's Feinberg School of Medicine. On July 1, 2009, after a one-year transition period, most medical students and residents from Pritzker began rotations at the Corporation's hospitals, and most physicians and researchers became faculty at Pritzker.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and amounts disclosed in the notes to the financial statements at the date of the financial statements.

Estimates also affect the reported amounts of revenues and expenses during the reporting period. Although estimates are considered to be fairly stated at the time that the estimates are made, actual results could differ.

Cash Equivalents

Cash equivalents include investments in highly liquid debt instruments, which are not limited as to use, with a remaining maturity of three months or less from the date of purchase.

Accounts Receivable

The Corporation evaluates the collectibility of its accounts receivable based on the length of time the receivable is outstanding, payor class, and the anticipated future uncollectible amounts based on historical experience. Accounts receivable are charged to the allowance for uncollectible accounts when they are deemed uncollectible.

Inventories

Inventories are stated at the lower of cost or market, on the first-in, first-out method.

Investments

Investments in equity securities and mutual funds are carried at fair values based on quoted market prices. Debt securities are valued using institutional bids or pricing services. Limited partnership investments are accounted for using the cost or equity method, depending on the extent of the Corporation's ownership within the fund at original purchase.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

2. Summary of Significant Accounting Policies (continued)

The Corporation classifies substantially all of its investments as trading. Under a trading classification, all unrestricted realized and unrealized gains and losses are included in revenues, gains, and other support in excess of expenses.

Valuations provided by fund administrators and investment managers consider variables such as the financial performance of underlying investments, recent sales prices of underlying investments, and other pertinent information. The estimated values as determined by fund administrators and investment managers for certain investment funds may differ from the values that would have been used had ready markets for the investments existed, and those differences could be significantly higher or lower for any specific holding.

Pursuant to Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, the Corporation has no nonfinancial assets and liabilities that are required to be measured at fair value on a recurring basis as of September 30, 2010 and 2009.

Investments Limited as to Use

Investments limited as to use include investments internally designated by the Board of Directors (the Board) for property and equipment replacement and expansion that the Board, at its discretion, may subsequently use for other purposes, investments externally designated under indenture or donor restriction, and investments held as collateral under a securities lending program.

Property and Equipment

Property and equipment are stated at cost and are depreciated using the straight-line method over the estimated useful lives of the assets. Typical useful lives are 5 to 40 years for buildings and improvements and 3 to 20 years for equipment and furniture. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

2. Summary of Significant Accounting Policies (continued)

Goodwill and Other Intangible Assets

Goodwill has been recorded at the excess of the purchase price over the fair value of the assets purchased in acquisitions. Goodwill is amortized using the straight-line method over 24 years. Other intangible assets, such as not-to-compete clauses or trade names, are amortized over the estimated useful life of the asset. The Corporation has goodwill of \$75,409 and \$0 at September 30, 2010 and 2009, respectively, and related amortization expense recorded of \$2,713 and \$0 for the years ended September 30, 2010 and 2009, respectively (also see Note 15).

Asset Impairment

The Corporation considers whether indicators of impairment are present and performs the necessary tests to determine if the carrying value of an asset is appropriate. Impairment write-downs are recognized in operating expenses at the time the impairment is identified, except for alternative investment impairments, which are recognized in nonoperating gains (losses) or changes in temporarily restricted net assets at the time the impairment is identified. There was no impairment of long-lived assets in 2010 and 2009.

Asset Retirement Obligations

The Corporation accounts for the fair value of legal obligations associated with long-lived asset retirements in accordance with ASC 410-20, *Asset Retirement and Environmental Obligations*. The asset retirement obligation, which primarily relates to future asbestos remediation, is recorded in accrued self-insurance and other liabilities, and was accreted to its present value at September 30, 2010 and 2009. The fair value of the Corporation's obligation was \$9,338 and \$9,383 at September 30, 2010 and 2009, respectively.

Derivative Instruments

Derivative instruments (interest rate swaps and swap options) are recorded on the consolidated balance sheets at their respective fair values. The change in the fair value of those derivative instruments is recognized in nonoperating income (loss) unless specific hedge accounting criteria are met.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

2. Summary of Significant Accounting Policies (continued)

General and Professional Liability Risks

The provision for self-insured general and professional liability claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are assets whose use has been limited by donors or grantors to a specific period of time or a specific purpose. Temporarily restricted gifts, grants, and bequests are reported as an increase in temporarily restricted net assets in the period received. When specific purposes are satisfied, net assets used for capital purposes are reported in the consolidated statements of operations and changes in net assets as additions to unrestricted net assets; net assets used for operating purposes are reported in the consolidated statements of operations and changes in net assets as unrestricted revenues and other support. Contributions received with donor-imposed restrictions are reported as unrestricted if the restrictions are met in the same reporting period.

Permanently restricted net assets have been restricted by donors to be invested by the Corporation in perpetuity. Certain income from such investments may be temporarily restricted as to use. Income without donor restrictions is recorded in nonoperating income (loss).

Contributions

Unconditional pledges of others to give cash and other assets to the Corporation are reported at fair value at the date the pledge is received, to the extent estimated to be collectible. Pledges received with donor restrictions that limit the use of the donated assets are reported as increases in temporarily restricted net assets. When donor restrictions are satisfied or met as a result of meeting the specified requirement or the time frame indicated, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions. Contributions of long-lived fixed assets are recorded at fair value as an increase to property and equipment and an increase to unrestricted net assets.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

2. Summary of Significant Accounting Policies (continued)

Net Patient Service Revenue

Net patient service revenue is revenue generated from services provided by the Corporation to patients. The Corporation receives payments for these services either directly from patients or on behalf of patients from third-party payors. Net patient service revenue is reported at the estimated net realizable amounts in the period the related services are provided and is adjusted in future periods as final settlements and payments are made.

Community Service and Care to the Indigent

The Corporation provides care to patients who meet certain criteria established under its charity care policy without charge or at amounts less than its established rates. Community service and care to the indigent provided by the Corporation are deducted to arrive at net patient service revenue. Forgone charges were \$279,531 and \$207,440 for the years ended September 30, 2010 and 2009, respectively.

Premium Revenue

The Corporation has agreements with health maintenance organizations to provide medical services to subscribing participants. Under these agreements, the Corporation receives monthly payments based primarily on the number of participants, regardless of actual medical services provided to participants.

Revenues, Gains, and Other Support in Excess of Expenses

The consolidated statements of operations and changes in net assets include revenues, gains, and other support in excess of expenses. The Corporation's Board has approved a policy to include certain investment earnings in support of academic initiatives as well as to provide funding to support research. Changes in unrestricted net assets that are excluded from revenues, gains, and other support in excess of expenses include contributions of long-lived assets (including assets acquired using contributions that by donor restriction were used for the purposes of acquiring such assets) and pension-related changes other than net periodic costs.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

2. Summary of Significant Accounting Policies (continued)

Other Revenue and Other Nonoperating Income (Loss)

Other revenue includes all other miscellaneous activities such as retail pharmacy, rental income, cafeteria sales, unrestricted donations, and other miscellaneous revenue. Other, net, within nonoperating income (loss), consists primarily of the expenses of the Foundation, investment management expenses, and other transfers.

New Accounting Pronouncements

In December 2008, the Financial Accounting Standards Board (FASB) issued FASB Staff Position (FSP) FAS 123(R)-1 (codified into ASC 715-20-50, *Compensation – Retirement Benefits*). The Corporation adopted the updated requirements for the year ended September 30, 2010. The FSP lists five overall objectives that the employer must consider in the disclosures, which should include (i) a narrative description of investment policies and strategies, including target allocation percentages or ranges for the major categories of assets disclosed and other factors such as risk management practices; (ii) a breakdown of the fair value of plan assets into major categories; (iii) the inputs and valuation techniques used to measure the fair value of plan assets; (iv) a breakdown of the fair value of assets within the hierarchy from ASC 820 for inputs used to determine fair value together with a reconciliation of beginning and ending values for those assets using significant unobservable inputs (i.e., Level 3); and (v) additional information sufficient to give users an understanding of significant concentrations of risk in plan assets. See Note 8.

In January 2010, the FASB issued ASU No. 2010-06, *Improving Disclosures about Fair Value Measurements* (ASU 2010-06). ASU 2010-06 amends ASC 820 to require a number of additional disclosures regarding fair value measurement. These disclosures include the amounts of significant transfers between Level 1 and Level 2 of the fair value hierarchy and the reasons for these transfers; the reasons for any transfer in or out of Level 3; and information in the reconciliation of recurring Level 3 measurements about purchases, sales, issuances, and settlements on a gross basis as well as clarification on previously required reporting requirements. This new guidance is effective for the first reporting period, including interim periods, beginning after December 15, 2009, for all disclosures except the requirement to separately disclose purchases, sales, issuances, and settlements of recurring Level 3 measurements. The provision for reporting Level 3 measurements is effective for fiscal years beginning after December 15, 2010. The Corporation adopted the required components of this guidance and is evaluating the Level 3 disclosures.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

2. Summary of Significant Accounting Policies (continued)

In April 2009, the FASB issued Statement of Financial Accounting Standards (SFAS) No. 164, *Not-for-Profit Entities: Mergers and Acquisitions – including an amendment of FASB Statement No. 142* (codified primarily in ASC 954-805, *Health Care Entities – Business Combinations*). This new guidance will be effective for the Corporation beginning October 1, 2010, and fundamentally changes the accounting for mergers and acquisitions entered into by not-for-profit organizations. Under this guidance, most combinations will be accounted for under the acquisition method, and the acquired organization's assets and liabilities will be revalued to their fair values when recorded in the acquirer's financial statements. Additionally, under the new guidance, goodwill and indefinite-lived intangible assets will no longer be amortized but will be evaluated for potential impairment, as is the case with for-profit entities. The Corporation has adopted the guidance beginning in the quarter ended December 2010. The Corporation has evaluated its goodwill for impairment and deemed an impairment charge is not necessary for the related quarter.

In August 2010, the FASB issued ASU No. 2010-23, *Measuring Charity Care for Disclosure* (ASU 2010-23). The provisions of ASU 2010-23 are intended to reduce the diversity in how charity care is calculated for disclosures across healthcare entities that provide it. Charity care is required to be measured at cost, defined as the direct and indirect costs of providing the charity care. This new guidance is effective for fiscal years beginning after December 15, 2010, with early application permitted. The Corporation is currently evaluating the impact to the consolidated financial statement disclosures.

Reclassifications

Certain reclassifications were made to the 2009 consolidated financial statements to conform with classifications used in 2010. The reclassifications had no effect on the changes in net assets or on net assets as previously reported.

3. Contractual Arrangements with Third-Party Payors

The Corporation has entered into contractual arrangements with various managed care organizations, including Blue Cross Blue Shield (BCBS), the terms of which call for the Corporation to be paid for covered services at predetermined rates. Certain services provided to BCBS program inpatients are paid at interim rates with annual settlements based on allowable reimbursable costs. Outpatient services for this BCBS population are covered by an indemnity fee-for-service policy and therefore are not covered under the cost settlement program. The Corporation also provides care to certain patients with government insurance programs, such as

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued)
(Dollars in Thousands)

3. Contractual Arrangements with Third-Party Payors (continued)

Medicare and Medicaid, at predetermined rates. Reported costs and/or services provided, under certain of the arrangements, are subject to audit by the administering agencies. Changes in the various programs, including Medicare and Medicaid, could have an adverse effect on the Corporation.

The Corporation's concentration of credit risk relating to accounts receivable is limited due to the diversity of patients and payors.

Provision has been made in the consolidated financial statements for contractual adjustments, representing the difference between the charges for services provided and estimated reimbursement from the various third-party payors. Net patient service revenue increased by \$106 and \$384 for the years ended September 30, 2010 and 2009, respectively, to reflect changes in the estimated Medicare and Medicaid settlements for prior years.

The percentages of gross patient service revenue applicable to specific payors' contractual arrangements for the years ended September 30 are as follows:

	<u>2010</u>	<u>2009</u>
Medicare	39%	41%
BCBS	22	22
Managed care	18	18
Other	14	13
Medicaid	7	6
Total	<u>100%</u>	<u>100%</u>

The percentages of net patient accounts receivable applicable to specific payors' contractual arrangements as of September 30 are as follows:

	<u>2010</u>	<u>2009</u>
Managed care	26%	32%
Medicare	33	30
Medicaid	11	15
BCBS	14	14
Other	16	9
Total	<u>100%</u>	<u>100%</u>

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

3. Contractual Arrangements with Third-Party Payors (continued)

The Corporation believes that it is in compliance with all applicable Medicare and Medicaid laws and regulations and is not aware of any pending or threatened investigations or allegations of potential wrongdoing. While no such Medicare or Medicaid regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action, including fines, penalties, and exclusion from the Medicare and Medicaid programs.

For the years ended September 30, 2010 and 2009, \$62,567 and \$60,279, respectively, of premium revenue was generated through agreements with HMO Illinois.

In December 2008, the Centers for Medicare and Medicaid Services (CMS) approved continuing the State of Illinois' Hospital Assessment Program (the Program), with an effective date beginning July 1, 2008 (the beginning of the State's fiscal year), through the State's fiscal year 2013. The Corporation recognized \$28,597 and \$31,087 of net patient service revenue and \$24,828 and \$28,698 of Illinois Hospital program assessment expense for the years ended September 30, 2010 and 2009, respectively. Due to delay in approval, the Corporation recognized \$4,819 in revenue and \$5,039 in expense during 2009, which related to the period of July to September 2008. The State exercised the option to accelerate payments and receipts in 2010, resulting in a prepaid of \$2,400 recorded in inventories, prepaid expenses, and other and a liability of \$14,300 recorded in accounts payable at September 30, 2010.

Current liabilities include \$59,020 and \$69,472 at September 30, 2010 and 2009, respectively, related to estimated cost report settlement amounts due to Medicare, Medicaid, and BCBS, and monthly cost adjustments. Laws and regulations governing Medicare and Medicaid change frequently, are complex, and are subject to interpretation. Administrative procedures for both Medicare and Medicaid preclude the final settlement until the related cost reports have been audited by the sponsoring agency and settled. As a result, there is a reasonable possibility that these recorded estimates will change as new information becomes available, and the amount of the change may be material.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued)
(Dollars in Thousands)

4. Financial Instruments

The presentation of investments at September 30 is as follows:

	<u>2010</u>	<u>2009</u>
Other short-term investments	\$ 51,042	\$ -
Collateral under securities lending program	52,389	83,721
Investments available for general use	1,124,124	1,010,525
Investments limited as to use:		
Internally designated investments, current portion	47,327	51,621
Internally designated for capital replacement and other	151,870	144,319
Investments under securities lending program	51,078	81,656
Other noncurrent assets	23,573	17,929
Payable under securities lending program	(52,389)	(85,229)
Total investments, net	<u>\$ 1,449,014</u>	<u>\$ 1,304,542</u>

Total investment return for the years ended September 30 is summarized as follows:

	<u>2010</u>	<u>2009</u>
Dividend and interest income	\$ 25,106	\$ 20,547
Net realized gains (losses) on investments	1,626	(81,906)
Net realized losses on investments – temporarily restricted	(5,612)	(4,035)
Net unrealized gains on investments	90,361	97,271
Total	<u>\$ 111,481</u>	<u>\$ 31,877</u>
Reported as:		
Dividend and interest income	\$ 25,106	\$ 20,547
Net realized gains (losses) on investments – nonoperating	1,626	(81,906)
Net realized losses on investments – temporarily restricted	(5,612)	(4,035)
Net unrealized gains on investments – nonoperating	79,584	90,452
Net unrealized gains on investments – temporarily restricted	10,777	6,819
Total investment returns	<u>\$ 111,481</u>	<u>\$ 31,877</u>

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

4. Financial Instruments (continued)

The Corporation continually reviews its alternative investment portfolio recorded at cost and evaluates whether declines in the fair value of such securities should have been considered other than temporary. Factored into this evaluation are general market conditions, the issuer's financial condition and near-term prospects, conditions in the issuer's industry, and the length of time and extent to which the fair value has been less than cost. Based on this evaluation, no impairment charges were recorded in 2010 or 2009.

Securities Lending

As part of the management of the investment portfolio, the Corporation has entered into an arrangement whereby securities owned by the Corporation are loaned primarily to brokers and investment bankers. The loans are arranged through a bank. Borrowers are required to post collateral in the form of United States Treasury securities for securities borrowed. The amount of collateral is a given rate based on the value of the security on a daily basis. Collateral was approximately 102.5% at both September 30, 2010 and 2009.

The bank is responsible for reviewing the creditworthiness of the borrowers. The Corporation has also entered into an arrangement whereby the bank is responsible for the risk of borrower bankruptcy and default. At September 30, 2010 and 2009, the Corporation loaned approximately \$51,078 and \$81,656, respectively, in securities and accepted collateral for these loans in the amount of \$52,389 and \$83,721, respectively. The cash collateral is included in current assets in the accompanying consolidated balance sheets. The corresponding liability for the return of the collateral is included in current liabilities in the accompanying consolidated balance sheets. At September 30, 2010 and 2009, the Corporation recorded a liability for the securities lending term collateral deficiency in the amount of \$0 and \$1,500.

5. Fair Value Measurements

The Corporation holds certain debt securities, equity securities, derivatives, and investments in funds, which must be measured using a prescribed fair value hierarchy and related valuation methodologies. The concept of the "highest and best use" of an asset is used for valuation.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

5. Fair Value Measurements (continued)

Highest and best use is determined by the “use of the asset by market participants, even if the intended use of the asset by the reporting entity is different.” ASC 820-15-50 specifies a hierarchy of valuation techniques based on whether the inputs to each measurement are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Corporation’s assumptions about current market conditions.

The prescribed fair value hierarchy and related valuation methodologies are as follows:

Level 1 – Quoted prices for identical instruments in active markets. Active markets are defined by daily trading and investor ability to exit holdings at the daily pricing.

Level 2 – Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which all significant inputs are observable in active markets.

Level 3 – Valuations derived from valuation techniques in which one or more significant inputs are unobservable.

The levels of the Corporation’s financial assets and liabilities that are carried at fair value at September 30, 2010, were as follows:

Nature of investment	Level 1	Level 2	Level 3	Total
Open-ended mutual funds ^(a)	\$ 25,485	\$ –	\$ –	\$ 25,485
Domestic equity funds ^(b)	58,375	197,592	–	255,967
International equity funds ^(b)	11,540	211,505	–	223,045
Domestic equities ^(b)	180,244	–	–	180,244
Real asset funds ^(b)	–	16,765	–	16,765
Bond funds ^(c)	230,564	–	–	230,564
Fixed income accounts ^(c)	–	118,990	–	118,990
Treasury inflation protection securities ^(c)	–	39,196	–	39,196
Interest in securities lending collateral pool ^(d)	–	52,389	–	52,389
Total assets at fair value	<u>\$ 506,208</u>	<u>\$ 636,437</u>	<u>\$ –</u>	<u>\$ 1,142,645</u>
Liability for securities lending collateral pool ^(d)	<u>\$ –</u>	<u>\$ 52,389</u>	<u>\$ –</u>	<u>\$ 52,389</u>
Total liabilities at fair value	<u>\$ –</u>	<u>\$ 52,389</u>	<u>\$ –</u>	<u>\$ 52,389</u>

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued)
(Dollars in Thousands)

5. Fair Value Measurements (continued)

The levels of the Corporation's financial assets and liabilities that are carried at fair value at September 30, 2009, were as follows:

Nature of investment	Level 1	Level 2	Level 3	Total
Open-ended mutual funds ^(a)	\$ 37,276	\$ -	\$ -	\$ 37,276
Domestic equity funds ^(b)	72,390	257,961	-	330,351
International equity funds ^(b)	6,162	143,583	-	149,745
Domestic equities ^(b)	171,155	-	-	171,155
Real asset funds ^(b)	-	10,840	-	10,840
Bond funds ^(c)	312,784	-	-	312,784
Treasury inflation protection securities ^(c)	-	41,832	-	41,832
Interest in securities lending collateral pool ^(d)	-	83,721	-	83,721
Total assets at fair value	\$ 599,767	\$ 537,937	\$ -	\$ 1,137,704
Liability for securities lending collateral pool ^(d)	\$ -	\$ 85,229	\$ -	\$ 85,229
Derivatives ^(e)	-	17,737	-	17,737
Total liabilities at fair value	\$ -	\$ 102,966	\$ -	\$ 102,966

^(a) Pricing is based on the closing NAV reported by the mutual fund as of the last business day of the reporting period. This is presented on the consolidated balance sheets under "Other short-term investments," and "Other noncurrent assets." Redemption frequency is daily.

^(b) Pricing of equity securities and funds is based on quoted market prices in active markets. This is presented on the consolidated balance sheets as "Investments under securities lending program," "Internally designated for capital replacement and other," and "Internally designated investments, current portion." Redemption frequency is daily for Level 1 and monthly for Level 2.

^(c) Pricing is based on institutional bid evaluations, which are estimated prices computed by a pricing service. This is presented on the consolidated balance sheets as "Other short-term investments," "Investments under securities lending program," "Internally designated for capital replacement and other," and "Internally designated investments, current portion." Redemption frequency is daily or monthly for Level 2.

^(d) Pricing is based on the market value of the Corporation's proportionate interest in the collateral pool as reported by the custodian. The values of the underlying investment are based on observable market data. This is presented on the consolidated balance sheets under "Collateral under securities lending program" and "Payable under securities lending program."

^(e) Pricing is based on a third-party valuation provider that uses observable market transactions of spot and forward rates. This is presented on the consolidated balance sheets as "Mark-to-market."

ASC 825 permits entities to elect to measure many financial instruments and certain other items at fair value. The fair value option may be applied instrument by instrument and is irrevocable. The Corporation has made no such elections to date.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

5. Fair Value Measurements (continued)

There were no transfers between Level 1, Level 2, and Level 3 assets during the year ended September 30, 2010.

The carrying values of accounts receivable, accounts payable, and accrued expenses are reasonable estimates of their fair values due to the short-term nature of these financial instruments.

The estimated fair value of total debt was \$409,946 at September 30, 2010, and the fair value approximated carrying value at September 30, 2009. The fair value included a consideration of third-party credit enhancements, for which there was no impact.

Total investments at September 30, 2010, are \$1,449,014. In addition to total investments recorded at fair value, this amount includes: \$322,603 in limited partnerships and funds recorded at cost, \$33,899 in limited partnerships recorded using the equity method, and other assets of \$2,256 recorded at cost.

Total investments at September 30, 2009, are \$1,304,542. In addition to total investments recorded at fair value, this amount includes: \$236,422 in limited partnerships and funds recorded at cost, \$32,519 in limited partnerships recorded using the equity method, and other assets of \$863 recorded at cost.

6. Derivative Instruments

ASC 815, *Derivatives and Hedging*, requires enhanced disclosures about (a) how and why the Corporation uses derivative instruments; (b) how derivative instruments are accounted for; and (c) how derivative instruments affect the Corporation's financial position, financial performance, and cash flows. All derivatives were terminated during the year ended September 30, 2010, and, therefore, there were no derivative contracts open at year-end. Prior to September 30, 2010, the Corporation had four derivative positions that economically hedged interest rate risk, but those interest rate swap agreements were not designated in hedge accounting relationships for the purpose of the Corporation's GAAP financial statements.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued)
(Dollars in Thousands)

6. Derivative Instruments (continued)

On June 6, 2001, the Corporation entered into an interest rate swap agreement (swap agreement) with a notional amount of \$127,300 at September 30, 2001. The swap agreement was used to convert the variable interest rate on the Series 2001A bonds to a fixed rate of 4.774%. Under the terms of the swap agreement, the Corporation received monthly payments based upon the variable rate of interest on the Series 2001A bonds and made monthly payments based on a fixed rate of interest of 4.774%. The variable rate of interest was based on the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index.

On December 5, 2001, the Corporation entered into two agreements (swaptions) with a total notional amount of \$100,000 that provided the counterparties to the agreements with the right, but not the obligation, to enter into interest rate swap transactions with the Corporation. Under the terms of the swaptions, the counterparties had the option to enter into interest rate swap transactions if certain market conditions were met, whereby the Corporation would receive monthly payments based upon fixed rates of interest and make monthly payments based upon the SIFMA Municipal Swap Index. In return for granting this option to the counterparties, the Corporation received a recurring payment from the counterparty of 57 basis points of the notional amount.

The fair value of derivative instruments at September 30 was as follows:

	Financial Statement Location	2010		2009	
Derivatives not designated as hedging instruments					
Interest rate contracts	Mark-to-market liability	\$	-	\$	17,737

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

6. Derivative Instruments (continued)

The effects of derivative instruments on the consolidated statements of operations and changes in net assets for 2010 and 2009 are as follows:

	Financial Statement Location	2010	2009
Derivatives not designated as hedging instruments			
Interest rate contracts	Net unrealized losses on investments and change in fair value of derivatives	\$ -	\$ (7,867)
Interest rate contracts	Net realized gains (losses) on investments and derivatives	(3,261)	-
Swap options premium receipts	Other operating expense	(345)	(569)
Swap agreements interest expense	Interest expense	4,009	4,692

7. Long-Term Debt and Debt with Self-Liquidity

All Corporation bonds were used to pay or reimburse the Corporation for certain capital projects, to provide for a portion of the interest on the bonds, and to pay certain expenses incurred in connection with the issuance of the bonds. The variable rate bonds are subject to periodic remarketing and can be converted to a fixed rate subject to certain terms of the loan agreements. The Series 2001B, 2001C, 1995, and 1996 bonds have standby bond purchase agreements (SBPAs) and the 2008 commercial paper has a letter of credit (LOC) to provide liquidity support in the event of a failed remarketing.

The Corporation's obligation to purchase the Series 1998, 1996, 1995, 1992, 1990A, 1987A-1987E, and 1985B debt issues with self-liquidity upon optional or mandatory tender is not supported by a third-party liquidity facility; however, the Corporation maintains liquid assets to redeem their maturing obligations. As of September 30, 2010 and 2009, there were no bonds with self-liquidity outstanding with third parties. The Series 1988 bonds matured in August 2010.

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Notes to Consolidated Financial Statements (continued)
(Dollars in Thousands)

7. Long-Term Debt and Debt with Self-Liquidity (continued)

The self-liquidity bonds held by the Corporation at September 30, 2010 and 2009, are as follows:

	Final Maturity	2010	2009
1998	2032	\$ 50,000	\$ 50,000
1992	2026	50,000	50,000
1990A	2025	50,000	50,000
1987A – 1987E	2020	50,000	50,000
1985B	2015	50,000	50,000
1988	N/A	–	10,000
1995	N/A	–	50,000
1996	N/A	–	50,000
		\$ 250,000	\$ 360,000

For the self-liquidity bonds being held by the Corporation, the Corporation records related interest income and expense within nonoperating income (loss).

In December 2008, the Corporation issued \$75,000 of Series 2008 pooled tax-exempt commercial paper through the Illinois Educational Facilities Authority. These funds were used to finance previous construction projects. The first principal payment is in 2032.

In November 2009, the Corporation remarketed the Series 1995 and 1996 bonds (\$100,000) in a weekly demand mode to external investors backed by SBPAs issued by JPMorgan Chase Bank, N.A. and Wells Fargo that expire on September 22, 2011. These bonds were originally issued with self-liquidity provided by the Corporation. The first principal payment to bondholders is due in 2011 pursuant to the terms of the supplement to the bond re-offering circular dated June 14, 2010. In the event these bonds cannot be remarketed or if an SBPA cannot be either renewed or replaced, the bond trustee will call the bonds and the bonds will become bank bonds held by the liquidity facility provider. The liquidity facility provider will hold the bonds for 367 days, or until a replacement liquidity facility is secured. After the 367-day period, the bonds will begin to amortize over a three-year period.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

7. Long-Term Debt and Debt with Self-Liquidity (continued)

Under the terms of the long-term debt arrangements, various amounts are on deposit with trustees, and certain specified payments are required for bond redemption, interest payments, and asset replacement. The terms of certain long-term debt agreements require, among other things, the maintenance of various financial ratios and place limitations on additional indebtedness and pledging of assets. The Corporation remained in compliance with these agreements during the reporting periods.

On July 14, 2010, the Corporation issued \$136,425 of Series 2010 fixed rate Illinois Finance Authority Revenue Refunding Bonds. The proceeds were primarily used to refund the variable rate series 2001A bonds, pay costs of issuance, and fund the swap termination fees.

The Corporation has two SBPAs in conjunction with the series 2001B and 2001C bonds with JPMorgan Chase Bank, N.A and Wells Fargo that expire on September 22, 2013. The Corporation has a letter of credit backup facility with The Northern Trust Company in conjunction with the 2008 Pooled Program in the amount of \$76,875 that expires on November 30, 2011. The LOC may be drawn upon by the trustee to make payments of principal and interest on maturing commercial paper in the event that an issuance of commercial paper does not roll over. Principal payments on any liquidity advance received prior to the LOC expiration date will be made in equal quarterly installments beginning on the first subsequent quarter-end date, no less than 30 days after the commercial paper rollover date.

The Corporation has various outstanding letters of credit in connection with construction projects, which amount to \$7,826 and \$2,211 for the years ended September 30, 2010 and 2009, respectively. No amounts have been drawn against these letters.

For the years ending September 30, 2011, 2012, 2013, 2014, and 2015, maturities of long-term debt total \$9,713 (including \$88 bond premium), \$8,555, \$8,860, \$9,175, and \$9,550, respectively.

Interest paid for the years ended September 30, 2010 and 2009, was \$1,462 and \$4,469, respectively, and interest of \$655 and \$840 was capitalized for the same periods respectively.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

7. Long-Term Debt and Debt with Self-Liquidity (continued)

Total long-term debt at September 30 is summarized as follows:

Type/Issuer	Series	Amount Range	Amortization		Outstanding Principal		Interest Rate	
			From	To	2010	2009	2010	2009
Illinois Development Finance Authority Variable Rate Demand Revenue Bonds								
	2001A	\$ 3,200 - \$8,600	2011	- 2031	\$ -	\$118,900	N/A	0.35%
	2001B	1,400 - 5,000	2011	- 2031	45,000	46,300	0.27%	0.30%
	2001C	1,400 - 5,000	2011	- 2031	45,000	46,300	0.26%	0.30%
Illinois Health Facilities Authority Variable Rate Adjustable Demand Revenue Bonds								
	1996	\$ 1,345 - \$8,605	2011	- 2035	50,000	-	0.24%	N/A
	1995	1,335 - 8,560	2011	- 2035	50,000	-	0.24%	N/A
Illinois Educational Facilities Authority Commercial Paper Revenue Note								
	2008	\$ 995 - \$13,305	2032	- 2038	75,000	75,000	0.31%	0.36%
Illinois Finance Authority Revenue Refunding Bonds								
	2010	\$ 825 - \$9,685	2011	- 2037	136,425	-	4.80%	N/A
Total long-term debt					401,425	286,500		
Less current maturities of debt					9,713	5,700		
Plus 2010 bond premium (current and long term)					2,343	-		
Total long-term debt less current maturities					<u>\$394,055</u>	<u>\$280,800</u>		

8. Employee Benefit Programs

The Corporation sponsors a funded, noncontributory, defined-benefit pension plan (the NorthShore Plan) that covers substantially all employees with at least one year of employment. The funding policy is to contribute amounts to meet or exceed the minimum funding requirements set forth in the Employee Retirement Income Security Act of 1974 (ERISA).

Assets held by the NorthShore Plan consist of direct investments in listed common stocks and fixed income securities, in limited partnerships, in commingled funds that are invested in common stocks and fixed income securities, and in alternative investments. A plan measurement date of September 30 is utilized for the NorthShore Plan.

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NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

8. Employee Benefit Programs (continued)

The Corporation utilized approximately \$7,200 of the NorthShore Plan's funding standard carryforward balance against the minimum required quarterly contributions for the 2009 plan year and approximately \$4,100 for the 2010 plan year. An additional \$4,100 was used subsequent to year-end for the pension plan's third quarter 2010 payment. In 2010, the Corporation made \$20,060 in cash contributions for the 2009 plan year and \$28,000 in 2009 for the 2008 plan year.

The summary of the changes in the benefit obligation and plan assets of the NorthShore Plan is as follows:

	2010	2009
Change in benefit obligation:		
Benefit obligation at beginning of year	\$ 309,953	\$ 217,541
Service cost	16,180	11,367
Interest cost	17,508	16,824
Actuarial gains	34,187	71,848
Benefits paid	(9,468)	(7,627)
Benefit obligation at end of year	\$ 368,360	\$ 309,953
Accumulated benefit obligation	\$ 342,704	\$ 280,661
Change in plan assets:		
Fair value of plan assets at beginning of year	\$ 238,724	\$ 216,125
Actual return on plan assets	21,872	2,226
Employer contributions	20,060	28,000
Benefits paid	(9,468)	(7,627)
Fair value of plan assets at end of year	\$ 271,188	\$ 238,724

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued)
(Dollars in Thousands)

8. Employee Benefit Programs (continued)

A summary of changes in the funded status of the NorthShore Plan and net periodic pension cost as of and for the years ended September 30 is as follows:

	<u>2010</u>	<u>2009</u>
Funded status of the plan	\$ (97,172)	\$ (71,229)
Unrecognized net actuarial loss	130,142	100,111
Unamortized prior service benefit	682	965
Prepaid pension cost	33,652	29,847
Accumulated adjustments to unrestricted net assets	<u>(130,824)</u>	<u>(101,076)</u>
Amounts recognized in consolidated balance sheets	<u>\$ (97,172)</u>	<u>\$ (71,229)</u>

Included in unrestricted net assets are the following NorthShore Plan amounts that have not yet been recognized in net periodic pension cost at September 30:

	<u>2010</u>	<u>2009</u>
Unrecognized prior service cost	\$ 284	\$ 290
Unrecognized actuarial loss	3,421	(65)
Net periodic benefit cost	<u>\$ 3,705</u>	<u>\$ 225</u>

Changes in the NorthShore Plan's assets and benefit obligation recognized in unrestricted net assets during 2010 and 2009 include the following:

	<u>2010</u>	<u>2009</u>
Current year actuarial loss	\$ 33,452	\$ 88,692
Recognized loss	(284)	(290)
Current year amortization of prior service cost	<u>(3,421)</u>	<u>65</u>
	<u>\$ 29,747</u>	<u>\$ 88,467</u>

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued)
(Dollars in Thousands)

8. Employee Benefit Programs (continued)

The Corporation's target and actual pension asset allocations are as follows:

Asset Category	Strategic Target	Actual Asset Allocation	
		at September 30 2010	2009
Equity securities	39.0%	43.5%	46.1%
Debt securities	23.0	28.3	36.8
Other	38.0	28.2	17.1
Total	100.0%	100.0%	100.0%

The following table presents the NorthShore Plan's financial instruments as of September 30, 2010, measured at fair value on a recurring basis by the ASC 820 valuation hierarchy defined in Note 5:

Nature of investment	Level 1	Level 2	Level 3	Total
Domestic equity funds ^(a)	\$ 18,469	\$ 26,980	\$ -	\$ 45,449
International equity funds ^(a)	-	48,812	-	48,812
Domestic equities ^(b)	42,739	-	-	42,739
Real asset funds ^(b)	-	4,142	-	4,142
Bond funds ^(a)	54,300	-	-	54,300
Fixed income accounts ^(c)	-	11,723	-	11,723
Treasury inflation protection securities ^(c)	-	10,956	-	10,956
Limited partnership and hedge funds ^(d)	-	-	52,206	52,206
Cash equivalents ^(d)	861	-	-	861
Total assets at fair value	\$ 116,369	\$ 102,613	\$ 52,206	\$ 271,188

^(a) Pricing is based on model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. The closing NAV is used for transactions for these funds and is observable to a market participant. Redemption frequency is daily for Level 1 and semimonthly or monthly for Level 2.

^(b) Pricing is based on the last exchange-traded price. Redemption frequency is daily.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued)
(Dollars in Thousands)

8. Employee Benefit Programs (continued)

- (c) Pricing is based on the custodian's pricing methodologies. The separately managed accounts are based on institutional bid evaluations. Institutional bid evaluations are estimated prices computed by pricing vendors. These prices are determined using observable inputs for similar securities as of the measurement date. Redemption frequency is monthly.
- (d) Pricing is based on the NAV reported from the investee and reviewed by an independent third party as its best estimate of fair market value of the reporting date for its investments in limited partnerships and hedge funds. Because there are no observable market transactions for interests in the Corporation's investments in limited partnerships and hedge funds, the Corporation classifies these investments within Level 3 of the fair value hierarchy. Redemption frequency varies from monthly to longer than one year for hedge funds. Limited partnerships are expected to be held for the life of the fund.
- (e) Cash equivalents are held as cash in bank and interest-bearing accounts. The fair value is equal to the account balance. Cash equivalents are classified as Level 1.

The table below sets forth a summary of changes in the fair value of the NorthShore Plan's Level 3 assets for the period from October 1, 2009 to September 30, 2010:

	Limited Partnerships and Hedge Funds
Balance, beginning of year	\$ 18,201
Total gains or losses (realized/unrealized) included in net assets, net	2,727
Purchases and sales (contributions and distributions), net	<u>31,278</u>
Balance, end of year	<u>\$ 52,206</u>
The amount of total gains or losses for the period included in changes in net assets attributable to the change in unrealized gains or losses relating to assets still held at the reporting date	<u>\$ 2,398</u>

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NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued)
(Dollars in Thousands)

8. Employee Benefit Programs (continued)

The components of net periodic benefit costs included in the consolidated statements of operations and changes in net assets are as follows:

	<u>2010</u>	<u>2009</u>
Service cost	\$ 16,180	\$ 11,367
Interest cost	17,508	16,824
Expected return on plan assets	(21,137)	(19,071)
Prior service cost recognized	284	290
Actuarial loss	3,421	(65)
Net periodic pension cost	<u>\$ 16,256</u>	<u>\$ 9,345</u>

The Corporation anticipates that contributions to the NorthShore Plan assets will be made during 2011 from employer assets approximating annual normal service cost of \$20,500. Expected employee benefit payments are \$16,137 in 2011, \$16,821 in 2012, \$19,230 in 2013, \$20,910 in 2014, \$22,876 in 2015, and \$141,350 during the period 2016 through 2020.

Assumptions used to determine benefit obligations at the measurement date are as follows:

	<u>2010</u>	<u>2009</u>
Discount rate	5.10%	5.80%
Expected return on plan assets	7.75	7.75
Rate of compensation increase	3.78	3.78

Assumptions used to determine net pension expense for the years ended September 30 are as follows:

	<u>2010</u>	<u>2009</u>
Discount rate	5.80%	8.00%
Expected return on plan assets	7.75	7.75
Rate of compensation increase	3.78	4.61

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

8. Employee Benefit Programs (continued)

To develop the expected long-term rate of return on assets assumption, the Corporation considered the historical returns and the future expectations for returns for each asset class, as well as the target asset allocation of the pension portfolio. This resulted in the selection of the 7.75% long-term rate of return on assets assumption for 2010 and 2009.

The Corporation also sponsors a defined-contribution plan that matches employee contributions at an annual discretionary percentage. Matching contributions to the defined-contribution plan totaled \$16,538 and \$14,572 in 2010 and 2009, respectively, and are included in salaries and benefits expense. The liability at September 30, 2010 and 2009, is \$13,500 and \$17,312, respectively.

The Corporation also sponsors a supplemental executive retirement plan. The total plan liability is \$8,995 and \$9,747 for the periods ended September 30, 2010 and 2009, respectively.

Upon the Corporation's merger with RNS in January 2009, the defined-contribution pension plan associated with RNS was frozen and all eligible employees became participants in the NorthShore plans.

9. Professional Liability Insurance

The Corporation has claims-made policies that, for policy years beginning March 26, 2010 and 2009, are subject to deductibles of \$10,000 with a \$15,000/\$15,000 buffer layer. Provision has been made for potential claims to be paid, including policy deductibles on claims. The accrual for estimated professional liability losses is calculated with the assistance of consulting actuaries. The accrual was discounted using a rate of 4.5% for fiscal year 2010 and 5% for fiscal year 2009, resulting in a total liability of \$286,391 and \$289,517 at September 30, 2010 and 2009, respectively. The Corporation is not aware of any factors that would cause insurance expense to vary materially from the amounts provided. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims based on occurrences during its term but reported subsequently may not be insured.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

10. Litigation and Contingencies

The Corporation is a defendant in various lawsuits arising in the ordinary course of business. Although the outcome of these lawsuits cannot be predicted with certainty, the Corporation believes the ultimate disposition of such matters will not have a material effect on the Corporation's consolidated financial condition or operations.

In June 2006, a class action complaint was filed against the Corporation and several other Chicagoland area hospitals and healthcare systems in the Federal District Court for the Northern District of Illinois alleging that the Corporation and other defendant hospitals conspired to depress compensation levels of registered nurses employed at the hospitals in violation of Section 1 of the Sherman Act. The complaint alleged that the plaintiffs had been harmed in the form of lost compensation. The complaint sought monetary damages, as well as trebled damages, under the antitrust laws. On September 28, 2009, the District Court issued a decision denying the plaintiffs' motion for class certification. On February 1, 2010, the Federal District Court issued a Stipulated Order of Dismissal with Prejudice.

In February 2004, the Federal Trade Commission (the FTC) issued a complaint against the Corporation challenging its January 2000 merger with Highland Park Hospital (HPH). On April 28, 2008, the FTC issued a Final Order that requires the Corporation to conduct separate negotiations with private third-party payors for healthcare services of HPH unless a payor specifically elects to opt out and negotiate jointly for all the Corporation's hospitals. The Order also requires the Corporation to give prior notification to the FTC for any future acquisitions of hospitals within the Chicago Metropolitan Statistical Area for the next 10 years. The Order terminates in 20 years.

In August 2007, three individual private plaintiffs filed a purported antitrust class action against the Corporation in Federal District Court in Chicago, Illinois, alleging anticompetitive price increases as a result of the Corporation's January 2000 merger with HPH. In May 2008, an entity entitled the Painters District Counsel No. 30 Health and Welfare Fund filed a nearly identical antitrust class action against the Corporation. All four of the separate suits have been consolidated into one action. On March 30, 2010, the District Court denied the plaintiffs' motion for class certification. On April 13, 2010, the plaintiffs filed a petition requesting an interlocutory appeal with the Seventh Circuit Court of Appeals. On June 10, 2010, the Seventh Circuit Court of Appeals granted and agreed to consider the plaintiffs' petition for interlocutory appeal. The Corporation has denied all allegations within the plaintiffs' complaints and intends to pursue its rights in defense of the claims. The Corporation is unable to predict the ultimate outcomes, including liability, if any, in this litigation; however, such liabilities could be material.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

10. Litigation and Contingencies (continued)

The Corporation has administrative real estate tax exemption proceedings currently pending before the Illinois Department of Revenue, including exemption applications for facilities certified as tax-exempt prior to the merger with RNS, and for certain other facilities of Skokie Hospital. The Corporation is pursuing these real estate tax exemptions based upon both the charitable and the educational use of these facilities. The status of the real estate tax exemption for not-for-profit hospitals in Illinois today, however, has become more difficult to determine in light of continuing judicial interpretation of long-standing precedents. Until the Illinois Supreme Court provides additional guidance in this area of law, the scope of the real estate tax exemption remains unclear.

11. Commitments

Future minimum lease payments for property and equipment at September 30, 2010, for all noncancelable operating leases for the next five years are as follows:

2011	\$ 17,999
2012	15,950
2013	14,867
2014	14,537
2015	13,521

Lease expense for the years ended September 30, 2010 and 2009, was \$21,282 and \$19,906, respectively.

At September 30, 2010, the Corporation is committed to fund \$42,930 to limited partnerships, which is expected to occur over the next decade. At September 30, 2010, the pension plan is committed to fund \$5,101 to limited partnerships, which is expected to occur over the next decade.

12. General and Administrative Expenses

General and administrative expenses incurred in connection with providing inpatient, outpatient, professional, and emergency care services amounted to approximately \$226,177 in 2010 and \$232,000 in 2009.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued)
(Dollars in Thousands)

13. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at September 30:

	<u>2010</u>	<u>2009</u>
Temporarily restricted net assets		
Restricted for:		
Research	\$ 14,005	\$ 9,368
Special purpose	71,596	74,565
Total temporarily restricted net assets	<u>\$ 85,601</u>	<u>\$ 83,933</u>

Activity in the endowment funds was as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, at October 1, 2008	\$ 2,672	\$ 22,849	\$ 58,103	\$ 83,624
Contributions	-	-	3,780	3,780
Hospital acquisition	-	-	1,064	1,064
Investment return	(771)	(3,013)	-	(3,784)
Change in value of trust	1,391	6,819	-	8,210
Distributions	771	(3,638)	-	(2,867)
Net asset reclassification from unrestricted investment	218	3,559	-	3,777
Endowment net assets, at September 30, 2009	4,281	26,576	62,947	93,804
Contributions	-	-	6,400	6,400
Investment return	(793)	(4,210)	-	(5,003)
Change in value of trust	2,023	10,777	-	12,800
Distributions	793	(4,755)	-	(3,962)
Net asset reclassification from unrestricted investment	(150)	(590)	-	(740)
Endowment net assets, at September 30, 2010	<u>\$ 6,154</u>	<u>\$ 27,798</u>	<u>\$ 69,347</u>	<u>\$ 103,299</u>

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

13. Temporarily and Permanently Restricted Net Assets (continued)

The State of Illinois passed the Uniform Prudent Management of Institutional Funds Act (UPMIFA) effective June 30, 2009. The Corporation has interpreted the UPMIFA as sustaining the preservation of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulation to the contrary. In compliance with this interpretation of UPMIFA, the Corporation classifies permanently restricted net assets as (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated in a manner considered with the standard of prudence prescribed by the UPMIFA.

The Corporation has adopted a policy of requiring a minimum donation of \$1,500 to establish an endowed chair and \$1,000 to establish an endowed research project or endowed clinical program.

The Corporation has adopted endowment investment and spending policies that attempt to provide a predictable stream of funding to programs supported by its endowment, while seeking to maintain the purchasing power of endowment assets. Currently, the Corporation expects its endowment funds over time to provide an average rate of return of approximately 5% annually. To achieve this long-term rate of return objectives, the Corporation relies on a total return strategy in which investment returns are achieved through capital appreciation (realized and unrealized) and current yield (interest and dividends). Actual returns in any given year may vary from this amount.

An endowment fund is considered to be "underwater" when the market value of the endowment is less than the original (and any subsequent) donations received by the Corporation. The Corporation has adopted a policy that such shortfall amounts will be "funded" by the Corporation from the Corporation's unrestricted investment funds. The funded amount was \$3,037 and \$3,777 as of September 30, 2010 and 2009, respectively.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

14. Income Taxes

NorthShore and its related affiliates, except for MG, known as NorthShore Exempt Group, have been determined to qualify as a tax-exempt organization under 501(c)(3) of the Internal Revenue Code. Most of the income received by NorthShore Exempt Group is exempt from taxation under 501(a) of the Internal Revenue Code as income related to the mission of the organization. Accordingly, there is no material provision for income tax for these entities. Some of the income received by exempt entities is subject to taxation as unrelated business income. NorthShore and its subsidiaries file income tax returns for U.S. federal and various states.

ASC 740-10, *Income Taxes*, requires that realization of an uncertain income tax position must be more likely than not (i.e., greater than 50% likelihood of receiving a benefit) before it can be recognized in the financial statements. Furthermore, this interpretation prescribes the benefit to be recorded in the financial statements as the amount most likely to be realized assuming a review by tax authorities having all relevant information and applying current conventions. This interpretation also clarifies the financial statement classification of tax-related penalties and interest and sets forth new disclosures regarding unrecognized tax benefits. No amount was recorded for the periods ended September 30, 2010 or 2009.

MG does not have taxable assets or liabilities. MG currently has a net operating loss carryforward of \$712, which generated an asset of \$278. NorthShore currently has a net operating loss carryforward of \$13,299, which generated an asset of \$5,187. These assets are 100% offset by valuation allowances.

15. Other Events

On January 1, 2009, RNS (subsequently operated as Skokie Hospital) was merged into the Corporation. RNS was engaged in providing healthcare and related lines of businesses, including a 265-licensed bed hospital located in Skokie, Illinois.

Funding for this transaction was provided by operating cash. The fair values of property and equipment were determined by an independent appraisal. No goodwill was recorded in connection with this transaction. The operations of Skokie Hospital have been included in the Corporation's consolidated financial statements since the acquisition date. In connection with the transaction, the Corporation defeased approximately \$53,000 of indebtedness attributable to Skokie Hospital and contributed \$10,000 to establish an independent community health services foundation.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued)
(Dollars in Thousands)

15. Other Events (continued)

A contribution was recorded in the 2009 consolidated statement of operations and changes in net assets for the assets acquired, net of liabilities assumed, from Skokie Hospital and the debt defeasement on January 1, 2009. Assets acquired and liabilities assumed from Skokie Hospital and recorded by the Corporation at January 1, 2009, consisted of the following:

Cash and cash equivalents	\$ 20,622
Other short-term investments (current portion of self-insurance)	1,317
Other current assets	25,260
Other long-term assets	6,138
Property and equipment	103,079
Current liabilities	(28,745)
Noncurrent liabilities	(10,005)
Cash purchase price	<u>(65,324)</u>
Increase in net assets	<u>\$ 52,342</u>

An additional \$12,500 land acquisition payment was made in conjunction with the Skokie Hospital purchase.

The results of operations of the acquisition of Skokie Hospital have been included in the consolidated financial statements since January 1, 2009. Following are the unaudited pro forma results as if the acquisition had occurred on October 1, 2008:

	<u>2009</u>
Total unrestricted revenues and other support	\$ 1,572,899
Income from operations	63,252
Revenues, gains, and other support in excess of expenses	31,416

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued) (Dollars in Thousands)

15. Other Events (continued)

The pro forma information provided should not be construed to be indicative of the Corporation's results of operations had the acquisition been consummated on the date assumed and is not intended to project the Corporation's results of operations for any future period. The Corporation committed to investing approximately \$100,000 in capital improvements to the Skokie campus over the five years from the date of acquisition, of which \$48,000 has been expended at September 30, 2010.

On August 18, 2009, the Corporation entered into an Asset Purchase Agreement with THSC LLC d/b/a the Neurologic & Orthopedic Hospital of Chicago (the Hospital), NeuroSource, Inc., and Chicago Institute of Neurosurgery and Neuroresearch Medical Group, Inc (CINN).

Pursuant to the Asset Purchase Agreement, the Corporation acquired the programs and transferred the relevant operating assets of the Hospital and CINN to the Corporation on December 7, 2009. The transaction is expected to enhance the Corporation's neuroscience capabilities while benefiting clinical care and academic programs in neurosciences.

The Corporation recorded goodwill of \$78,122, included in other noncurrent assets, and intangible assets of \$7,450 and \$260 for the not-to-compete clause and the trade name, respectively. The goodwill is amortized over 24 years, and the amortization expense for the year ended September 30, 2010, was \$2,713. The not-to-compete is amortized for a period of five years and the trade name for two years. Total amortization for the year ended September 30, 2010, is \$1,272 for the not-to-compete clause and \$108 for the trade name.

The results of operations of the acquisition of CINN have been included in the consolidated financial statements since December 7, 2009. Following are the unaudited pro forma results as if the acquisition had occurred on October 1, 2008:

	2010	2009
Total unrestricted revenues and other support	\$ 1,603,312	\$ 1,579,825
Income from operations	89,970	68,612
Revenues, gains, and other support in excess of expenses	133,354	25,091

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued)
(Dollars in Thousands)

15. Other Events (continued)

The pro forma information provided should not be construed to be indicative of the Corporation's results of operations had the acquisition been consummated on the date assumed and is not intended to project the Corporation's results of operations for any future period.

Following are the unaudited pro forma results as if both acquisitions had occurred on October 1, 2008:

	<u>2010</u>	<u>2009</u>
Total unrestricted revenues and other support	\$ 1,603,312	\$ 1,622,143
Income from operations	89,970	66,748
Revenues, gains, and other support in excess of expenses	133,354	22,668

The pro forma information provided should not be construed to be indicative of the Corporation's results of operations had the acquisition been consummated on the date assumed and is not intended to project the Corporation's results of operations for any future period.

16. Subsequent Events

The Corporation evaluated events and transactions occurring subsequent to September 30, 2010, through February 7, 2011, the date of issuance of the consolidated financial statements. During this period, there were no items requiring disclosure or requiring recognition in the consolidated financial statements.

Other Financial Information

Report of Independent Auditors on Other Financial Information

The Board of Directors
NorthShore University HealthSystem

Our audit was conducted for the purpose of forming an opinion on the September 30, 2010, basic consolidated financial statements taken as a whole. The accompanying financial information is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

Ernst & Young LLP

February 7, 2011

NorthShore University HealthSystem

Details of Consolidated Balance Sheet

(Dollars in Thousands)

September 30, 2010

	Hospitals and Clinics	Home and Hospice Services	Insurance International	RI	Foundation	FPA	RMI	MG	(Eliminations)	Consolidated
Assets										
Current assets:										
Cash and cash equivalents	\$ 3,820	\$ -	\$ 12	\$ -	\$ -	\$ (449)	\$ -	\$ (927)	\$ -	\$ 2,456
Other short-term investments	51,042	-	-	-	-	-	-	-	-	51,042
Internally designated investments, current portion	47,327	-	-	-	-	-	-	-	-	47,327
Patient accounts receivable, less allowances for uncollectible and charity accounts of \$42,430	166,839	-	-	-	-	26,628	322	-	-	193,789
Inventories, prepaid expenses, and other	38,088	-	3,167	-	-	500	-	15,630	-	57,385
Collateral under securities lending program	52,389	-	-	-	-	-	-	-	-	52,389
Total current assets	359,505	-	3,179	-	-	26,679	322	14,703	-	404,388
Investments available for general use	1,124,124	-	-	-	-	-	-	-	-	1,124,124
Investments limited as to use:										
Internally designated for capital replacement and other	186,783	-	-	-	-	-	-	-	(34,913)	151,870
Investments under securities lending program	51,078	-	-	-	-	-	-	-	-	51,078
Total investments limited as to use	237,861	-	-	-	-	-	-	-	(34,913)	202,948
Property and equipment:										
Land and improvements	76,723	-	-	-	-	-	-	-	-	76,723
Buildings	1,043,590	-	-	-	-	9,311	-	-	-	1,052,901
Equipment and furniture	479,389	-	-	-	-	9,355	-	-	-	488,744
Construction-in-progress	75,851	-	-	-	-	-	-	-	-	75,851
Less accumulated depreciation	1,675,553	-	-	-	-	18,666	-	-	-	1,694,219
Total property and equipment, net	835,124	-	-	-	-	13,612	-	-	-	848,736
Other noncurrent assets	840,429	-	-	-	-	5,054	-	-	-	845,483
Total assets	135,715	-	17,361	-	-	(812)	-	-	812	153,076
	\$ 2,697,634	\$ -	\$ 20,540	\$ -	\$ -	\$ 30,921	\$ 322	\$ 14,703	\$ (34,101)	\$ 2,730,019

NorthShore University HealthSystem

Details of Consolidated Balance Sheet (continued)

(Dollars in Thousands)

September 30, 2010

	Hospitals and Clinics	Home and Hospice Services	Insurance International	RI	Foundation	FPA	RMI	MC	(Eliminations)	Consolidated
Liabilities and net assets										
Current liabilities:										
Accounts payable	\$ 68,511	\$ -	\$ 22	\$ -	\$ -	\$ 1,674	\$ -	\$ 340	\$ -	\$ 70,547
Accrued expenses and current portion of self-insurance	321,242	-	2,883	-	-	(160,246)	322	13,932	-	178,133
Payable under securities lending program	52,389	-	-	-	-	-	-	-	-	52,389
Due to third-party payors	57,776	-	-	-	-	-	-	1,244	-	59,020
Current maturities of long-term debt	9,713	-	-	-	-	-	-	-	-	9,713
Total current liabilities	509,631	-	2,905	-	-	(158,572)	322	15,516	-	369,802
Noncurrent liabilities:										
Long-term debt, less current maturities	394,055	-	-	-	-	-	-	-	-	394,055
Employee retirement plans liability	104,936	-	-	-	-	-	-	-	-	104,936
Accrued self-insurance and other liabilities	285,419	-	17,361	-	-	-	-	-	-	302,780
Total noncurrent liabilities	784,410	-	17,361	-	-	-	-	-	-	801,771
Net assets:										
Unrestricted	1,213,731	-	274	-	-	189,493	-	(813)	813	1,403,498
Temporarily restricted	97,573	-	-	-	-	-	-	-	(11,972)	85,601
Permanently restricted	92,289	-	-	-	-	-	-	-	(22,942)	69,347
Total net assets	1,403,593	-	274	-	-	189,493	-	(813)	(34,101)	1,558,446
Total liabilities and net assets	\$ 2,697,634	\$ -	\$ 20,540	\$ -	\$ -	\$ 30,921	\$ 322	\$ 14,703	\$ (34,101)	\$ 2,730,019

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NorthShore University HealthSystem

Details of Consolidated Statement of Operations and Changes in Net Assets

(Dollars in Thousands)

Year Ended September 30, 2010

	Hospitals and Clinics	Home and Hospice Services	Insurance International	RI	Foundation	FPA	RMI	MG	(Eliminations)	Consolidated
Unrestricted revenues and other support										
Net patient service and premium revenue	\$ 1,135,313	\$ 17,019	\$ 6,124	\$ -	\$ -	\$ 294,399	\$ 5,840	\$ 64,016	\$ (49,029)	\$ 1,473,682
Investment earnings supporting current activities	16,852	-	-	3,759	-	11,389	-	-	-	32,000
Net assets released from restrictions used for operations	-	-	-	2,672	8,882	-	-	-	-	11,554
Other revenue	51,204	186	-	30,821	2,782	11,355	(564)	5	(17,919)	77,870
Total unrestricted revenues and other support	1,203,369	17,205	6,124	37,252	11,664	317,143	5,276	64,021	(66,948)	1,595,106
Expenses										
Salaries and benefits	508,039	9,465	-	15,534	7,403	227,689	4,382	58	(662)	771,908
Supplies, services, and other	447,398	7,313	87	20,197	3,655	40,035	364	63,963	(60,162)	522,850
Depreciation and amortization	103,979	21	-	1,848	606	1,586	-	-	-	108,040
Insurance	12,370	-	5,998	-	-	15,930	191	-	(6,124)	28,365
Provision for uncollectible accounts	29,111	8	-	-	-	11,172	339	-	-	40,630
Medicaid assessment	24,828	-	-	-	-	-	-	-	-	24,828
Interest	9,098	-	-	-	-	-	-	-	-	9,098
Total expenses	1,134,823	16,807	6,085	37,579	11,664	296,412	5,276	64,021	(66,948)	1,505,719
Income (loss) from operations	68,546	398	39	(327)	-	20,731	-	-	-	89,387
Nonoperating income (loss)										
Dividend and interest income	21,588	-	-	-	3,518	-	-	-	-	25,106
Net realized gains (losses) on investments and derivatives	14,846	-	-	-	(13,220)	-	-	-	-	1,626
Net unrealized gains on investments and change in fair value of derivatives	66,233	-	-	-	13,351	-	-	-	-	79,584
Transfer of investment earnings supporting current activities	(28,241)	-	-	(3,759)	-	-	-	-	-	(32,000)
Other, net	(31,860)	-	-	3,759	(790)	-	-	-	-	(28,891)
Total nonoperating income	42,566	-	-	2,859	-	-	-	-	-	45,425
Revenue, gains (losses), and other support in excess of (less than) expenses	\$ 111,112	\$ 398	\$ 39	\$ (327)	\$ 2,859	\$ 20,731	\$ -	\$ -	\$ -	\$ 134,812

ATTACHMENT 39

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Ernst & Young LLP

Assurance | Tax | Transactions | Advisory

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DEP

Glenbrook Hospital

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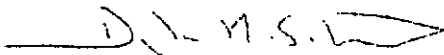
March 17, 2011

Illinois Health Facilities
and Services Review Board
Springfield, IL

To Whom It May Concern:

Please be advised that the proposed project to add a fifth floor to Glenbrook Hospital will be funded entirely with cash and equivalents.

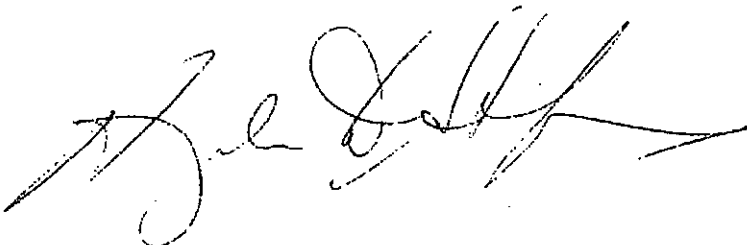
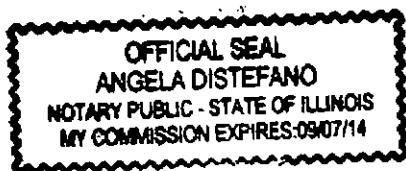
Sincerely,



Douglas M. Silverstein
President
Glenbrook Hospital

Notarized:

On the 17th of March 2011



COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE

Department (list below)	A		B		C		D		E		F		G		H		Total Costs (G + H)
	Cost/Sq. Foot New		Mod.	New	DGSF Circ.	DGSF Mod.	Circ.	DGSF Mod.	DGSF Circ.	Const. \$ (A x C)	Mod. \$ (B x E)						
Reviewable																	
Medical/Surgical	\$ 390.55	\$ 104.33	17,349			51,648				\$ 6,775,652	\$ 5,388,178			\$ 12,163,830			
Observation	\$ 390.55		8,475							\$ 3,309,911				\$ 3,309,911			
DGSF->BGSF	\$ 390.55	\$ 104.33	25,824			51,648				\$ 10,085,563	\$ 5,388,178			\$ 15,473,741			
contingency	\$ 266.45	\$ 90.00	1,291			2,582				\$ 344,040	\$ 174,312			\$ 518,352			
	\$ 25.00	\$ 3.57								\$ 645,600	\$ 193,680			\$ 839,280			
	\$ 408.45	\$ 107.90	27,115			54,230				\$ 11,075,203	\$ 5,756,170			\$ 16,831,373			
Non-Reviewable																	
Staff Facilities	\$ 262.80		788							\$ 207,086				\$ 207,086			
Public Areas	\$ 346.75		4,631							\$ 1,605,799				\$ 1,605,799			
Mechanical	\$ 266.45		9,787							\$ 2,607,746				\$ 2,607,746			
DGSF->BGSF	\$ 290.72		15,206							\$ 4,420,632				\$ 4,420,632			
contingency	\$ 90.00		760							\$ 68,427				\$ 68,427			
	\$ 25.00									\$ 380,150				\$ 380,150			
	\$ 304.97		15,966							\$ 4,869,209				\$ 4,869,209			
TOTAL	\$ 370.10	\$ 106.14	43,082			54,230				\$ 15,944,412	\$ 5,756,170			\$ 21,700,582			

**PROJECTED OPERATING COSTS
and
TOTAL EFFECT OF PROJECT COSTS ON CAPITAL COSTS**

**Glenbrook Hospital
2015, Projected**

ADJUSTED PATIENT DAYS:

<u>\$159,767,000</u>	
2,809	56,877

OPERATING COSTS

	Hospital	Med/Surg
salaries & benefits	\$99,752,000	\$ 28,433,000
supplies	<u>\$11,556,000</u>	<u>\$ 1,419,000</u>
TOTAL	\$111,308,000	\$ 29,852,000

Operating cost/adjusted patient day:	\$1,956.99	\$ 524.85
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CAPITAL COSTS

dep/amort/int	\$16,948
---------------	----------

Capital cost/adjusted patient day:	\$0.30
------------------------------------	--------

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:

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