

ORIGINAL

12-020

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

RECEIVED

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

MAR 05 2012
HEALTH FACILITIES &
SERVICES REVIEW BOARD

This Section must be completed for all projects.

Facility/Project Identification

Facility Name:	Skokie Hospital		
Street Address:	9600 Gross Point Road		
City and Zip Code:	Skokie, IL 60076		
County:	Cook	Health Service Area	VII
		Health Planning Area:	A-06

Applicant /Co-Applicant Identification

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

Exact Legal Name:	NorthShore University HealthSystem d/b/a Skokie Hospital
Address:	9600 Gross Point Road Skokie, IL 60076
Name of Registered Agent:	Jeffrey H. Hillebrand
Name of Chief Executive Officer:	Kristen Murtos, President
CEO Address:	9600 Gross Point Road Skokie, IL 60076
Telephone Number:	847/933-6002

Type of Ownership of Applicant/Co-Applicant

- | | |
|--|--|
| ☒ Non-profit Corporation | ☐ Partnership |
| ☐ For-profit Corporation | ☐ Governmental |
| ☐ Limited Liability Company | ☐ Sole Proprietorship |
| | ☐ 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:	Kristen Murtos
Title:	President
Company Name:	Skokie Hospital
Address:	9600 Gross Point Road Skokie, IL 60076
Telephone Number:	847/933-6002
E-mail Address:	kmurtos@NorthShore.org
Fax Number:	847/933-6012

Additional Contact

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

Name:	
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:	Skokie Hospital		
Street Address:	9600 Gross Point Road		
City and Zip Code:	Skokie, IL 60076		
County:	Cook	Health Service Area	VII
		Health Planning Area:	A-06

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, CEO
CEO Address:	1301 Central Street Evanston, IL 60201
Telephone Number:	847/657-5800

Type of Ownership of Applicant/Co-Applicant

☒ Non-profit Corporation	☐ Partnership
☐ For-profit Corporation	☐ Governmental
☐ Limited Liability Company	☐ Sole Proprietorship
	☐ Other

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

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

Name:	Kristen Murtos
Title:	President
Company Name:	Skokie Hospital
Address:	9600 Gross Point Road Skokie, IL 60076
Telephone Number:	847/933-6002
E-mail Address:	kmurtos@NorthShore.org
Fax Number:	847/933-6012

Additional Contact

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

Name:	
Title:	
Company Name:	
Address:	
Telephone Number:	
E-mail Address:	
Fax Number:	

Additional Contact

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

Name:	Honey Jacobs Skinner
Title:	Partner
Company Name:	Sidley & Austin
Address:	1 South Dearborn Chicago, IL 60603
Telephone Number:	312/853-7577
E-mail Address:	mskinner@sidley.com
Fax Number:	312/853-7036

Additional Contact

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

Name:	Jacob M. Axel
Title:	President
Company Name:	Axel & Associates, Inc.
Address:	675 North Court Suite 210 Palatine, IL 60067
Telephone Number:	847/776-7101
E-mail Address:	jacobmaxel@msn.com
Fax Number:	847/776-7004

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:	9600 Gross Point Road Skokie, IL 60076
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 Skokie Hospital	
Address:		9600 Gross Point Road Skokie, IL 60076	
☒ Non-profit Corporation	☐ Partnership		
☐ For-profit Corporation	☐ Governmental		
☐ Limited Liability Company	☐ Sole Proprietorship	☐ 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. - 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)]

Part 1110 Classification:

☒ Substantive

☐ Non-substantive

Part 1120 Applicability or Classification:

[Check one only.]

☐ Part 1120 Not Applicable

☐ Category A Project

☒ Category B Project

☐ DHS or DVA Project

2. Narrative Description

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

The applicants propose a major modernization program at Skokie Hospital, involving both new construction and the renovation of existing space.

The proposed project does not involve the "establishment" of any new services, nor does it involve the "discontinuation" of any existing services.

Upon the conclusion of the project, the hospital's medical/surgical bed capacity will be reduced from 173 to 138 beds, and the ICU capacity will be reduced from 20 to 16 beds.

The modernization project will allow the hospital to locate all of its patient beds in private rooms, consistent with contemporary standards. The project will also address a variety of other clinical and non-clinical areas, including the surgical suite/recovery area, the same day surgery program, pharmacy, and administrative and supports paces.

The project is defined as "substantive" because it includes the modernization of inpatient units and the surgical suite used by inpatients.

PROJECT COSTS AND SOURCES OF FUNDS

	Clinical/ Reviewable	Non-Clinical/ Non-Reviewable	Total
Project Costs:			
Preplanning Costs	\$ 1,332,291	\$ 1,004,855	\$ 2,337,146
Site Survey and Soil Investigation	\$ 11,250	\$ 13,750	\$ 25,000
Site Preparation	\$ 1,415,500	\$ 1,856,975	\$ 3,272,475
Off Site Work	\$ 90,000	\$ 130,000	\$ 220,000
New Construction Contracts	\$ 28,762,044	\$ 37,180,958	\$ 65,943,002
Modernization Contracts	\$ 26,949,670	\$ 13,989,086	\$ 40,938,756
Contingencies-New Construction	\$ 1,276,400	\$ 2,202,746	\$ 3,479,146
Contingencies-Modernization	\$ 1,811,800	\$ 1,144,500	\$ 2,956,300
Architectural/Engineering Fees	\$ 4,582,562	\$ 4,240,133	\$ 8,822,695
Consulting and Other Fees	\$ 2,968,380	\$ 2,528,620	\$ 5,497,000
Movable and Other Equipment	\$ 17,331,000	\$ 2,903,000	\$ 20,234,000
Bond Issuance Expense			
Net Interest Expense During Construction			
Other Costs to be Capitalized	\$ 165,000	\$ 345,000	\$ 510,000
Acquisition of Building or Other Property			
TOTAL COSTS	\$ 86,695,897	\$ 67,539,623	\$ 154,235,520
Sources of Funds:			
Cash and Securities	\$ 86,695,897	\$ 67,539,623	\$ 154,235,520
Pledges			
Gifts and Bequests			
Bond Issues			
Mortgages			
Leases (fair market value)			
Government Appropriations			
Grants			
Other Funds and Sources			
TOTAL FUNDS	\$ 86,695,897	\$ 67,539,623	\$ 154,235,520

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 \$ not applicable.

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): December 31, 2017
(6/15 construction period midpoint)

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: Skokie Hospital			CITY: Skokie		
REPORTING PERIOD DATES: From: January 1, 2010 to: December 31, 2010					
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical	173	6,733	32,578	-35	138
Obstetrics					
Pediatrics	2	0	0		2
Intensive Care	20	1,083	4,203	-4	16
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness	0*	346	2,679		
Neonatal Intensive Care					
General Long Term Care					
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify))					
TOTALS:	195	8,162	39,460	-39	156

* Skokie Hospital was granted approval to discontinue its 42-bed acute mental illness category of service on June 8, 2010 (Permit # 10-008).

CERTIFICATION

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

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- 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);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- 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 d/b/a Skokie Hospital 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.

SIGNATURE

KRISTEN AULTOS

PRINTED NAME

PRESIDENT, SKOKIE HOSPITAL

PRINTED TITLE

SIGNATURE

Jeffrey H. Hillebrand

PRINTED NAME

Chief Operating Officer

PRINTED TITLE

Notarization:

Subscribed and sworn to before me

this 27th day of February, 2012

Notarization:

Subscribed and sworn to before me

this 27th day of February, 2012

Signature of Notary

Signature of Notary

Seal

OFFICIAL SEAL
PATRICIA C WARREN

NOTARY PUBLIC - STATE OF ILLINOIS

*Insert in conclusion of the applicant

Seal

OFFICIAL SEAL
PATRICIA C WARREN

NOTARY PUBLIC - STATE OF ILLINOIS

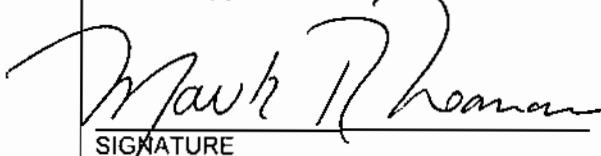
MY COMMISSION EXPIRES: 09/22/12

CERTIFICATION

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

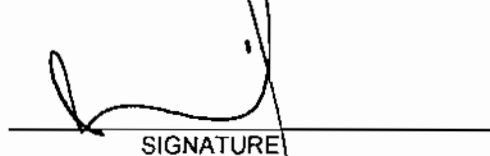
- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its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


SIGNATURE

Mark R. Neaman
PRINTED NAME

President & CEO
PRINTED TITLE


SIGNATURE

Jeffrey H. Hillebrand
PRINTED NAME

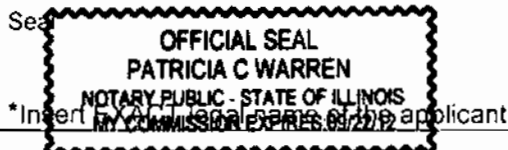
Chief Operating Officer
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 27th day of February, 2012


Signature of Notary

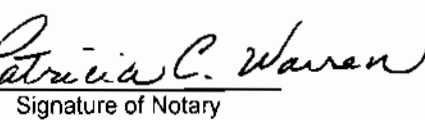
Seal



*Insert in all legal cases of the applicant

Notarization:

Subscribed and sworn to before me
this 27th day of February, 2012


Signature of Notary

Seal



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

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

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

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

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

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

PURPOSE OF PROJECT

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

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

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

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

ALTERNATIVES

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

Alternative options must include:

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

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

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

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

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

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

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

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

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

PROJECT SERVICES UTILIZATION:

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

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

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

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

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

UNFINISHED OR SHELL SPACE:**NOT APPLICABLE**

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:****NOT APPLICABLE**

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

- Applicants proposing to establish, expand and/or modernize Medical/Surgical, Obstetric, Pediatric and/or Intensive Care categories of service must submit the following information:

- Indicate bed capacity changes by Service: Indicate # of beds changed by action(s):

Category of Service	# Existing Beds	# Proposed Beds
☒ Medical/Surgical	173	138
☐ Obstetric		
☐ Pediatric		
☒ Intensive Care	20	16

- 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
Surgery	10	8
Recovery	14	32*

*8 Level 1 and 10 Level 2 stations in PACU and
14 Level 2 stations in Same Day Surgery

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:

\$154,235,520	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.
\$154,235,520	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

**not applicable, funded through internal sources
and "A" bond rating**

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.

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

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

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

2. Variance

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

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

X. 1120.140 - Economic Feasibility

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

A. Reasonableness of Financing Arrangements

not applicable, funded through internal sources

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

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

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)	CY2008	CY2009*	CY 2010
Inpatient	83	165	289
Outpatient	422	393	1,110
Total	505	558	1,339
Charity (cost in dollars)	FY2008	FY2009	FY 2010
Inpatient	\$390,390	\$341,816	\$1,019,058
Outpatient	\$116,610	\$282,915	\$655,656
Total	\$507,000	\$624,731	\$1,674,714
MEDICAID			
Medicaid (# of patients)	CY2008	CY2009*	CY 2010
Inpatient	165	457	460
Outpatient	393	14,788	13,391
Total	558	15,245	13,851
Medicaid (revenue)	FY2008	FY2009	FY 2010
Inpatient	\$341,816	\$5,067,594	\$6,801,876
Outpatient	\$282,915	\$1,646,348	\$2,643,846
Total	\$624,731	\$6,713,942	\$9,445,722

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)	CY2008	CY2009	CY 2010
Inpatient	417	424	429
Outpatient	1,526	2,155	1,950
Total	1,943	2,579	2,379
Charity (cost in dollars)	FY2008	FY2009	FY 2010
Inpatient	\$2,609,248	\$3,099,363	\$1,481,803
Outpatient	\$3,676,592	\$4,430,577	\$1,803,820
Total	\$6,285,940	\$7,529,940	\$3,285,623
MEDICAID			
Medicaid (# of patients)	CY2008	CY2009	CY 2010
Inpatient	572	732	854
Outpatient	4,448	10,795	11,824
Total	5,020	11,527	12,678
Medicaid (revenue)	FY2008	FY2009	FY 2010
Inpatient	\$2,527,189	\$2,674,028	\$4,018,962
Outpatient	\$1,217,832	\$1,264,146	\$1,638,149
Total	\$3,745,021	\$3,938,074	\$5,657,111

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)	CY2008	CY2009	CY2010
Inpatient	1,052	1,110	947
Outpatient	4,744	6,133	6,075
Total	5,796	7,243	7,022
Charity (cost in dollars)	FY2008	FY2009	FY 2010
Inpatient	\$3,949,995	\$4,791,184	\$4,879,925
Outpatient	\$4,692,288	\$5,507,087	\$6,654,187
Total	\$8,642,262	\$10,298,271	\$11,534,112
MEDICAID			
Medicaid (# of patients)	CY2008	CY2009	CY2010
Inpatient	1,737	2,024	2,047
Outpatient	20,247	38,787	40,601
Total	21,984	40,811	42,648
Medicaid (revenue)	FY2008	FY2009	FY 2010
Inpatient	\$15,412,618	\$16,104,258	\$21,464,998
Outpatient	\$3,537,418	\$3,771,651	\$4,211,084
Total	\$18,950,036	\$19,875,909	\$25,676,082

APPEND DOCUMENTATION AS ATTACHMENT 43, 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)	CY2008	CY2009	CY2010
Inpatient	345	370	410
Outpatient	1,792	2,311	2,064
Total	2,137	2,681	2,474
Charity (cost in dollars)	FY2008	FY2009	FY 2010
Inpatient	\$1,740,025	\$2,001,588	\$1,722,472
Outpatient	\$1,272,987	\$1,572,524	\$1,981,618
Total	\$3,013,012	\$3,574,112	\$3,704,090
MEDICAID			
Medicaid (# of patients)	CY2008	CY2009	CY2010
Inpatient	223	245	273
Outpatient	3,964	8,576	9,963
Total	4,187	8,820	10,236
Medicaid (revenue)	FY2008	FY2009	FY 2010
Inpatient	\$1,617,489	\$1,679,254	\$3,574,224
Outpatient	\$790,441	\$949,627	\$1,679,254
Total	\$2,407,930	\$2,628,881	\$5,253,478

APPEND DOCUMENTATION AS ATTACHMENT 43, 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			
	FY2008	FY2009	FY 2010
Net Patient Revenue	\$175,975,000	\$117,669,423	\$170,156,474
Amount of Charity Care (charges)	\$1,522,523	\$1,980,078	\$5,447,396
Cost of Charity Care	\$507,000	\$624,731	\$1,674,714

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			
	FY2008	FY2009	FY 2010
Net Patient Revenue	\$205,160,229	\$208,296,248	\$210,381,851
Amount of Charity Care (charges)	\$6,285,940	\$7,529,940	\$10,687,251
Cost of Charity Care	\$2,093,218	\$2,375,759	\$3,285,623

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			
	FY2008	FY2009	FY 2010
Net Patient Revenue	\$434,017,660	\$453,496,414	\$444,577,256
Amount of Charity Care (charges)	\$25,952,742	\$32,640,263	\$37,517,375
Cost of Charity Care	\$8,642,263	\$10,298,271	\$11,534,112

APPEND DOCUMENTATION AS ATTACHMENT 44, 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.

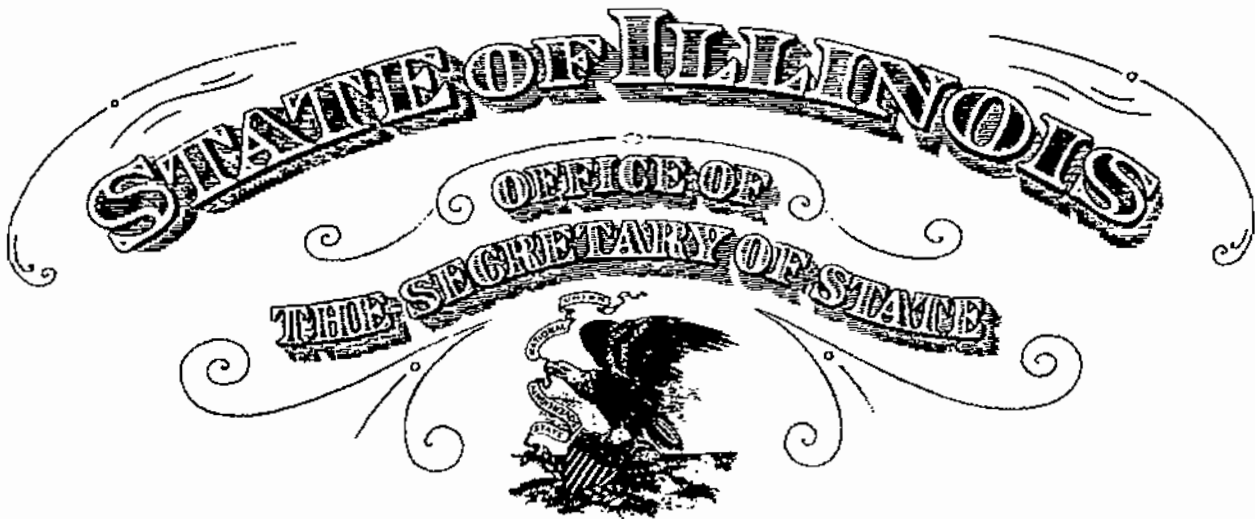
1. All applicants and co-applicants shall indicate the amount of charity care for the latest three audited fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
2. If the applicant owns or operates one or more facilities, the reporting shall be for each 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			
	FY2008	FY2009	FY 2010
Net Patient Revenue	\$213,825,125	\$223,587,677	\$226,448,964
Amount of Charity Care (charges)	\$9,048,084	\$11,328,113	\$12,048,413
Cost of Charity Care	3,013,012	\$3,574,112	\$3,704,090

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



To all to whom these Presents Shall Come, Greeting:

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

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 #: 1133601932

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 2ND
day of DECEMBER A.D. 2011 .*

Jesse White

SECRETARY OF STATE

ATTACHMENT 1

The Zurich Edge - Healthcare



Policy Number
ZMD 3588826-10

Named Insured and Mailing Address
NorthShore University HealthSystem
1301 Central Street
Evanston, IL 60201

NorthShore University HealthSystem and any subsidiary, and NorthShore University HealthSystem interest in any partnership or joint venture in which NorthShore University HealthSystem has management control or ownership as now constituted or hereafter is acquired, as the respective interest of each may appear. All hereafter referred to as the "Insured", including legal representatives.

Insurance is provided by the following Stock Company
American Guarantee and Liability Insurance Company
hereafter referred to as the "Company",

Producer
Marsh USA Inc.
500 West Monroe Street
Chicago, IL 60661

Policy Period
Coverage begins 04/01/2010 at 12:01 AM; Coverage ends 04/01/2011 at 12:01 AM

Proportionate Share of Company for Loss or Damage

This Policy's proportionate share of loss or damage after the application of any deductible amount is:

100% Quota Share: Being \$800,000,000 part of a \$800,000,000 primary loss layer

Annual Policy Premium
\$797,100.00

Surcharges, Taxes & Fees
0

Total Policy Premium
\$791,100.00

EDGE-D-102-A (06/08)
1D
ATTACHMENT 2

SECTION I - INSURING AGREEMENT

A. COVERAGE

The Company will pay for direct physical loss of or damage caused by a **Covered Cause of Loss** to Covered Property, at an Insured Location described in the Declarations. All subject to the terms, conditions and exclusions stated in this Policy.

B. POLICY PERIOD

Coverage under this Policy applies to covered loss or damage that begins during the Policy Period stated on the Declarations Page.

C. TERRITORY

Coverage under this Policy applies to all covered loss or damage that takes place in the United States of America, its territories and possessions, including the District of Columbia and the Commonwealth of Puerto Rico.

SECTION II - DECLARATIONS

A. INSURED LOCATION

1. The Coverages under this Policy apply to an Insured Location unless otherwise provided. An Insured Location is a Location:

- a). Listed on Statement of Values on file with Company dated 02/11/2010 which has been received, filed and accepted by us.
- b). Covered as a Miscellaneous Unnamed Location; and
- c). Covered under the terms and conditions of the Newly Acquired Coverage or Errors and Omissions Coverage.

B. CURRENCY

All amounts, including deductibles and limits of liability, indicated in this Policy are in USD unless otherwise indicated by the three-letter currency designator as defined in Table A.1 Currency and Funds code list, International Standards Organization (ISO) 4217, edition effective at inception of this Policy.

C. POLICY LIMITS OF LIABILITY

The Policy Limit is **\$800,000,000** for the total of all coverages combined. This includes any insured Time Element loss, regardless of the number of **Locations** involved subject to the following provisions:

1. The Company will pay no more in any one (1) **Occurrence** than its proportionate share of the Policy Limit.
2. Limits of Liability stated below or elsewhere in this Policy are part of, and not in addition to, the Policy Limit.

3. Limits of Liability in an **Occurrence** apply to the total loss or damage, including any insured Time Element loss, at all **Locations** and for all Coverages involved, subject to the following provisions:
- a). The Company will pay no more in any one (1) **Occurrence** than its proportionate share of the applicable Location Limit when a **Location Limit** is specified, except as provided in 1) and 2) below for loss or damage at a **Location** listed on the Schedule of Locations-Description of Location and Location Limit.
 - 1). When Special Coverages are provided, the Special Coverage limits are in addition to the specified Location Limits.
 - 2). The most the Company will pay at a **Location** is the lesser of:
 - i). The specified Location Limit plus any applicable Special Coverage limit(s);
 - ii). The **Described Causes of Loss** Limit; or
 - iii). The **Described Causes of Loss** Limit at that specific **Location**.
 - b). The most the Company will pay in an **Occurrence** caused by a **Described Cause of Loss** is the **Limit of Liability** for that **Described Cause of Loss**.
 - c). When an **Annual Aggregate** Limit of Liability is shown, the Company's maximum amount payable will not exceed such Limit of Liability during the policy year regardless of the number of **Locations**, Coverages or **Occurrences** involved.
4. Limits of Liability

The following are the Limits of Liability in an **Occurrence** unless otherwise shown:

The following Special Limitation(s), for premises described per Schedule dated as of 02/11/2010 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 **\$800,000,000** 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: \$800,000,000

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 **\$550,000,000** 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: \$550,000,000

EDGE-D-102-A (06/08)

ATTACHMENT 2

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 **\$335,000,000** 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: \$335,000,000

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 **\$335,000,000** 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 Rd., 9669 North Kenton and 9700 North Kenton, Skokie, IL 60076

Coverage is for Property Damage/Time Element (BI)
Premises Limit: \$335,000,000

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 **\$75,000,000** 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: \$75,000,000

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 **\$60,000,000** 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: \$60,000,000

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 **\$50,000,000** 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: \$50,000,000

EDGE-D-102-A (06/08)

4D

ATTACHMENT 2



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 #: 1133601932

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 2ND day of DECEMBER A.D. 2011

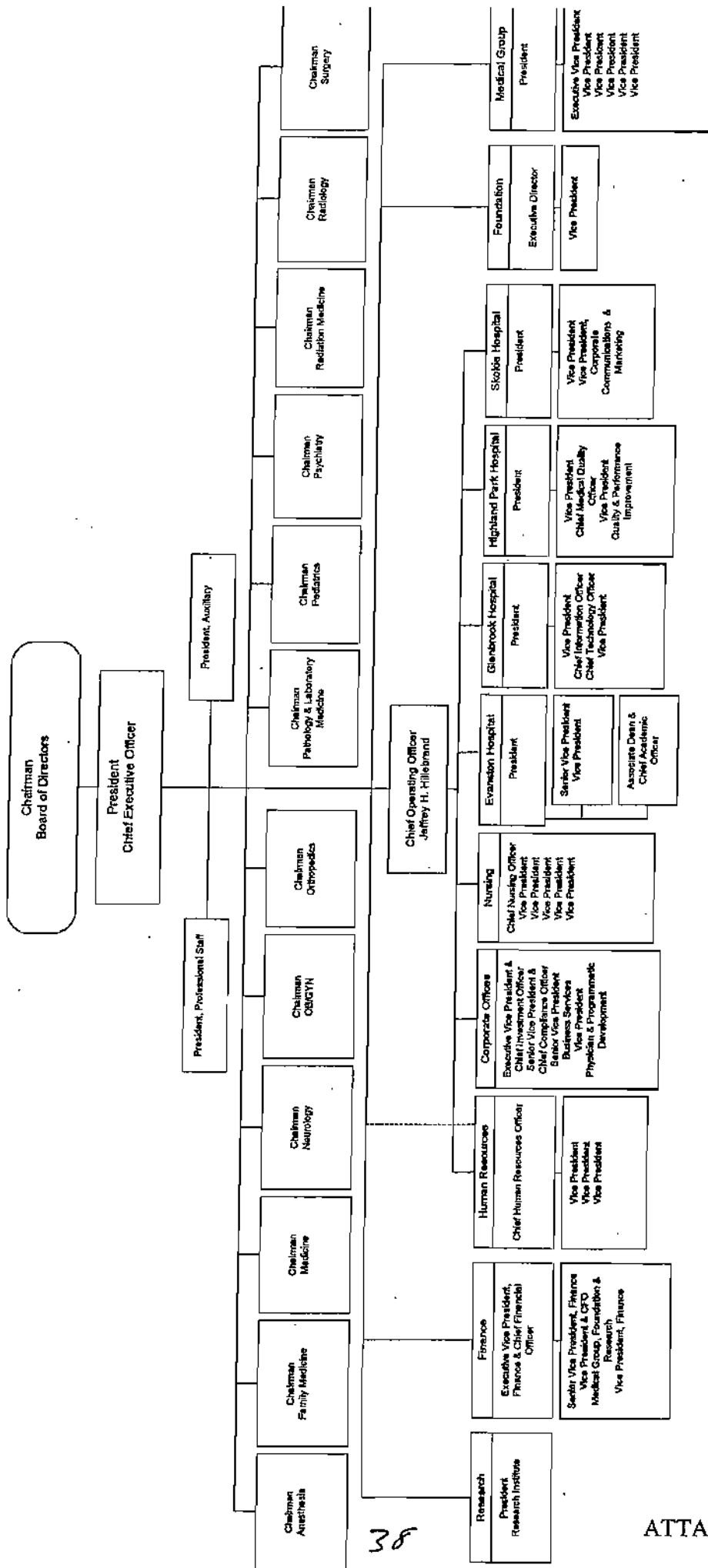
Jesse White

SECRETARY OF STATE

ATTACHMENT 3

NorthShore University HealthSystem Organization Chart

2010-2011



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Skokie Hospital

9600 Gross Point Road
Skokie, IL 60076
www.northshore.org

(847) 933-6002
(847) 933-6012 Fax
kmurtos@northshore.org

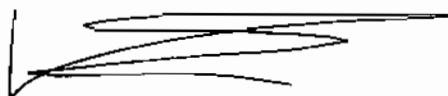
February 27, 2012

Illinois Health Facilities and Services Review Board
525 West Jefferson
Springfield, IL 62761

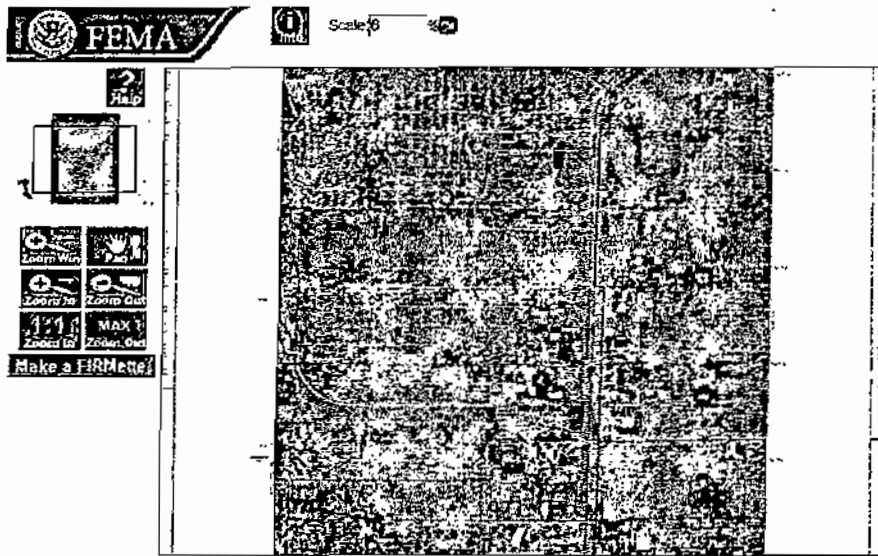
To Whom It May Concern:

I hereby certify that the Skokie Hospital campus is not located in a special flood hazard area.

Sincerely,



Kristen Murtos
President, Skokie Hospital
NorthShore University HealthSystem



ATTACHMENT 5

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**Illinois Historic
Preservation Agency**

FAX (217) 782-8161

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

Cook County
Skokie

New Addition and Rehabilitation, Skokie Hospital
9600 Gross Point Road
IHPA Log #008123011

January 13, 2012

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

Dear Mr. Axel:

This letter is to inform you that we have reviewed the information provided concerning the referenced project.

Our review of the records indicates that no historic, architectural or archaeological sites exist within the project area.

Please retain this letter in your files as evidence of compliance with Section 4 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et. seq.). This clearance remains in effect for two years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the Illinois Human Skeletal Remains Protection Act (20 ILCS 3440).

If you have any further questions, please contact me at 217/785-5027.

Sincerely,

Anne E. Haaker
Deputy State Historic
Preservation Officer

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ATTACHMENT 6

ITEMIZATION OF PROJECT COSTS
(Total Project Costs)

Preplanning Costs (\$2,337,146)

Evaluation of alternatives, master planning and feasibility assessments.

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

Estimate, based on projects of a similar scope.

Site Preparation (\$3,272,475)

Preparation of site for cranes and equipment, safety fencing, temporary enclosures at entrances, storm drainage retention, electrical and gas service relocation, crane rental and repair of site/landscaping at conclusion of project.

Off-Site Work (\$220,000)

Sewer extensions and connections, roadways and walkways.

New Construction Contracts (\$65,943,002)

Construction, consistent with ATTACHMENT 76c.

Modernization Contracts (\$40,938,756)

Extensive renovation to existing medical/surgical units, including replacement of plumbing, HVAC, etc. to facilitate the conversion of semi-private to private patient rooms, and renovations to other areas, consistent with ATTACHMENT 76c.

Contingencies-New Construction (\$3,479,146)

Allowance for new construction-related contingencies.

Contingencies-Modernization (\$2,956,300)

Allowance for renovation-related contingencies.

Architectural and Engineering Fees (\$8,822,695)

Estimate of professional fees associated with the project design, preparation of all documents, and interface with IDPH and local authorities, through the project's completion. Estimated fees are based on the standards included in Section 1120, Appendix A: new construction: 7.5% of construction and construction contingencies, modernization (reviewable): 8.1% of renovation and contingencies, and modernization (non-reviewable): 8.5% of renovation and contingencies.

Consulting and Other Fees (\$5,497,000)

CON-related consulting and review fees, IDPH and municipal review fees, zoning, legal fees, bid preparation and bid solicitation, traffic and parking studies, utility systems analyses, sound engineer, BIM coordinator, elevator consultant, equipment

planning consultant, life safety code consultant, kitchen planner, environmental impact assessment, project management services, reimbursables, site security, insurance, materials testing, interior design consultant and miscellaneous costs.

Moveable and Other Equipment (\$20,234,000)

Furnishing, fixtures and all non-fixed clinical and non-clinical equipment, as delineated on the attached table.

Other Costs to be Capitalized \$510,000

Costs associated with asbestos removal and repairs to parking lots resulting from other aspects of the project.

Skokie Hospital--Equipment

Clinical		
Medical Equipment	Patient Beds	\$ 1,163,000.00
	Patient Monitors	\$ 2,306,000.00
	Headwalls	\$ 535,000.00
	Surgical Lights & Booms	\$ 3,500,000.00
	Video Integration	\$ 7,000,000.00
	Lifts	\$ 221,000.00
Equipment	Innerwireless/Security	\$ 299,000.00
	TVs/Refrigerators/Ice Makers	\$ 254,000.00
	Pharmacy Hoods/Shelving	\$ 200,000.00
	Storage/Shelving	\$ 828,000.00
Furniture	Patient Seating/Tables	\$ 246,000.00
	Office Furniture	\$ 779,000.00
	Clinical Total	\$ 17,331,000.00
Non Clinical		
Kitchen Equipment		\$ 1,335,000.00
Equipment	Innerwireless/Security	\$ 521,000.00
	TVs/Shelving/Refrigerators/Ice Makers	\$ 56,000.00
Furniture	Cafeteria Furniture	\$ 150,000.00
	Office Furniture	\$ 841,000.00
	Non-Clinical Total	\$ 2,903,000.00
	GRAND TOTAL	\$ 20,234,000.00

Cost Space Requirements

				Amount of proposed Total Square Feet			
		Gross Square Feet			That is:		
Dept./Area	Cost	Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
Reviewable							
Med/Surg Units	\$ 42,480,990	64,995	79,470	14,475	64,995		
ICU	\$ 8,149,414	11,800	10,950	10,950			11,800
Surgery	\$ 16,125,437	23,465	21,985	19,890	2,095		
PACU/Recovery	\$ 3,467,836	3,355	5,435	2,645	2,790		3,355
Same Day Surg.	\$ 10,403,508	4,975	20,355	3,520	16,835		4,975
Acute Dialysis	\$ 260,088	715	715		715		
Rehab Services	\$ 693,567	1,580	1,580		1,580		
Respiratory Care	\$ 606,871	1,580	1,580		1,580		
Pharmacy	\$ 4,508,187	3,810	7,515	7,515			3,810
	\$ 86,695,897	116,275	149,585	58,995	90,590		23,940
Non-Reviewable							
Sterile Processing	\$ 3,849,759	6,020	7,245	7,245			
Cafeteria	\$ 3,376,981	2,930	6,770	5,085	1,685		
Food Service	\$ 3,512,060	2,535	9,825	5,810	4,015		
Conference Ctr.	\$ 2,769,125		7,340	3,680	3,660		
Administration	\$ 9,928,325	32,610	29,605	21,355	8,250		32,610
Support Serv. Off.	\$ 3,376,981		7,890	6,835	1,055		
Simulation Lab.	\$ 1,418,332	1,740	2,975		2,975		
Hospitalists	\$ 878,015		2,775		2,775		
Care Management	\$ 607,857		2,045		2,045		
On-Call Rooms	\$ 1,080,634		3,475		3,475		
Dept. of Surgery	\$ 6,483,804		20,975		20,975		
Telecommun.	\$ 472,777	1,580	1,580		1,580		
Residents	\$ 945,555	1,010	2,460	1,450	1,010		
Public & Circ.	\$ 7,226,740		14,598	10,873	3,725		
Mechanicals	\$ 15,128,876		36,815	36,815			
DGSF>>BGSF	\$ 6,483,804			15,814			
	\$ 67,539,623	48,425	156,373	114,962	57,225		32,610
	\$ 154,235,520	164,700	305,958	173,957	147,815		

DISPLAY THIS PART IN A
CONSPICUOUS PLACE

REMOVE THIS CARD TO CARRY AS AN IDENTIFICATION

1000

THE UNIVERSITY OF CHICAGO

LICENSE PERMIT CERTIFICATION REGISTRATION

MR. JAMES A. LEE, JR., 1000 N. 10TH ST., APT. 100, DENVER, CO. 80202

12/17/81	398	4456800
EXPIRATION DATE	CATEGORY	ALIN NUMBER

Abilene

1944-1945

THE

11/06/11

NORTHSHORE UNIVERSITY HEALTH SYSTEM
PO BOX 9000
PORTLAND ME 04106

FEE RECEIPT NO.



State of Illinois 2085125

Department of Public Health

LICENSE PERMIT CERTIFICATION REGISTRATION

This person, firm or corporation has been duly licensed under the provisions of the Illinois Real Estate Act, Public Act No. 243, as amended, and is hereby authorized to engage in the business of real estate brokerage.

NAME CHARLES W. HARRIS, JR.

ADDRESS 1000 N. W. 10th St.

DATE OF BIRTH 12/15/1918

RESIDENCE CHICAGO, ILL.

EDUCATION HIGH SCHOOL

DEGREE BACHELOR OF ARTS

EMPLOYMENT REAL ESTATE BROKER

DATE OF EMPLOYMENT 12/15/1918

BUSINESS ADDRESS 1000 N. W. 10th St., Chicago, Ill.

REALTOR'S NUMBER 1000



State of Illinois 2065041
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

CRAIG LONOVER, M.D.
ACTING DIRECTOR

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

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

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 • 4/97 •

← DISPLAY THIS PART IN A
CONSPICUOUS PLACE

REMOVE THIS CARD TO CARRY AS AN
IDENTIFICATION

State of Illinois 2065041
Department of Public Health

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

EVANSTON HOSPITAL

EXPIRATION DATE	CATEGORY	ID NUMBER
12/31/12	EGED	0000646

FULL LICENSE

GENERAL HOSPITAL

EFFECTIVE: 01/01/12

11/08/11

EVANSTON HOSPITAL
2650 RIDGE AVENUE

EVANSTON

IL 60201

FEE RECEIPT NO.



State of Illinois 2065107
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.

CRAIG CONOVER, M.D.
ACTING DIRECTOR

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

EXPIRATION DATE	CATEGORY	I.D. NUMBER
12/31/12	BG80	0003483
FULL LICENSE		
GENERAL HOSPITAL		
EFFECTIVE: 01/01/12		

BUSINESS ADDRESS

GLENBROOK HOSPITAL
2100 PFINGSTEN ROAD

GLENVIEW IL 60025

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CONSPICUOUS PLACE

REMOVE THIS CARD TO CARRY AS AN
IDENTIFICATION

State of Illinois 2065107
Department of Public Health

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

GLENBROOK HOSPITAL

EXPIRATION DATE	CATEGORY	I.D. NUMBER
12/31/12	BG80	0003483

FULL LICENSE

GENERAL HOSPITAL

EFFECTIVE: 01/01/12

11/06/11

GLENBROOK HOSPITAL
2100 PFINGSTEN ROAD

GLENVIEW IL 60025

FEE RECEIPT NO.

ATTACHMENT 11



State of Illinois 2065122
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.

CRAIG CONOVEN, M.D.
ACTING DIRECTOR

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

EXPIRATION DATE	CATEGORY	ID NUMBER
12/31/12	6GEC	0005066

FULL LICENSE

GENERAL HOSPITAL

EFFECTIVE: 01/01/12

BUSINESS ADDRESS

HIGHLAND PARK HOSPITAL

777 PARK AVENUE WEST

HIGHLAND PARK IL 60035

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← DISPLAY THIS PART IN A
 CONSPICUOUS PLACE

REMOVE THIS CARD TO CARRY AS AN
 IDENTIFICATION

State of Illinois 2065122
Department of Public Health

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

HIGHLAND PARK HOSPITAL

EXPIRATION DATE	CATEGORY	ID NUMBER
12/31/12	6GEC	0005066

FULL LICENSE

GENERAL HOSPITAL

EFFECTIVE: 01/01/12

01/06/12

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

FEE RECEIPT NO.



The Joint Commission

January 25, 2012

Kristen Murtos
President
NorthShore University HealthSystem-Skokie
Hospital
9600 Gross Point Road
Skokie, IL 60076

Joint Commission ID #: 7429
Program: Hospital Accreditation
Accreditation Activity: 60-day Evidence of
Standards Compliance
Accreditation Activity Completed: 01/25/2012

Dear Ms. Murtos:

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 November 18, 2011. 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 36 months.

Please visit Quality Check® on The Joint Commission web site for updated information related to your accreditation decision.

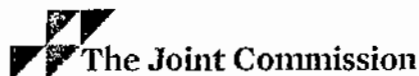
We encourage you to share this accreditation decision with your organization's appropriate staff, leadership, and governing body. You may also want to inform the Centers for Medicare and Medicaid Services (CMS), state or regional regulatory services, and the public you serve of your organization's accreditation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

Ann Scott Blouin RN, PhD

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



February 23, 2012

Re: #7343
CCN: #140010
Program: Hospital
Accreditation Expiration Date: February 19, 2015

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

Dear Mr. Neaman:

This letter confirms that your November 14, 2011 - November 18, 2011 unannounced full resurvey was conducted for the purposes of assessing compliance with the Medicare conditions for hospitals through The Joint Commission's deemed status survey process.

Based upon the submission of your evidence of standards compliance on February 07, 2012 and February 17, 2012, the areas of deficiency listed below have been removed. The Joint Commission is granting your organization an accreditation decision of Accredited with an effective date of February 17, 2012. We congratulate you on your effective resolution of these deficiencies.

§482.11 Condition of Participation: Compliance with Federal, State and Local Laws
§482.13 Condition of Participation: Patient's Rights
§482.24 Condition of Participation: Medical Record Services
§482.25 Condition of Participation: Pharmaceutical Services
§482.26 Condition of Participation: Radiologic Services
§482.41 Condition of Participation: Physical Environment
§482.42 Condition of Participation: Infection Control
§482.51 Condition of Participation: Surgical Services
§482.52 Condition of Participation: Anesthesia Services

The Joint Commission is also recommending your organization for Medicare certification effective February 17, 2012. Please note that the Centers for Medicare and Medicaid Services (CMS) Regional Office (RO) makes the final determination regarding your Medicare participation and the effective date of participation in accordance with the regulations at 42 CFR 489.13. Your organization is responsible for notifying the State Survey Agency that a recommendation for Medicare certification has been made. Please provide your State agency with a copy of your accreditation report, accreditation award letter, and this Medicare recommendation letter.

www.jointcommission.org

Headquarters
One Renaissance Boulevard
Oakbrook Terrace, IL 60181
630 792 5000 Voice

ATTACHMENT 11

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The Joint Commission

This recommendation also applies to the following locations:

Blum Urology
750 Green Bay Road, Winnetka, IL, 60093

Deerfield South
190B N. Waukegan, Deerfield, IL, 60015

Dermatology - Old Orchard
9933 Woods Drive, Skokie, IL, 60077

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

Evanston Township High School Clinic
1600 Dodge Ave, Evanston, IL, 60201

Glenbrook Medical East
1007 Church St., Suite 100, Evanston, IL, 60201

Glenbrook Medical West
2550 Waukegan Road, Suite 100, Glenview, IL, 60025

Glenbrook Professional Building
d/b/a ENH Medical Group
2050-2100 Pfingsten Rd., Glenview, IL, 60025

Lake Forest Internal Medicine
810 Waukegan Rd, Lake Forest, IL, 60045

Medical Imaging
680 Lake Shore Drive, Chicago, IL, 60611

Medical Imaging
1182 Northbrook Court, Northbrook, IL, 60062

MG - Highland Park Elm Place
480 Elm Place, Suite 200, Highland Park, IL, 60035

Mount Prospect Primary Care
1329 Wolf Road, Mount Prospect, IL, 60056

Neurosurgery,Physiatry,Neurology
1200 S. York Road, Suite 3160, Elmhurst, IL, 60126

www.jointcommission.org

Headquarters
One Renaissance Boulevard
Oakbrook Terrace, IL 60181
630 792 5000 Voice



The Joint Commission

Neurosurgery,Physiatry,Neurology
71 W. 156th Street, Harvey, IL, 60426

Neurosurgery,Physiatry,Neurology
2073 Clyborn Avenue, Chicago, IL, 60614

NorthShore University HealthSystem Glenbrook Hospital
2100 Pfingsten Road, Glenview, IL, 60025

NorthShore University HealthSystem Highland Park Hospital
767 Park Avenue West, Highland Park, IL, 60035

NorthShore University HealthSystem Evanston Hospital
2650 Ridge Avenue, Evanston, IL, 60201

NS - General Surg
9669 Kenton Avenue, Suite 204, Skokie, IL, 60076

NS - GI Specialists
9700 Kenton Avenue, Suite 302, Skokie, IL, 60076

NS - Internal Medicine
9701 Knox Avenue, Suite 102, Skokie, IL, 60076

NS - Lincolnwood Primary Care
6810 N. McCormick, Lincolnwood, IL, 60712

NS - Medical Group - Bannockburn Cardiology
2151 Waukegan Road, Suite 100, Bannockburn, IL, 60015

NS - Medical Group - Highland Park Cardiology
767 Park Avenue West, Suite 340, Highland Park, IL, 60035

NS - Medical Group - Skokie Cardiology
9669 Kenton Avenue, Skokie, IL, 60076

NS - Rheum
9700 Kenton Avenue, Suite K404, Skokie, IL, 60076

NS - Skokie Family Medicine
9669 N. Kenton, Suite 406, Skokie, IL, 60076

NS - Urology
9711 Skokie Blvd., Suite H, Skokie, IL, 60077

www.jointcommission.org

Headquarters
One Renaissance Boulevard
Oakbrook Terrace, IL 60181
630 792 5000 Voice



NS - Vernon Hills
830 West End Court, Vernon Hills, IL, 60061

NS at Nordstrom
77 Old Orchard Shopping Center, Skokie, IL, 60077

NS Highland Park Primary Care
757 Park Avenue West, Highland Park, IL, 60035

NS Highland Park Specialty Care Center
757 Park Avenue West, Highland Park, IL, 60035

NS Medical Group
650 Lake Cook Road, Buffalo Grove, IL, 60089

NS Medical Group - Deerpath Physician Group
731 S. IL Route 21, Suite 130, Gurnee, IL, 60031

NS Medical Group - Glenview
1435 Waukegan Road, Glenview, IL, 60025

NS Medical Group - Maine Ridge Medical Associates
9301 Golf Road, Suite 302, Des Plaines, IL, 60016

NS Medical Group Plastics/ENT
501 Skokie Blvd, Northbrook, IL, 60062

NS Medical Group-Eye & Vision Center
1000 Central Street, Suite 610, Evanston, IL, 60201

NS Mundelein Primary Care
1136 Maple Avenue, Mundelein, IL, 60060

NS Northbrook Family Medicine
1885 Shermer Road, Northbrook, IL, 60062

NS Primary Care
15 Tower Court, Gurnee, IL, 60031

NS Rehabilitation Service
1000 Central Street, Evanston, IL, 60201

NS Rehabilitation Services, Evanston Athletic Club
1729 Benson Ave, Evanston, IL, 60201

www.jointcommission.org

Headquarters
One Renaissance Boulevard
Oakbrook Terrace, IL 60181
630 792 5000 Voice

ATTACHMENT 11



The Joint Commission

NS Rehabilitation Services, Highland Park Hospital Fitness
1501 Busch Pkwy, Buffalo Grove, IL, 60089

NS Rehabilitation Services, Old Orchard
9977 Woods Drive, Skokie, IL, 60077

NS Rehabilitation Services, Park Center
2400 Chestnut, Glenview, IL, 60026

NS Rehabilitation Services, Pediatric Therapy Clinic
9811 Woods Drive, Skokie, IL, 60077

Park Center Specialty Suite
2400 Chestnut Ave Suite A, Glenview, IL, 60026

Prairie Glen Primary Care
2550 Compass Drive, Suite A & B, Glenview, IL, 60026

Professional Building
d/b/a ENH Medical Group/Psychiatry
909 Davis Street, Evanston, IL, 60201

Professional Building
d/b/a ENH Medical Group/Old Orchard
9977 Woods Dr., Skokie, IL, 60077

Psychiatry- Glenview
2300 Lehigh, Suite 215, Glenview, IL, 60025

Pulmonary/Critical Care - Sleep Medicine
2151 Waukegan Road Suite 160, Bannockburn, IL, 60015

Signature Medicine Bannockburn
2151 Waukegan Road Suite 160, Bannockburn, IL, 60015

Skokie Obstetrics and Gynecology
9669 N. Kenton Suite 550, Skokie, IL, 60076

Skokie Women's Centre
9700 North Kenton, Suite 100, Skokie, IL, 60076

Vernon Hills Specialty Care Center
225 N Milwaukee Ave, Vernon Hills, IL, 60061

www.jointcommission.org

Headquarters
One Renaissance Boulevard
Oakbrook Terrace, IL 60181
630 792 5000 Voice

ATTACHMENT 11

5-1/



The Joint Commission

Wound Care Center
767 Park Avenue West, Suite B100, Highland Park, IL, 60035

We direct your attention to some important Joint Commission policies. First, your Medicare report is publicly accessible as required by the Joint Commission's agreement with the Centers for Medicare and Medicaid Services. Second, Joint Commission policy requires that you inform us of any changes in the name or ownership of your organization, or health care services you provide.

Sincerely,

Ann Scott Blouin RN, Ph.D

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

cc: CMS/Central Office/Survey & Certification Group/Division of Acute Care Services
CMS/Regional Office 5/Survey and Certification Staff



February 23, 2012

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

Joint Commission ID #: 7343
Program: Behavioral Health Care Accreditation
Accreditation Activity: 60-day Evidence of
Standards Compliance
Accreditation Activity Completed: 02/22/2012

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

This accreditation cycle is effective beginning November 15, 2011. 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 36 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 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,

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



February 23, 2012

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

Joint Commission ID #: 7343
Program: Home Care Accreditation
Accreditation Activity: 60-day Evidence of
Standards Compliance
Accreditation Activity Completed: 02/22/2012

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 Home Care

This accreditation cycle is effective beginning December 01, 2011. 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 36 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,

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

National Provider Identifier (NPI): 1144415407
CMS Certification Number (CCN): 14-2336

March 26, 2008
(Via Certified Mail)

Thomas Hodges
Administrator
Highland Park Hospital Renal Dialysis
777 Park Avenue West, 3rd Floor
Highland Park, Illinois 60035

Dear Mr. Hodges:

The Centers for Medicare & Medicaid Services (CMS) has accepted your request for approval as a supplier of renal services in the Medicare program. Your effective date of coverage is March 5, 2008.

Your unit has been approved as a renal dialysis center. Your center is approved for a total of sixteen (16) maintenance stations and to provide the following services:

- Staff-assisted hemodialysis
- Staff-assisted peritoneal dialysis
- Patient training for hemodialysis
- Patient training for continuous ambulatory peritoneal dialysis (CAPD)
- Patient training for continuous cycling peritoneal dialysis (CCPD)

Your National Provider Identifier (NPI) is your primary identifier for all health insurance billing. The NPI should be entered on all forms and correspondence relating to the Medicare program. In addition, you have been assigned the CMS Certification Number (CCN) shown above; please provide it when contacting this office, when contacting the Illinois Department of Public Health (IDPH), or any time it is requested.

When you make general inquiries to your fiscal intermediary (FI) and/or Medicare Administrative Contractor (MAC), you will be prompted to give either your provider transaction access number (PTAN) or CCN. These identification numbers are used as authentication

233 North Michigan Avenue
Suite 600
Chicago, Illinois 60601-5519

Richard Bolling Federal Building
601 East 12th Street, Room 235
Kansas City, Missouri 64106-2808

elements when inquiring about beneficiary and claim specific information. When prompted for your PTAN, give your CCN.

The IDPH has advised you of certain deficiencies which were noted during the survey. We have reviewed your written plan for correcting these deficiencies and have determined that your plan is acceptable. We expect that you will correct the deficiencies within the time frames specified in your plan of correction. The IDPH will verify correction of the deficiencies.

Your intermediary for reimbursement for renal treatment procedures will be National Government Services. You must maintain separate cost centers for all renal services. Your intermediary will contact you shortly to explain the special reimbursement procedures.

If you are dissatisfied with the effective date of Medicare participation indicated above, you may request that the determination of the effective date be reconsidered. The request must be submitted in writing to this office within 60 days of the date you receive this notice. The request for reconsideration must state the issues or the findings of fact with which you disagree and the reasons for disagreement.

Please inform the IDPH if you wish to relocate your center, change the services which you are currently providing, change the number of approved stations, or undergo a change in ownership.

We welcome your participation and look forward to working with you in the administration of the Medicare program. If you have any questions, please contact Mai Le-Yuen at (312) 353-2853 or by email at mai.le-yuen@cms.hhs.gov.

Sincerely,



Heather Lang

Principal Program Representative
Non-Long Term Care Certification
& Enforcement Branch

cc: Illinois Department of Public Health
Illinois Department of Healthcare and Family Services
National Government Services
Illinois Foundation for Quality Health Care
The Renal Network

February 27, 2012

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

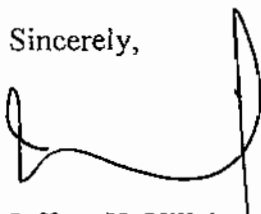
Dear Ms. Avery:

In accordance with Review Criterion 1110.230.b, Background of the 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 me.

Sincerely,



Jeffrey H. Hillebrand
Chief Operating Officer

PURPOSE OF PROJECT

The proposed project represents the second phase of a campus modernization program, initiated with the construction of a 169,000 square foot medical office building (IHFSRB #09-025) approved by the State Board on December 1, 2009. That building is currently under construction. The project addressed with this *Application for Permit* addresses a number of the most significant facility-related deficiencies at the hospital, and as a result, will improve the health care and the manner in which services are provided to residents of the market area.

The main building of the hospital, which houses its inpatient units and many of its ancillary and support services, was built in 1962-1963. Though the hospital was built to contemporary standards at the time, it is not contemporary by today's standards. For example, the inpatient units lack private rooms with private toilets and showers; the surgical suite consists of under-sized operating rooms by today's standards, and does not provide the infrastructure found in contemporary suites; the ICU beds are not centralized to allow efficient staffing; and support areas for an active outpatient surgery program are inadequate. In addition, the hospital was built by prior ownership without a basement, and as a result, equipment and supply storage space is significantly inadequate.

The proposed project will address and correct each of the facility-related issues identified above.

It is not anticipated that the hospital's service area will change as a result of this project, with patients residing primarily in north suburban Cook County, the northernmost Chicago neighborhoods and southeastern Lake County. The table below identifies the hospital's patient origin for the twelve-month period ending June 30, 2011.

ZIP Code	Community	Adm.	%	Cumulative %
60076	Skokie	1,310	17.3%	17.3%
60077	Skokie	1,211	16.0%	33.3%
60053	Morton Grove	389	5.1%	38.5%
60645	Chicago	349	4.6%	43.1%
60714	Niles	343	4.5%	47.6%
60712	Lincolnwood	254	3.4%	51.0%
60091	Wilmette	209	2.8%	53.7%
60062	Northbrook	195	2.6%	56.3%
60025	Glenview	178	2.4%	58.7%
60201	Evanston	177	2.3%	61.0%
60646	Chicago	140	1.9%	62.9%
60659	Chicago	137	1.8%	64.7%
60016	Des Plaines	136	1.8%	66.5%
60626	Chicago	106	1.4%	67.9%
60089	Buffalo Grove	104	1.4%	69.2%
	other, < 100 adm	<u>2,326</u>	30.8%	100.0%
		7,564		

Among the quantifiable goals of the project, which will each be measurable within six months of the project's completion are: increased patient satisfaction with their room, a reduced need to transfer medical/surgical patients from one room to another

resulting from either gender or patient compatibility issues, a lower intra-hospital transfer rate for ICU patients, and increased patient satisfaction scores from surgical outpatients.

ALTERNATIVES

The proposed project is designed to address a variety of Skokie Hospital's facility-related deficiencies, the most glaring of which is a lack of contemporary private rooms with private baths and showers. This shortcoming will be corrected through minimal new construction, coupled with extensive renovation to the existing structure. The alternatives to the proposed project are the replacement of the existing building containing the hospital's inpatient units with a new bed tower, and a less-extensive renovation program.

When comparing the proposed renovation-dominant project to the alternative of building a replacement bed tower, largely because of the extent of renovation that will be undertaken, the two approaches will result in virtually identical quality of care, patient accessibility to contemporary inpatient units, and operating costs. Again, because of the extensive nature of the proposed renovation, which will result in each room having a private toilet and shower, the construction cost differential associated with a replacement bed tower is only approximately 20%. This alternative, however, was not deemed to be feasible for two primary reasons: The first reason is the location of the existing physical plant on the hospital campus. Specifically, the only site available for construction of the magnitude required would necessitate a re-orienting of the hospital closer to Golf Road; and doing so would face significant resistance from city. Second, if the inpatient units

were to move to the south, the distance between the units and many of the hospital's ancillary and support functions, including the Emergency Department, would not be practical.

The second alternative, a less extensive renovation program coupled with the proposed new construction would also provide a quality of care and operating costs similar to that of the proposed project. Access to contemporary private rooms, however, would be inferior to that of the proposed project; and to the extent that components from the proposed project, such as private toilets, private showers, and levels of climate control would be eliminated, the renovation cost associated with the medical/surgical units would be reduced, potentially by as much as 40-50% (\$9-10M). This alternative was rejected because it would not result in patient units similar to surrounding hospitals and consistent with the expectation of the hospital's patients.

SIZE OF PROJECT

The proposed project involves approximately 174,000 DGSF of new construction and approximately 148,000 DGSF of renovation, with nearly 65,000 square feet of the renovation taking place on the hospital's existing medical/surgical units. As a result of a lengthy and multidisciplinary planning process, the applicants are confident that the proposed scope of the project is necessary and not excessive.

The project, as presented in this application, is consistent with all if the applicable IHFSRB-developed space standards.

The proposed project involves four departments/functional areas for which the IHFSRB maintains space standards. Cumulatively, the space allocated to those four areas is 6,815 DGSF below the sum of the standards:

DEPARTMENT/SERVICE	PROPOSED DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
Med/Surg Units (138) beds	84,295	91,080	(6,785)	yes
ICU (16 beds)	10,950	10,960	(10)	yes
Surgery (8 operating rms)	21,985	22,000	(15)	yes
PACU (8 L1 & 10 L2)	<u>5,435</u>	<u>5,440</u>	<u>(5)</u>	yes
Total	122,665	129,480	(6,815)	

PROJECT SERVICES UTILIZATION

The proposed project involves three departments/services for which the IHFSRB maintains utilization standards, and those standards will be met by the second year following the project costs completion.

1. Medical/Surgical Beds.

The proposed project results in a reduction in the hospital's approved number of medical/surgical beds from 173 to 138 beds. Consistent with the IHFSRB's practice, the average utilization over the past two years (2009 and 2010), 34,396 patient days and an average daily census (ADC) of 94.23 patients were used as the baseline for utilization projections. In addition, during that two-year period 5,656 observation patient days were provided through the use of the hospital's medical/surgical beds (the hospital does not operate a separate "observation" unit), resulting in an additional ADC of 7.74 patients.

The hospital has been very successful over the past year in recruiting additional members to its medical staff, and letters from fifteen physicians, identifying projected incremental admissions to Skokie Hospital are provided at the end of this ATTACHMENT. Those letters are summarized in the table below, and identify a total of 1,841 incremental admissions, within two years of the project's completion.

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Specialty	Name	7/10-6/11 non Skokie Hosp. Admissions	Projected Skokie Hosp. Admissions
Internal Medicine	S. Murray	7	7
Otolaryngology	M. Bhayani	28	28
Urology	S. Park	201	201
General Surgery	A. Agor	145	145
General Surgery	J. Boffa	100	100
Vascular Surgery	T. Desai	102	102
Urology	M. McGuire	300	150
Thoracic Surgery	K. Wan Kim	36	36
General Surgery	T. Moon-Young	202	202
Family Medicine	Y. Cherny	10	10
Internal Medicine	S. Wolfman	239	140
Orthopedic Surgery	R. Ghate	372	298
Orthopedic Surgery	S. Kodros	67	50
Orthopedic Surgery	M. Dolan	215	172
Internal Medicine	N. Gutmann	<u>809</u>	<u>200</u>
		2,833	1,841

As noted in the table above, the fifteen physicians cumulatively anticipate to relocate approximately 65% of their admissions to Skokie Hospital. The 1,841 projected incremental admissions, assuming the hospital's current 4.8-day average length of stay (compared to 5.2 days in 2009/2010), equates to an incremental ADC of 24.21 patients. When combined with the historical ADC of 101.97 patients, the projected ADC within two years of the project's completion increases to 126.18 patients. That projected ADC supports a "need" for 149 beds, based on the IHFSRB's 85% target utilization level. As noted above, the hospital's medical/surgical bed complement will be reduced to 138 beds, and a bed complement of less than 149 is being proposed for two reasons: The first reason is to lend conservatism to the project. The second reason is to account for unanticipated medical staff attrition that will inevitably occur, either through retirement

or for other reasons, prior to the project's completion (which could be offset by additions to the Medical Staff not currently known to the applicants).

2. ICU

The proposed project includes the replacement of the hospital's two existing ICUs with a single ICU, resulting in a reduction of ICU beds from 20 to 16. During the 2-year period ending December 31, 2010 the hospital provided 8,520 patient days of care in its ICUs, resulting in an average daily census of 11.67 patients. The hospital's ICU average daily census is projected to remain in the 11.5-12.0 patient range through the second year following the project's completion, resulting in occupancy rates of 71.9-75.0%. Utilization is anticipated to remain at or near the current level, despite projected modest increases in medical/surgical utilization largely because of the availability of private medical/surgical rooms, and increased telemetry capabilities on the medical/surgical units. As noted above, all of the medical/surgical beds will, upon the project's completion, be located in private rooms. The availability of private rooms will eliminate the need to treat selected patients in the ICU for infection control purposes (or keep them longer for that reason). At the same time, an increased number of "monitored" beds on the medical/surgical units will allow the relocation of certain patients from the ICU to a less costly medical/surgical room.

3. Surgery

Through the proposed project, Skokie Hospital's surgical suite will be reduced in size from ten to eight operating rooms, all of which will be Class C suites. Utilization

projections for surgery were developed in a fashion similar to that of the medical/surgical beds, using the average of 2009 and 2010 utilization as a baseline. During those two years, an average of 10,984 hours of OR usage were identified, consistent with the IDPH Hospital Profiles, and supporting a “need” for 7.32 operating rooms, based on the IHFSRB’s standard of 1,500 hours per operating room. As noted in the table provided in the discussion of medical/surgical admissions above, eleven of the fifteen physicians providing letters are surgeons, and collectively they are anticipating 1,484 incremental surgical admissions. For planning purposes, each surgical admission is projected to result in one surgical procedure, and the specialty-specific hours are projected to remain constant at the hospital’s 2010 hours/case levels (1.0 hour for otolaryngology, 1.5 hours for urology, 2.3 hours for general surgery, 2.4 hours for orthopedic surgery, and 3.6 hours for thoracic and vascular surgery), resulting in 3,325 incremental operating room hours within two years of the project’s completion. The 2,079 incremental hours require 2.22 operating rooms, and when combined with the average requirement of 7.32 ORs during the past two years, a “need” for 9.53 operating rooms is identified.

Dept./ Service	Historical Utilization (Patient Days) (TREATMENTS) ETC.	PROJECTED UTILIZATION		STATE STANDARD	MET STANDARD?
		YEAR 1	YEAR 2		
Med/Surg (138 beds)	35,275 pt days	42,310	43,318	42,505+	yes
ICU (16 beds)	4,209 pt days	4,199	4,380	3,286+pt days	yes
Surgery (8 ORs)	11,845 hrs	13,000 hrs	14,295 hrs	10,501+ hrs	yes

Medical Group

9701 Knox Ave
Suite 102
Skokie, Illinois 60076
www.northshore.org

Phone (847) 676-1112
Fax (847) 674-3358
smurray2@northshore.org

January 23, 2012

Illinois Health Facilities
and Services Review Board
Springfield, Illinois

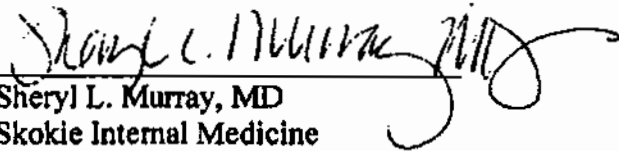
To Whom It May Concern:

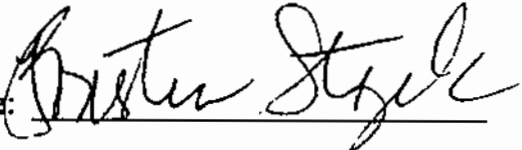
During the 12-month period ending June 30, 2011 we admitted approximately 7 patients to Chicago area hospitals, excluding Skokie Hospital.

Within two years following the completion of Skokie Hospital's proposed modernization program, I anticipate that I will admit approximately 7 additional patients annually to Skokie Hospital.

This information is true and correct to the best of my knowledge, and the patients referenced above have not been used to support any other Certificate of Need application.

Sincerely,


Sheryl L. Murray, MD
Skokie Internal Medicine
9701 Knox Ave - Ste. 102
Skokie, IL 60076

Notary Signature: 

STATE OF ILLINOIS
COUNTY OF COOK
SIGNED AND ATTESTED BEFORE
ME ON JANUARY 23, 2012.



A Teaching Affiliate of
the University of Chicago
Pritzker School of Medicine

Hospitals • Medical Group • Research Institute • Foundation

Illinois Health Facilities
and Services Review Board
Springfield, Illinois

To Whom It May Concern:

During the 12-month period ending June 30, 2011 I admitted approximately 28 patients to Chicago area hospitals, excluding Skokie Hospital.

Within two years following the completion of Skokie Hospital's proposed modernization program, I anticipate that I will admit approximately 28 patients annually to Skokie Hospital.

This information is true and correct to the best of my knowledge, and the patients referenced above have not been used to support any other Certificate of Need application.

Sincerely,



Printed Name: Mihir Bhayani, MD

Specialty: Otolaryngology

Office Address: 501 Skokie Blvd

Northbrook, IL 60062

Notarized:



STATE OF ILLINOIS
COUNTY OF COOK
SIGNED AND ATTESTED BEFORE
ME ON FEBRUARY 3, 2012.

Illinois Health Facilities
and Services Review Board
Springfield, Illinois

To Whom It May Concern:

During the 12-month period ending June 30, 2011 I admitted approximately 201 patients to Chicago area hospitals, excluding Skokie Hospital.

Within two years following the completion of Skokie Hospital's proposed modernization program, I anticipate that I will admit approximately 201 patients annually to Skokie Hospital.

This information is true and correct to the best of my knowledge, and the patients referenced above have not been used to support any other Certificate of Need application.

Sincerely,



Printed Name: Sangtae Park, MD

Specialty: Urology

Office Address: 9711 Skokie Blvd

Skokie, IL 60077

Notarized:



STATE OF ILLINOIS
COUNTY OF COOK
SIGNED AND ATTESTED
BEFORE ME ON FEBRUARY 3, 2012

Illinois Health Facilities
and Services Review Board
Springfield, Illinois

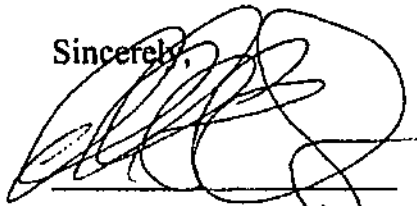
To Whom It May Concern:

During the 12-month period ending June 30, 2011 I admitted approximately 145 patients to Chicago area hospitals, excluding Skokie Hospital.

Within two years following the completion of Skokie Hospital's proposed modernization program, I anticipate that I will admit approximately 145 patients annually to Skokie Hospital.

This information is true and correct to the best of my knowledge, and the patients referenced above have not been used to support any other Certificate of Need application.

Sincerely,



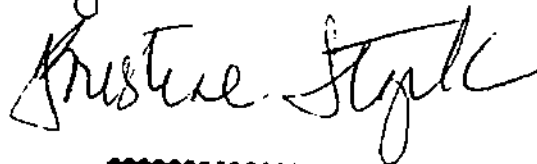
Printed Name: Andrew Agor

Specialty: General Surgery

Office Address: 5140 N. California

Suite 780 Chicago IL 60625.

Notarized:



STATE OF ILLINOIS
COUNTY OF COOK
SIGNED AND ATTESTED BEFORE
ME ON FEBRUARY 3, 2012.

Illinois Health Facilities
and Services Review Board
Springfield, Illinois

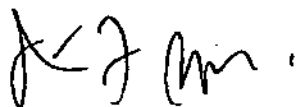
To Whom It May Concern:

During the 12-month period ending June 30, 2011 I admitted approximately 100 patients to Chicago area hospitals, excluding Skokie Hospital.

Within two years following the completion of Skokie Hospital's proposed modernization program, I anticipate that I will admit approximately 100 patients annually to Skokie Hospital.

This information is true and correct to the best of my knowledge, and the patients referenced above have not been used to support any other Certificate of Need application.

Sincerely,

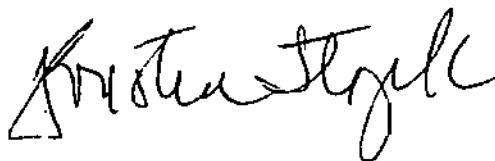


James F. Boffa, MD

Specialty: General Surgery

Office Address: 5140 N California Ave Ste 780 Chicago, IL 60625

Notarized:



STATE OF ILLINOIS
COUNTY OF COOK
SIGNED AND ATTESTED
BEFORE ME ON FEBRUARY 3, 2012

Medical Group

9977 Woods Drive, Ste 355
Skokie, IL 60077
www.northshore.org

(847) 663-8050
(847) 663-8054 Fax

Illinois Health Facilities
and Services Review Board
Springfield, Illinois

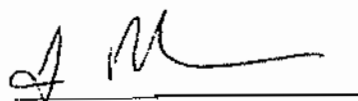
To Whom It May Concern:

During the 12-month period ending June 30, 2011 I admitted approximately 102 patients to Chicago area hospitals, excluding Skokie Hospital.

Within two years following the completion of Skokie Hospital's proposed modernization program, I anticipate that I will admit approximately 102 patients annually to Skokie Hospital.

This information is true and correct to the best of my knowledge, and the patients referenced above have not been used to support any other Certificate of Need application.

Sincerely,



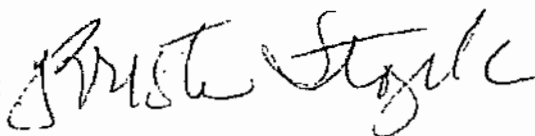
Printed Name: Tina Desai, MD

Specialty: Vascular Surgery

Office Address: 9977 Woods Drive

Skokie, IL 60077

Notarized:



STATE OF ILLINOIS
COUNTY OF COOK

SIGNED AND ATTESTED BEFORE
ME ON FEBRUARY 3, 2012.



Illinois Health Facilities
and Services Review Board
Springfield, Illinois

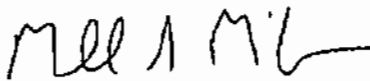
To Whom It May Concern:

During the 12-month period ending June 30, 2011 I admitted approximately 300 patients to Chicago area hospitals, excluding Skokie Hospital.

Within two years following the completion of Skokie Hospital's proposed modernization program, I anticipate that I will admit approximately 150 patients annually to Skokie Hospital.

This information is true and correct to the best of my knowledge, and the patients referenced above have not been used to support any other Certificate of Need application.

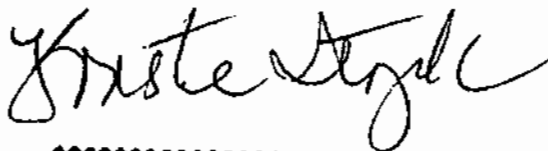
Sincerely,



Printed Name: Michael S. McGuire MD
Specialty: Urology

Office Address:
9711 Skokie Blvd, Suite H
Skokie, IL 60077

Notarized:



STATE OF ILLINOIS
COUNTY OF COOK
SIGNED AND ATTESTED BEFORE ME
ON FEBRUARY 3, 2012-78

ATTACHMENT 15

Illinois Health Facilities
and Services Review Board
Springfield, Illinois

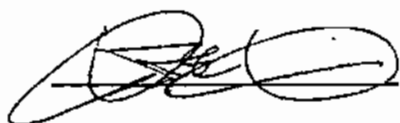
To Whom It May Concern:

During the 12-month period ending June 30, 2011 I admitted approximately 36 patients to Chicago area hospitals, excluding Skokie Hospital.

Within two years following the completion of Skokie Hospital's proposed modernization program, I anticipate that I will admit approximately 36 patients annually to Skokie Hospital.

This information is true and correct to the best of my knowledge, and the patients referenced above have not been used to support any other Certificate of Need application.

Sincerely,



Ki Wan Kim, MD
Thoracic Surgery
2650 Ridge Ave Suite 3507
Evanston, IL 60201



STATE OF ILLINOIS
COUNTY OF COOK
SIGNED AND ATTESTED BEFORE ME ON
FEBRUARY 3, 2012

ATTACHMENT 15

Illinois Health Facilities
and Services Review Board
Springfield, Illinois

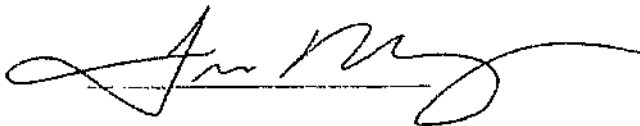
To Whom It May Concern:

During the 12-month period ending June 30, 2011 I admitted approximately 202 patients to Chicago area hospitals, excluding Skokie Hospital.

Within two years following the completion of Skokie Hospital's proposed modernization program, I anticipate that I will admit approximately 202 patients annually to Skokie Hospital.

This information is true and correct to the best of my knowledge, and the patients referenced above have not been used to support any other Certificate of Need application.

Sincerely,



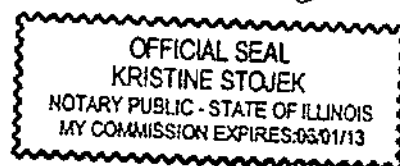
Printed Name: Tricia Moo-Young, MD

Specialty: General Surgery

Office Address: 2650 Ridge Ave Suite 2507

Evanston, IL 60201

Notarized:



STATE OF ILLINOIS
COUNTY OF COOK
SIGNED AND ATTESTED
BEFORE ME ON FEBRUARY 3, 2012

Medical Group

Norman S. Gutmann, MD

9977 Woods Drive
Skokie, Illinois 60077
www.northshore.org

Phone (847) 663-8350
Fax (847) 663-1017
ngutmann@northshore.org

January 23, 2012

Illinois Health Facilities
and Services Review Board
Springfield, Illinois

To Whom It May Concern:

During the 12-month period ending June 30, 2011 we admitted approximately 809 patients to Chicago area hospitals, excluding Skokie Hospital.

Within two years following the completion of Skokie Hospital's proposed modernization program, I anticipate that I will admit approximately 200 additional patients annually to Skokie Hospital.

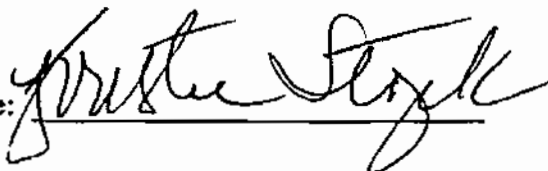
This information is true and correct to the best of my knowledge, and the patients referenced above have not been used to support any other Certificate of Need application.

Sincerely,



Norman S. Gutmann, MD
Old Orchard Internal Medicine
9977 Woods Drive
Skokie, IL 60077

Notary Signature:



STATE OF ILLINOIS
COUNTY OF COOK
SIGNED AND ATTESTED
BEFORE ME ON JANUARY
23, 2012

A Teaching Affiliate of
the University of Chicago
Pritzker School of Medicine

Medical Group

9669 Kenton Ave
Suite 406
Skokie, Illinois 60076
www.northshore.org

Phone (847) 933-6003
Fax (847) 933-6013
ycherny@northshore.org

February 6, 2012

Illinois Health Facilities
and Services Review Board
Springfield, Illinois

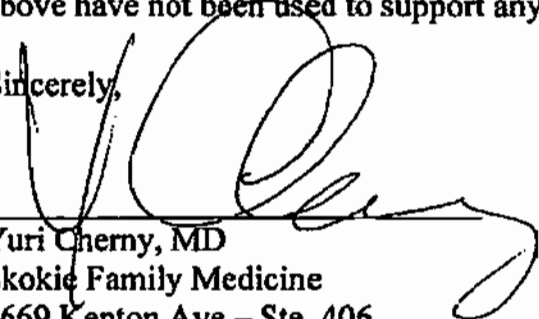
To Whom It May Concern:

During the 12-month period ending June 30, 2011 we admitted approximately 10 patients to Chicago area hospitals, excluding Skokie Hospital.

Within two years following the completion of Skokie Hospital's proposed modernization program, we anticipate that we will admit approximately 10 additional patients annually to Skokie Hospital.

This information is true and correct to the best of my knowledge, and the patients referenced above have not been used to support any other Certificate of Need application.

Sincerely,


Yuri Cherny, MD
Skokie Family Medicine
9669 Kenton Ave - Ste. 406
Skokie, IL 60076

Notary Signature 



Medical Group

Steven E. Tureff, MD

9301 Golf Rd
Suite 302
Des Plaines, Illinois 60016
www.northshore.org

Phone (847) 296-8151
Fax (847) 296-3195
stureff@northshore.org

February 15, 2012

Illinois Health Facilities
and Services Review Board
Springfield, Illinois

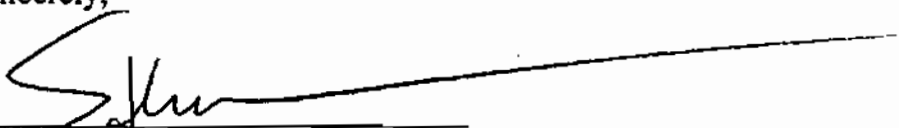
To Whom It May Concern:

During the 12-month period ending June 30, 2011 we admitted approximately 239 patients to Chicago area hospitals, excluding Skokie Hospital.

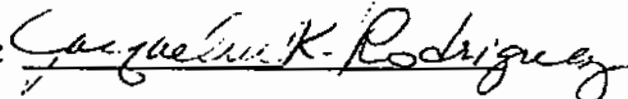
Within two years following the completion of Skokie Hospital's proposed modernization program, we anticipate that we will admit approximately 140 additional patients annually to Skokie Hospital.

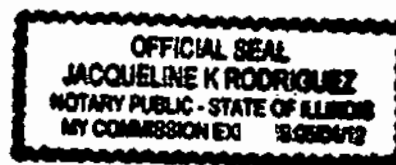
This information is true and correct to the best of my knowledge, and the patients referenced above have not been used to support any other Certificate of Need application.

Sincerely,



Steven Wolfman, DO
Des Plaines Internal Medicine
9301 Golf Rd - Ste. 302
Des Plaines, IL 60016

Notary Signature: 



Illinois Health Facilities
and Services Review Board
Springfield, Illinois

To Whom It May Concern:

During the 12-month period ending June 30, 2011 I admitted approximately 372 patients to Chicago area hospitals, excluding Skokie Hospital.

Within two years following the completion of Skokie Hospital's proposed modernization program, I anticipate that I will admit approximately 298 patients annually to Skokie Hospital.

This information is true and correct to the best of my knowledge, and the patients referenced above have not been used to support any other Certificate of Need application.

Sincerely,



Printed Name: Ryan S. Chak

Specialty: Orthopedic Surgery

Office Address: 680 N Lake Shore Dr
Chicago IL 60611

Notarized:



STATE OF ILLINOIS
COUNTY OF COOK
SIGNED AND ATTESTED
BEFORE ME ON FEBRUARY 14, 2012



Illinois Health Facilities
and Services Review Board
Springfield, Illinois

To Whom It May Concern:

During the 12-month period ending June 30, 2011 I admitted approximately 67 patients to Chicago area hospitals, excluding Skokie Hospital.

Within two years following the completion of Skokie Hospital's proposed modernization program, I anticipate that I will admit approximately 50 patients annually to Skokie Hospital.

This information is true and correct to the best of my knowledge, and the patients referenced above have not been used to support any other Certificate of Need application.

Sincerely,



Printed Name: Fred A. Kalos, MD

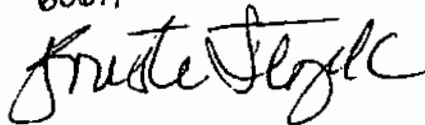
Specialty: Orthopaedics

Office Address: 680 N. Lake Shore Dr

Chicago, IL 60611

STATE OF ILLINOIS
COUNTY OF COOK

Notarized:



SIGNED AND ATTESTED
BEFORE ME ON FEBRUARY 16, 2012



Illinois Health Facilities
and Services Review Board
Springfield, Illinois

To Whom It May Concern:

During the 12-month period ending June 30, 2011 I admitted approximately 215 patients to Chicago area hospitals, excluding Skokie Hospital.

Within two years following the completion of Skokie Hospital's proposed modernization program, I anticipate that I will admit approximately 172 patients annually to Skokie Hospital.

This information is true and correct to the best of my knowledge, and the patients referenced above have not been used to support any other Certificate of Need application.

Sincerely,

Mark M. Dolan MD

Printed Name: MARK M. DOLAN

Specialty: Orthopedic Surgeon

Office Address: 680 N Lake Shore Dr

Chicago, IL
60611

Notarized:

Kristine Stojek

STATE OF ILLINOIS
COUNTY OF COOK
SIGNED AND ATTESTED
BEFORE ME ON FEBRUARY 14, 2012



CATEGORY OF SERVICE MODERNIZATION

The proposed project involves the modernization of two categories of service: medical/surgical beds and ICU beds. Upon the completion of the project, Skokie Hospital's medical/surgical bed complement will be reduced from 173 to 138 beds (a 20% reduction), its ICU bed complement will be reduced from 20 to 16 beds, and all of the hospital's beds will be located in private rooms. The transformation of the hospital to an all-private room facility is consistent with contemporary standards. As documented in ATTACHMENT 15, the proposed bed reductions are consistent with projected demand, and both bed services are projected to meet the IHFSRB's utilization target rates.

Attached are two articles addressing the rationale for converting to an all-private room setting, both for medical/surgical units as well as ICUs.

The remainder of this attachment addresses the two categories of service.

Medical/Surgical Beds

The proposed project results in a reduction in the hospital's approved number of medical/surgical beds from 173 to 138 beds. Consistent with the IHFSRB's practice, the average utilization over the past two years (2009 and 2010), 34,396 patient days and an average daily census (ADC) of 94.23 patients were used as the baseline for utilization

projections. In addition, during that two-year period 5,656 observation patient days were provided through the use of the hospital's medical/surgical beds (the hospital does not operate a separate "observation" unit), resulting in an additional ADC of 7.74 patients.

The hospital has been very successful over the past year in recruiting additional members to its medical staff, and letters from fifteen physicians, identifying projected incremental admissions to Skokie Hospital are provided in ATTACHMENT 15. Those letters are summarized in the table below, and identify a total of 1,841 incremental admissions, within two years of the project's completion.

Specialty	Name	7/10-6/11 non Skokie Hosp. Admissions	Projected Skokie Hosp. Admissions
Internal Medicine	S. Murray	7	7
Otolaryngology	M. Bhayani	28	28
Urology	S. Park	201	201
General Surgery	A. Agor	145	145
General Surgery	J. Boffa	100	100
Vascular Surgery	T. Desai	102	102
Urology	M. McGuire	300	150
Thoracic Surgery	K. Wan Kim	36	36
General Surgery	T. Moon-Young	202	202
Family Medicine	Y. Cherny	10	10
Internal Medicine	S. Wolfman	239	140
Orthopedic Surgery	R. Ghate	372	298
Orthopedic Surgery	S. Kodros	67	50
Orthopedic Surgery	M. Dolan	215	172
Internal Medicine	N. Gutmann	<u>809</u>	<u>200</u>
		2,833	1,841

As noted in the table above, the fifteen physicians cumulatively anticipate to relocate approximately 65% of their admissions to Skokie Hospital. The 1,841 projected

incremental admissions, assuming the hospital's current 4.8-day average length of stay (compared to 5.2 days in 2009/2010), equates to an incremental ADC of 24.21 patients. When combined with the historical ADC of 101.97 patients, the projected ADC within two years of the project's completion increases to 126.18 patients. That projected ADC supports a "need" for 149 beds, based on the IHFSRB's 85% target utilization level. As noted above, the hospital's medical/surgical bed complement will be reduced to 138 beds, and a bed complement of less than 149 is being proposed for two reasons: The first reason is to lend conservatism to the project. The second reason is to account for unanticipated medical staff attrition that will inevitably occur, either through retirement or for other reasons, prior to the project's completion (which could be offset by additions to the Medical Staff not currently known to the applicants).

In addition, and in support of the proposed 138 beds, Skokie hospital serves a disproportionately large elderly patient population. Specifically, and according to IDPH data, while on a State-wide basis in 2010 30.7% of the medical/surgical admissions were 75+ years of age, 50.6% of Skokie Hospital's patients were in that age group—65% over the State average. Similarly, Skokie Hospital's medical/surgical patient days incurred by patients 75+ years of age as a percentage of total medical/surgical patient days exceeded the State average by 59%. While many hospitals experience higher censuses during the winter months as a result of whether related diseases, the demand for beds at Skokie Hospital, and particularly medical beds, increases more dramatically than at many other hospitals because of Skokie Hospital's elderly patient population. That census

fluctuation is displayed in the table below, which identifies censuses of 106.21-108.45 during the winter months, and as low as 87.45 during the summer.

Month	ADC
July-10	87.45
August-10	95.23
September-10	93.47
October-10	102.58
November-10	101.37
December-10	108.45
January-11	108.03
February-11	106.21
March-11	102.94
April-11	102.23
May-11	93.90
June-11	85.77
12-months	98.95

ICU Beds

Through the proposed project, Skokie Hospital will replace two small ICUs, totaling 20 beds, with a single 16-bed ICU. The consolidation of the two units will reduce the intra-hospital transferring of patients during periods of low census, and will eliminate the staffing difficulties associated with two small units.

Since, 2009, the first year during which Skokie Hospital was operated by NorthShore University HealthSystem, the annual average daily census of the hospital's ICU beds has ranged from 11.5 to 11.9 patients, supporting a "need" for twenty beds, based on the IHFSRB's 60% target utilization level. With the proposed locating of each of the ICU beds in private rooms, as opposed to an "open" ICU, and with the resultant

elimination of many of the isolation-associated limitations, the applicants are confident that the proposed sixteen beds will be sufficient to meet demand.

ARCHIVES OF
INTERNAL MEDICINE

Vol. 171 No. 1, January 10, 2011

Original Investigation

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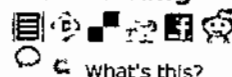
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What's this?

Infection Acquisition Following Intensive Care Unit Room Privatization

Dana Y. Teltsch, MSc; James Hanley, PhD; Vivian Loo, MD, MSc, FRCPC;
Peter Goldberg, MD, FRCPC; Ash Gursahaney, MD, FRCPC;
David L. Buckeridge, MD, PhD, FRCPC

Arch Intern Med. 2011;171(1):32-38. doi:10.1001/archinternmed.2010.469

Background Patients in intensive care units (ICUs) often acquire infections, which impose a heavy human and financial burden. The use of private rooms may reduce the acquisition of certain pathogens, but the limited evidence on this topic is inconsistent.

Methods We compared the rates of acquisition of infectious organisms in an ICU before and after a change from multibed to single rooms. As a control, we used acquisition rates in the ICU of a nearby university teaching hospital, which contained both multibed and single rooms, during the study period. We used a statistical model to adjust for background time trends common to both hospitals.

Results The adjusted rate of acquisition of *Clostridium difficile*, vancomycin-resistant *Enterococcus* species, and methicillin-resistant *Staphylococcus aureus* combined decreased by 54% (95% confidence interval [CI], 29%-70%) following the intervention. The methicillin-resistant *S aureus* acquisition rate fell by 47% (95% CI, 1%-71%), the *C difficile* acquisition rate fell by 43% (95% CI, 7%-65%), and the yeast acquisition rate fell by 51% (95% CI, 34%-64%). Twelve common and likely exogenous organisms and exogenous/endogenous organisms had a reduction in acquisition rates after the intervention; for 6 of them, this reduction was statistically significant. No effect was observed on the acquisition rate of coagulase-negative *Staphylococcus* species, the most common endogenous organism, for which no change would be expected. The adjusted rate ratio of the average length of stay in the ICU was 10% (95% CI, 0%-19%) lower after the intervention.

Conclusion Conversion to single rooms can substantially reduce the rate at which patients acquire infectious organisms while in the ICU.

Author Affiliations: Department of Epidemiology, Biostatistics, and Occupational Health (Ms Teltsch and Drs Hanley and Buckeridge) and McGill University Health Centre (Drs Loo, Goldberg, Gursahaney, and Buckeridge), McGill University, Montreal, Quebec, Canada.

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Control of MRSA in intensive care units

ATACHMENT 20d

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THE INFORMED PATIENT | MARCH 22, 2006

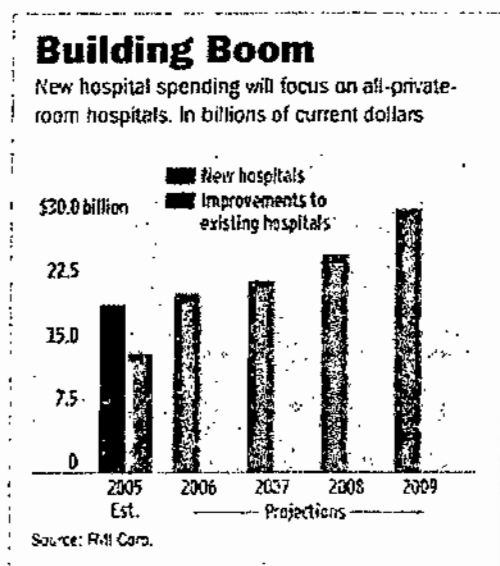
New Standards for Hospitals Call For Patients to Get Private Rooms



By LAURA LANDRO

The private patient room, once a luxury for the privileged few, is about to become the standard for the nation's hospitals, as evidence mounts that shared rooms lead to higher infection rates, more medical errors, privacy violations and harmful stress.

New guidelines for hospital design, due out next month, will for the first time call for single-patient rooms as a minimum requirement for most new hospital construction. Published every four years by the nonprofit Facilities Guidelines Institute and the American Institute of Architects' Academy of Architecture for Health, the guidelines are used by more than 40 state governments to set regulations, approve construction plans and license hospitals to operate.



With growing concern about infection risk and pandemic disease outbreaks, the guidelines will also include other new safety recommendations, including more areas in hospitals that can be quickly isolated during an infectious-disease outbreak, and better ventilation systems to thwart the spread of bacteria.

The new guidelines apply only to new construction. But they will influence a significant proportion of the nation's approximately 6,000 hospitals, which are already launching a building boom to meet demand from an aging population and replace obsolete facilities.

Mark Bridgers, a senior consultant at construction research firm FMI Corp., estimates that spending on new construction alone -- including hospitals tearing down old facilities to rebuild or starting from scratch on new sites -- will exceed \$30 billion by 2009, up from about \$19.8 billion last year. And the

majority of new projects are for all-private rooms, according to health-care architects and construction firms.

The guidelines will add to growing competitive pressure on existing facilities to shift to the all-private model when practical. The trend toward all-private-room designs began a few years ago as hospitals vied for patients by offering better amenities and more comfortable facilities where family members can stay overnight in patient

ATTACHMENT 20d

rooms. Affluent baby boomers, too, have been willing to shell out extra out-of-pocket expenses for private rooms.

But the driving force behind all-private rooms is coming down to better patient safety -- and better economics. "Unless there are extenuating circumstances, for most hospitals the semiprivate room will be a thing of the past," says Scot Latimer, a consultant at Kurt Salmon Associates and president of the health architecture group. While it may cost more to build hospitals with all-private rooms initially, he says, "they pay for themselves very quickly and are much less expensive to operate" in the long run.

In facilities that have a mix of private and semiprivate rooms, private rooms can cost hundreds of dollars more per day and are rarely covered by insurance unless deemed medically necessary. But with the all-private model, a hospital has just one rate, which Medicare, Medicaid and private insurers must cover, hospitals say. Many existing hospitals that have converted to all-private say they have met insurers halfway by continuing to charge their old semiprivate rates for all rooms.

Insurance companies increasingly reimburse hospitals for patients on a per diem basis, and the room rate may range from 10% of that charge to a third, depending on the severity of the case. A spokeswoman for insurer Aetna Inc., for example, says that in many cases, it is up to hospitals to allocate how the reimbursement is divided among room and other charges.

One reason the guidelines may actually reduce costs: Patients recover faster in private rooms. They are less susceptible to disease transmission, and are less likely to get the wrong medication or experience other medical errors because they were confused with a roommate. And studies show patients sleep better and maintain better spirits when there isn't another patient snoring or coughing in a nearby bed and they see only their own relatives and visitors.

Operating and labor costs are also less than for semiprivate rooms because patients don't have to be transferred as often. And with no need to make sure male and female patients have roommates of the same sex, hospitals can actually run at higher occupancy, notes Craig Zimring, a professor at the Georgia Institute of Technology and co-author of a report to the nonprofit Center For Health Design, which conducts research on optimal hospital facilities.

Private rooms help reduce patient falls, which can add \$10,000 in extra costs. In private rooms, among other things, patients often have relatives around for assistance and have less equipment and furniture to maneuver around. Private rooms also allow full use of hospital beds, while hospitals with semiprivate rooms often have 10% or more of beds unoccupied.

Numerous studies show that infection rates are lower in private hospital rooms, for fairly obvious reasons: Patients don't have to share a bathroom where bacteria lurk, and they aren't exposed to airborne infections that waft over from a roommate. In shared rooms, staffers may touch both patients without washing their hands between contacts, or after touching privacy curtains, blood-pressure cuffs, computer keyboards and other equipment used for both patients in a room.

With added costs from infections and other risks in shared rooms, "we can't afford to operate U.S. hospitals that have anything other than private rooms," Mr. Zimring says.

At Bronson Methodist Hospital in Kalamazoo, Mich., which built a new all-private-room hospital in 2000 with hand-washing stations in each room, a study showed a 45% decline in infection rates in the new hospital compared with an older facility with semiprivate rooms that it closed after the new one was completed. The private rooms required more space per patient and cost more to build, but savings in operational costs from the reduced infection rates offset the initial capital expense, the hospital says. Bronson says room charges in its new facility were based on the semiprivate rate before the move.

Richard Van Enk, the epidemiologist at Bronson and co-author of the study, also says new federal privacy regulations are almost impossible to enforce in shared rooms, where every consultant is a potential source of infection.

can possibly be overheard. "If I were ill and dealing with a disease, I can't imagine wanting a complete stranger sharing that experience," he says.

That was the case for Ann Nieuwenhuis, an educator and researcher at Michigan State University, who was treated in a private room at Bronson after an auto accident last year. "Just being able to have the trauma surgeon come in and not have to speak in hushed tones about my treatment was a relief," she says. Her husband was able to stay in the room, it was quiet enough to sleep, and she didn't have to worry about personal privacy or disturbing a fellow patient.

HCA Inc., the largest for-profit hospital company, with 182 hospitals, already recommends that its hospitals make the shift to private rooms when building new facilities. While private rooms can mean extra walking time between rooms for nurses and other staff, they reduce the need to move around equipment that might spread infection, notes Jane Englebright, vice president for quality programs. Patients also find there is a much better "healing environment," she says, "because you don't have issues like roommates who don't like the same TV program or don't like your family."

Some experts warn that not all hospitals can afford to convert to all-private rooms. In dense urban areas, there may not be enough real estate to expand, and in rural areas that need to serve a widely spread population, hospitals may not find it feasible to build a facility large enough to give them all private rooms. Hospitals also must have "surge capacity" -- the ability to add beds in an emergency or disease outbreak.

"If the choice is one patient in a private room and the other one in the hallway, two in a room is obviously better for patients," says Dale Woodin, deputy executive director of the American Hospital Association's health-care engineering society.

Joseph G. Sprague, senior vice president at Dallas health-care design firm HKS Inc. and chairman of the health-care guidelines revision committee, says the guidelines provide an exception to the private-room standard if hospitals can demonstrate "the necessity of a two-bed arrangement," which might include the need to handle surge capacity in regions such as the Southeast, where there is a big seasonal population influx. There may also be some "therapeutic value in having more than one patient in a room," such as rehabilitation hospitals, where it can be encouraging for patients to see each other's progress, he adds.

At Proctor Hospital in Peoria, Ill., which began a gradual shift to all-private rooms starting in 1997, Chief Operating Officer Garrett McGowan says its 128 private rooms are large enough and designed to add a second patient in the event of need. "We can convert back to semiprivate and we've had to do that from time to time," Mr. McGowan says.

Chicago's Northwestern Memorial Hospital found that patient satisfaction scores went up sharply after the hospital switched to all-private rooms in 1999 -- and the 500-bed hospital is now able to provide equal accommodations for both affluent and less-well-off patients. "Every single patient deserves a private room, and it doesn't matter whether they are rich or poor," says Jean Przybylek, vice president of operations.

■ Email me at informedpatient@wsj.com.

Printed in The Wall Street Journal, page A1

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ATATCHMENT 20d

PERFORMANCE REQUIREMENTS

The proposed medical/surgical and ICU beds to be provided at Skokie Hospital are consistent with the applicable performance requirements of 100+ medical/surgical and 4+ ICU beds.

Skokie Hospital

9600 Gross Point Road
Skokie, IL 60076
www.northshore.org

(847) 933-6002
(847) 933-6012 Fax
kmurtos@northshore.org

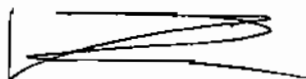
February 27, 2012

Illinois Health Facilities and Services Review Board
525 West Jefferson
Springfield, IL 62761

To Whom It May Concern:

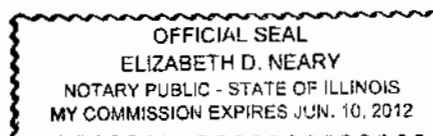
Please be advised that it is fully anticipated that Skokie Hospital's intensive care (ICU) beds and medical/surgical beds will reach the IHFSRB's target occupancy level by the second year following the proposed project's completion, and that they will maintain that level.

Sincerely,



Kristen Murtos
President, Skokie Hospital
NorthShore University HealthSystem

Notarized:



Elizabeth D. Neary
March 1, 2012

CLINICAL SERVICE AREAS OTHER THAN CATEGORIES OF SERVICE

The proposed project includes a number of clinical areas that are not categories of service, and two of those areas, surgery and recovery (PACU) have IHFSRB-developed utilization standards. In both cases, the proposed project is consistent with those standards. Eight operating rooms are being provided, with utilization projected to reach over 13,000 hours by the second year following the project's completion, supporting a "need" for nine operating rooms, based on the IHFSRB-adopted standard. 32 recovery stations will be provided (18 in the PACU) and 14 in the same day surgery area, consistent with the adopted standard of four stations per operating room.

The modernization of the surgical suite will include a near replacement (90% to be addressed through new construction), to provide a contemporary surgical suite. The existing suite was designed and constructed in the early 1960's, and lacks the infrastructure of contemporary suites.

A new, and greatly expanded same day surgery department will be developed contiguous to the surgical suite on the second floor of the hospital. Aside from relocating the department from the first floor, the new department will be designed and organized to provide pre-operative and recovery (Level 2) services, as well as family areas. This area is being developed in response to an expanding outpatient surgery presence at the

hospital. When the existing same day surgery area was developed, no more than 20% of the hospital's surgery was performed on an outpatient basis. In comparison, in 2010, nearly 40% of the surgical caseload was outpatient, and that percentage is anticipated to increase.

The inpatient pharmacy is being relocated to provide space for the necessary expansion of food service and the kitchen, which are located contiguous to the existing inpatient pharmacy, on the first floor of the bed tower.

A satellite physical therapy/rehabilitation area is being provided contiguous to the inpatient unit to be used by orthopedic surgery patients, as a convenience to the patients and to reduce patient transport time and associated costs. A significant number of knee and hip replacements have historically been performed at Skokie Hospital, in part as a result of the age of the hospital's patient population. These patients will be among the satellite area's most frequent users.

Last, the two remaining areas, acute dialysis and respiratory therapy will both undergo renovation at their current location, due primarily to the age of the facilities and the associated wear.

August 3, 2011

NorthShore University HealthSystem, Illinois; System

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NorthShore Univ Hlth Sys, Illinois

Illinois Finance Authority (NorthShore University Health System)

<i>Long Term Rating</i>	AA/Stable	Affirmed
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Illinois Finance Authority (NorthShore University Health System)

<i>Long Term Rating</i>	AA/NR/Stable	Affirmed
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Rationale

Standard & Poor's Ratings Services has affirmed its 'AA' long-term rating on Illinois Finance Authority's \$136.425 million series 2010 revenue refunding bonds, issued on behalf of NorthShore University HealthSystem (NorthShore). At the same time, Standard & Poor's affirmed its 'AA/A-1+' ratings on the authority's \$190 million series 1995, 1996, 2001B, and 2001C bonds. The outlook remains stable.

The short-term ratings on the variable-rate demand bonds are currently based on standby bond purchase agreements (SBPAs) from JPMorgan Chase Bank N.A. and Wells Fargo Bank N.A. Standard & Poor's has also affirmed its 'AA/NR' rating on the authority's series 1985B, 1987A, 1987B, 1987C, 1987D, 1987E, 1988, 1990A, 1992, and 1998 bonds, also issued for NorthShore. These ratings reflect the long-term rating on NorthShore and the repurchase of these bonds by NorthShore. While these bonds are still technically outstanding, they are held internally by NorthShore and are not shown on NorthShore's financial statements. NorthShore is not currently remarketing these bonds to external investors, so no short-term rating is required. In addition, management has indicated that any future reoffering of these bonds to external investors would most likely be accompanied by some type of credit or liquidity support and we would assign a short-term rating at that time.

The 'AA' long-term rating on NorthShore's debt reflects our assessment of NorthShore's strong business position in Chicago's northern suburbs, excellent financial profile highlighted by solid revenue growth and strong liquidity, large employed physician base, strong service area, success in growing into a system over the past decade, and what we consider to be a strong management team. However, the market remains competitive and recent consolidation in the market suggests intensifying competition in the years ahead. The rating also reflects improvements in NorthShore's financial profile including operating margins as calculated by Standard & Poor's, strong positioning for health care reform including a well executed medical staff strategy and excellent information technology capabilities. Debt service coverage remains strong although lease-adjusted coverage is somewhat weaker. Furthermore, management indicated it not currently contemplating any future debt plans.

The rating incorporates NorthShore's successful acquisition of the Chicago Institute of Neurosurgery and Neuroresearch in December 2009 as well as the earlier merger with Skokie Hospital on Jan. 1, 2009. Both of these acquisitions have proven to be beneficial and have been incorporated into NorthShore without problems. NorthShore's changed academic affiliation to the University of Chicago from Northwestern University in 2008 has also gone well. The system also completed a rebranding campaign when the system changed its name to the

NorthShore University HealthSystem from Evanston Northwestern Healthcare to reflect the system's establishment of a broader service area over the past decade and more recently the change in its academic affiliation. The change in academic affiliation also highlights a growing competition between NorthShore and Northwestern Memorial Hospital in Chicago's north side. Northwestern recently brought one of NorthShore's northern competitors--Lake Forest Hospital--into its system. Management indicates that its already large employed physician group of 701 providers as of July 1, 2011, is likely to continue to expand in the years ahead.

NorthShore does have a large \$900 million capital plan over the next five years, which includes a sizable unallocated contingency. This is about 50% larger than the prior five-year-period plan but should be manageable given NorthShore's current size and cash flow capacity although cash flow will have to remain at recent strong levels to avoid drawing down reserves.

A general obligation pledge of the corporation secures the bonds. This pledge, which includes all of the system's hospitals, is augmented by a pledge of the contribution agreements executed by the restricted affiliates. NorthShore has no swap agreements outstanding.

Outlook

The stable outlook reflects our view of NorthShore's strong business position, improved financial profile, and expectation that it will be able to manage health care reform successfully. A higher rating is likely if NorthShore can improve its operating margins and successfully manage its higher capital spending without any balance sheet dilution. Light debt levels and solid liquidity give NorthShore considerable cushion to deal with unexpected changes in its financial or operating profile, but very sharp deterioration of either profile could cause a negative rating action or outlook revision.

Operations And Finances: Strong Business Position And Financial Profile

NorthShore's flagship facility and headquarters are based in Evanston, Ill., one of Chicago's northern suburbs. Over the years, NorthShore has expanded to a four-hospital system, including its flagship (Evanston Hospital), Glenbrook Hospital, Highland Park Hospital, and, most recently, Skokie Hospital. Total staffed capacity for the system is 807 staffed inpatient beds. Inpatient admissions rose to 40,098 in 2010 from 38,113 admissions in 2009, excluding newborns, rehabilitation, and psychiatric admissions. Volume in the interim period is also up year over year. In fiscal 2010, NorthShore's overall payor mix remained strong, with only 39% Medicare and 7% Medicaid, 3% self-pay, and a strong private insurance base--all based on gross revenues.

Operating income, as measured by Standard & Poor's, has been adjusted to reclassify certain items as they appear in NorthShore's audited format from operating revenue to nonoperating revenue. These adjustments totaled \$53.5 million in fiscal 2010, \$54 million in fiscal 2009, and \$47.8 million in fiscal 2008. These adjustments include endowment spending, which in fiscal 2010 totaled \$32 million; interest income on malpractice reserves, which totaled \$15.9 million in fiscal 2010; and \$5.6 million of unrestricted contributions for free care. When these items are moved to nonoperating income, operating income totals \$35.9 million in fiscal 2010 (operating margin of 2.3%), up from \$11.1 million the previous year (a margin of 0.8%). A similar \$24.8 million adjustment was made for the interim results in fiscal 2011 leaving operating income at \$20.7 million (an operating margin of 2.6%).

Net nonoperating revenues were much improved in fiscal 2010 at \$19.3 million, up from the negative \$59.9 million

in fiscal 2009 due to realized losses on investments and derivatives. Standard & Poor's also adjusts nonoperating results to exclude unrealized gains and changes in fair value of derivatives. Overall excess income was \$55.2 million in fiscal 2010 up from a negative \$48.7 million in fiscal 2009. Overall coverage of maximum annual debt service, excluding unrealized gains, was very strong at 7x in fiscal 2010. Interim performance is even better generating coverage of almost 10x.

NorthShore's unrestricted cash and investments have also been adjusted by Standard & Poor's to exclude funds set aside for malpractice liabilities, even though those funds are technically not restricted. This is also a regular reclassification for us and allows us to compare balance sheets across many organizations. Adjusted unrestricted cash and investments as of March 31, 2011 (unaudited), were an excellent 291 days (\$1.17 billion) and an equally strong 289% of outstanding long-term debt. Debt as a percent of capitalization is in our view light at 21% given that NorthShore repurchased roughly \$360 million of its own debt in fiscal 2008 and is now holding \$250 million of that debt internally. Overall asset allocation is roughly 25% hedge funds, 21% international equity, 20% fixed income, 22% domestic equity, and 12% other.

Over the past few years, NorthShore's overall investment in net fixed assets has been well-above depreciation and we consider the average age of plant strong at 7.7 years. Management estimates future capital expenditures at \$900 million over the next five years, which is above historical levels. No new debt is expected as the management currently expects to fund the expenditures through cash flow with only very minor reserve draw downs in 2012.

Table 1

NorthShore University HealthSystem*						
Utilization statistics						
	--Fiscal year ended March 31--		--Fiscal year ended Sept. 30--			
	2011	2010	2010	2009	2008	2007
Staffed beds	807	812	807	812	642	659
Admissions	20,258	19,643	40,098	38,113	38,713	38,316
Patient days	105,110	103,369	180,775	173,700	179,369	173,262
Observation stays	8,716	8,161	17,112	19,465	13,424	12,364
Average daily census	577	568	495	476	491	475
Emergency room visits	58,395	57,724	118,884	116,063	99,911	95,909
Outpatient visits	464,695	462,432	1,185,391	1,126,297	1,009,301	963,145
Inpatient surgeries	5,734	5,986	11,908	12,634	9,786	10,141
Outpatient surgeries	12,030	11,842	23,980	20,752	18,458	18,495
Births	1,920	2,065	4,261	4,566	4,933	4,961

*Formerly known as Evanston Northwestern Healthcare. N.A. --Not available.

Table 2

NorthShore University HealthSystem*					
Financial statistics					
	--Fiscal year ended Sept. 30--				
	2011†	2010	2009	2008	2007
Income statement and cash flow					
Operating revenue (\$000s)	809,868	1,541,619	1,476,613	1,254,512	1,168,081
Total expenses (\$000s)	789,191	1,505,719	1,465,465	1,251,347	1,153,760
Operating income (\$000s)	20,677	35,900	11,148	3,165	14,321

Table 2

NorthShore University HealthSystem* (cont.)					
Operating margin (%)	2.55	2.33	0.75	0.25	1.23
Net nonoperating revenues (\$000s)	39,467	19,328	(59,894)	32,522	101,859
Excess income (\$000s)	60,144	55,228	(48,746)	35,687	116,180
Excess margin (%)	6.89	3.47	(3.40)	2.76	9.13
Earnings before int, dep & amt to Total rev (%)	14.3	11.0	3.8	9.8	16.1
Cash flow to total liabilities (%)	21.00	13.94	4.37	11.78	16.13
Capital expenditures (\$000s)	72,073	161,260	148,796	124,994	87,936
Debt					
Net available for debt service (\$000s)	172,366	172,366	54,171	126,569	204,698
Pro forma maximum debt service (\$000s)	24,500	24,500	24,500	24,500	24,500
Pro forma maximum debt service coverage (x)	9.88	7.04	2.21	5.17	8.36
Maximum debt service to total revenue (%)	1.40	1.57	1.73	1.90	1.93
Balance sheet					
Unrestricted cash and investments (\$000s)\$	1,166,734	1,080,803	935,579	1,080,986	1,507,405
Days' cash on hand	291	282	249	337	512
Cash to debt (%)	289	274	333	299	257
Cushion ratio (x)	47.60	44.11	38.19	44.12	61.53
Net fixed assets (\$000s)	864,557	845,483	788,497	617,642	574,260
Long-term debt (\$000s)	394,011	394,055	280,800	361,500	587,000
Unrestricted fund balance (\$000s)	1,525,799	1,403,498	1,296,422	1,302,571	1,510,459
Debt to capitalization (%)	20.50	21.92	17.80	21.72	27.99
Average age of plant (years)	7.70	7.86	7.83	8.77	10.12

*Formerly known as Evanston Northwestern Healthcare Corp. †Six-month interim period ended March 31. \$Excludes malpractice reserves.

Related Criteria And Research

- USPF Criteria: Not-For-Profit Health Care, June 14, 2007
- USPF Criteria: Bank Liquidity Facilities, June 22, 2007
- USPF Criteria: Standby Bond Purchase Agreement Automatic Termination Events, April 11, 2008

Ratings Detail (As Of August 3, 2011)

Illinois Fin Auth, Illinois

NorthShore Univ Hlth Sys, Illinois

Illinois Finance Authority (NorthShore University Health System) hosp VRDO ser 1995

Long Term Rating AA/A-1+/Stable Affirmed

Illinois Finance Authority (NorthShore University Health System) hosp VRDO ser 1996

Long Term Rating AA/A-1+/Stable Affirmed

Illinois Finance Authority (NorthShore University Health System) hosp VRDO ser 2001B

Long Term Rating AA/A-1+/Stable Affirmed

Illinois Finance Authority (NorthShore University Health System) hosp VRDO ser 2001C

Long Term Rating AA/A-1+/Stable Affirmed

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MOODY'S INVESTORS SERVICE

Rating Update: MOODY'S AFFIRMS Aa2 AND Aa2/VMIG 1 RATINGS ON NORTHSORE
UNIVERSITY HEALTHSYSTEM'S OUTSTANDING BONDS; OUTLOOK REMAINS STABLE

Global Credit Research - 26 Jul 2011

RATING ACTION AFFECTS APPROXIMATELY \$326 MILLION OF OUTSTANDING DEBT

Illinois Finance Authority
Health Care-Hospital
IL

Opinion

NEW YORK, Jul 26, 2011 — Moody's Investors Service has affirmed the Aa2 and Aa2/VMIG 1 bond ratings on NorthShore University HealthSystem's outstanding bonds as listed at the conclusion of this report. The rating outlook remains stable.

SUMMARY RATINGS RATIONALE:

The Aa2 long-term rating is based on NorthShore University HealthSystem's good geographic coverage with four hospitals in attractive service areas and a close integration with a large medical group, very advanced information technology capabilities, strong liquidity position that supports a moderate debt load, and good and sustainable operating margins. Challenges include the presence of competition and heightened consolidation activities in the broader service area, a concentrated commercial payer mix, and higher (although manageable) capital spending plans.

STRENGTHS

*Strong liquidity position with 276 days of cash on hand and 274% cash-to-debt as of March 31, 2011

*Leading market share in an attractive service area with a large commercial patient base; the system's strong market position and patient demand is supported by a centralized and integrated patient care model, a large consolidated employed multi-specialty and primary care medical group, and very advanced information technology capabilities

*Low debt position, resulting in strong adjusted debt measures including a favorably low 26% debt-to-operating revenue and 1.7 times debt-to-cashflow and very strong 10.3 times peak debt service coverage; there are no plans for additional debt

*Several years of improvements in operating margin (3.8% through six months of fiscal year 2011) and operating cashflow margin (11.2%), which have been sustained through the interim period of 2011 and are now more consistent with the median for the rating category; NorthShore's ability to achieve these margins is particularly good given the system's large medical group

*More manageable and reduced risk in the system's debt structure, following restructuring activities last year, with 389% cash-to-demand debt, elimination of swap program, and diversification of banks and facility expiration dates, which mitigates a relatively high 66% variable rate debt exposure

CHALLENGES

*Increase in capital spending projections over the next several years in order to invest in growth strategies and new affiliated organizations

*Comparatively less liquidity with 65% of cash and investments available monthly, driven by an increasing allocation to alternative investments (23% at fiscal yearend 2010)

*A concentrated commercial payer mix with one payer accounting for 22% of the system's gross revenues

*Competition from several hospitals in the broader service area and consolidation of smaller hospitals with large, financially secure, regional systems

DETAILED CREDIT DISCUSSION

LEGAL SECURITY: The bonds are unsecured obligations of the Corporation, which includes Evanston Hospital, Glenbrook Hospital, Highland Park Hospital, and Skokie Hospital.

INTEREST RATE DERIVATIVES: None

RECENT DEVELOPMENTS/RESULTS

NorthShore's fundamental market position has not changed since our last review. NorthShore continues to maintain a solid market position and good geographic coverage in an attractive service area, despite competition and increasing hospital consolidation in the secondary service area. NorthShore maintains a leading and generally stable market share of approximately 21% in a 50-mile zip code area centered around Evanston, IL and the area north and west of Evanston.

The system continues to advance key strategic initiatives, including physician alignment and information technology. The system now employs over 700 faculty practice physicians under a unified medical staff who perform research, teaching, and clinical functions. The medical group has grown significantly from 470 physicians in 2006 and the system continues to add physicians, including several large groups. Importantly, NorthShore has aligned more closely with the physicians through its advanced information technology strategy, which has enabled electronic medical records and centralized scheduling, among other benefits.

On a reported basis, admissions grew almost 4% in fiscal year 2010, reflecting the addition of Skokie hospital; on a same-facility basis, admissions were flat (including observation stays, cases were flat as well). Soft volume trends continue through the six months of fiscal year 2011 with total system admissions and observations flat to the prior year. Trends at each hospital are mixed with Evanston and Skokie hospitals down and Glenbrook and Highland Park up, although all four hospitals have high occupancy rates.

NorthShore has sustained improvement in operating margins. Excluding investment income (which the system includes as support for operations as part of a spending rate policy), NorthShore had operating income of \$56.7 million (3.6% operating margin) in 2010, compared with \$28.8 million (1.9%) in 2009. On the same basis operating cashflow was \$175 million (11.2% operating cash flow margin) in 2010, compared with \$134 million (9.0%) in 2009. On a same-facility basis, revenue was flat in fiscal year 2010 reflecting relatively flat volumes. The system's ability to improve margins is notable given revenue challenges and support for a large teaching program and medical group; the medical group accounts for approximately 25% of system revenues.

Through six months of fiscal year 2011, operating margins have improved compared to the same period fiscal year 2010. Operating income was \$30.9 million (3.8%) through the six months ended March 31, 2011, compared with \$20.9 million (2.7%) for six months ended March 31, 2010. Operating cashflow was \$91.8 million (11.2%), compared with \$76.1 million (9.8%) in the prior year period. Same-facility revenue growth improved to 3.9%.

As of March 31, 2011, NorthShore's investment portfolio remained strong at \$1.1 billion in unrestricted cash and investments (excluding self-insurance assets). Unrestricted cash and investments increased by almost \$200 million since fiscal year end 2009 as a result of strong operating performance and good returns. NorthShore's asset allocation has shifted more assets into alternative assets and international equity and less fixed income and domestic equity. Based on fiscal year end 2010 and including current cash, the allocation was 27% cash and fixed income, 30% U.S. equities, 18% non-U.S. equities, and 25% alternative investments including 19% in hedge funds and 4% private equity. We view this level of allocation to less liquid investments as somewhat risky, given NorthShore's plans to increase capital spending. About two-thirds of the portfolio can be liquidated within one month, which is relatively low, although more common with an investment portfolio of this size. The large size of the portfolio and low debt level are some offsetting factors to this risk. Most of NorthShore's assets are well diversified among managers.

With several growth strategies, NorthShore's capital plans have increased to an average \$180 million annually for the next five years. Capital is expected to be funded with cashflow, which will mean that NorthShore will need to maintain current cashflow levels to support capital without increasing debt. The larger projects include various modernization projects, including additional inpatient space at Glenbrook and ambulatory care centers at the Skokie and Glenbrook campuses, as well as equipment.

Outlook

The stable outlook reflects our expectations that NorthShore will at least maintain good operating margins and balance sheet strength as well as market share

WHAT COULD CAUSE THE RATING TO GO UP

Given the system's high rating category and location in a single region, there is a low likelihood of a rating upgrade in the short-term. Longer-term, a rating update may be considered with significant and sustained improvement in operating margins and absolute cash flow generation, growth in market share to provide a distinct leading position, and significant diversification of cash flow among multiple markets

WHAT COULD CAUSE THE RATING TO GO DOWN

Unexpected increase in debt without commensurate increase in cashflow; notable and prolonged decline in margins and liquidity strength

KEY INDICATORS

Assumptions & Adjustments:

- Based on financial statements for NorthShore University HealthSystem
- First number reflects audited results for fiscal year ended September 30, 2009
- Second number reflects audited results for fiscal year ended September 30, 2010
- Investment returns reclassified as non-operating and smoothed at 6% unless otherwise noted
- *Inpatient admissions: 40,323; 42,297
- *Total operating revenues (excluding investment income): \$1,497 million; \$1,563 million
- *Moody's-adjusted net revenue available for debt service: \$204 million; \$251 million
- *Total debt outstanding: \$287 million; \$401 million
- *Maximum annual debt service (MADS): \$22.1 million; \$24.5 million
- *MADS coverage based on reported investment income: 4.8 times; 9.5 times
- *Moody's-adjusted MADS coverage: 9.2 times; 10.3 times
- *Debt-to-cash flow: 1.5 times; 1.7 times
- *Days cash on hand (excluding self-insurance funds): 243 days; 269 days
- *Cash-to-debt: 319%; 257%

*Operating margin: 1.9%; 3.6%

*Operating cash flow margin: 9.0%; 11.2%

RATED DEBT (as of September 30, 2010)

-Series 1995 (\$50 million), Series 2001C (\$45 million) variable rate bonds supported by standby bond purchase agreements from Wells Fargo Bank, NA: Aa2/MMG1

-Series 1996 (\$50 million), and Series 2001B (\$45 million), variable rate bonds supported by standby bond purchase agreements from JPMorgan Chase Bank: Aa2/MMG1

-Series 2010 fixed rate (\$136 million): Aa2

CONTACTS

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PRINCIPAL METHODOLOGY USED

The principal methodology used in this rating was Not-for-Profit Hospitals and Health Systems published in January 2008. Please see the Credit Policy page on www.moodys.com for a copy of this methodology.

REGULATORY DISCLOSURES

For ratings issued on a program, series or category/class of debt, this announcement provides relevant regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides relevant regulatory disclosures in relation to the rating action on the support provider and in relation to each particular rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides relevant regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on www.moodys.com.

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CONSOLIDATED FINANCIAL STATEMENTS

NorthShore University HealthSystem
Years Ended September 30, 2011 and 2010
With Reports of Independent Auditors

Ernst & Young LLP



ATTACHMENT 39

NorthShore University HealthSystem

Consolidated Financial Statements

Years Ended September 30, 2011 and 2010

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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, 2011 and 2010, 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 at September 30, 2011 and 2010, 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 6, 2012

NorthShore University HealthSystem

Consolidated Balance Sheets (Dollars in Thousands)

	September 30	
	2011	2010
Assets		
Current assets:		
Cash and cash equivalents	\$ 24,628	\$ 2,456
Other short-term investments	16,383	51,042
Internally designated investments, current portion	47,186	47,327
Patient accounts receivable, less allowances for uncollectible and charity accounts (2011 – \$53,897; 2010 – \$42,430)	200,450	193,789
Inventories, prepaid expenses, and other	57,209	57,385
Collateral under securities lending program	—	52,389
Total current assets	345,856	404,388
Investments available for general use	1,175,079	1,124,124
Investments limited as to use:		
Internally designated for capital replacement and other	148,650	151,870
Investments under securities lending program	—	51,078
Total investments limited as to use	148,650	202,948
Property and equipment:		
Land and improvements	77,992	76,723
Buildings	1,140,201	1,052,901
Equipment and furniture	466,754	488,744
Construction-in-progress	73,934	75,851
	1,758,881	1,694,219
Less accumulated depreciation	864,661	848,736
Total property and equipment, net	894,220	845,483
Other noncurrent assets	170,594	153,076
Total assets	\$ 2,734,399	\$ 2,730,019

	September 30	
	2011	2010
Liabilities and net assets		
Current liabilities:		
Accounts payable	\$ 65,713	\$ 70,547
Accrued expenses and current portion of self-insurance	185,058	178,133
Payable under securities lending program	—	52,389
Due to third-party payors	60,010	59,020
Current maturities of long-term debt	8,643	9,713
Total current liabilities	319,424	369,802
Noncurrent liabilities:		
Long-term debt, less current maturities	385,411	394,055
Employee retirement plans	155,826	104,936
Accrued self-insurance and other	296,457	302,780
Total noncurrent liabilities	837,694	801,771
Net assets:		
Unrestricted	1,422,307	1,403,498
Temporarily restricted	83,855	85,601
Permanently restricted	71,119	69,347
Total net assets	1,577,281	1,558,446
 Total liabilities and net assets	 <u>\$ 2,734,399</u>	 <u>\$ 2,730,019</u>

See accompanying notes.

NorthShore University HealthSystem

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

	Year Ended September 30	
	2011	2010
Unrestricted revenues and other support		
Net patient service and premium revenue	\$ 1,579,635	\$ 1,473,682
Investment earnings supporting current activities	29,000	32,000
Net assets released from restrictions used for operations	10,821	11,554
Other revenue	87,656	77,870
Total unrestricted revenues and other support	1,707,112	1,595,106
Expenses		
Salaries and benefits	828,661	771,908
Supplies, services, and other	546,215	522,850
Depreciation and amortization	119,084	108,040
Insurance	19,025	28,365
Provision for uncollectible accounts	60,063	40,630
Medicaid assessment	24,828	24,828
Interest	7,963	9,098
Total expenses	1,605,839	1,505,719
Income from operations	101,273	89,387
Nonoperating (loss) income		
Dividend and interest income	29,684	25,106
Net realized gains on investments and derivatives	91,239	1,626
Net unrealized (losses) gains on investments	(79,597)	79,584
Transfer of investment earnings supporting current activities	(29,000)	(32,000)
Other, net	(43,681)	(28,891)
Total nonoperating (loss) income	(31,355)	45,425
Revenue, gains, and other support in excess of expenses	69,918	134,812

NorthShore University HealthSystem

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

	Year Ended September 30	
	2011	2010
Unrestricted net assets		
Revenue, gains, and other support in excess of expenses	\$ 69,918	\$ 134,812
Pension-related changes other than net periodic costs	(48,018)	(28,554)
Net assets released from restrictions used for capital	374	349
Other transfers, net	(3,465)	469
Increase in unrestricted net assets	18,809	107,076
Temporarily restricted net assets		
Contributions and other	7,004	8,406
Net realized gains (losses) on investments	6,853	(5,612)
Net unrealized (losses) gains on investments	(4,408)	10,777
Net assets released from restrictions	(11,195)	(11,903)
(Decrease) increase in temporarily restricted net assets	(1,746)	1,668
Permanently restricted net assets		
Contributions	1,772	6,400
Increase in permanently restricted net assets	1,772	6,400
Increase in net assets	18,835	115,144
Net assets at beginning of year	1,558,446	1,443,302
Net assets at end of year	<u>\$ 1,577,281</u>	<u>\$ 1,558,446</u>

See accompanying notes.

NorthShore University HealthSystem

Consolidated Statements of Cash Flows (Dollars in Thousands)

	Year Ended September 30	
	2011	2010
Operating activities		
Increase in net assets	\$ 18,835	\$ 115,144
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Change in fair value of derivatives	—	(17,737)
Change in net unrealized loss (gain) on investments	84,005	(90,365)
Purchases of trading portfolio investments, net	(80,661)	(208)
Restricted contributions and net change in pledges receivable	(11,785)	(11,888)
Depreciation and amortization	119,084	108,040
Bond premium amortization	(88)	(18)
Net periodic retirement benefit cost	25,517	17,982
Pension-related changes other than net periodic cost	48,018	28,554
Changes in operating assets and liabilities:		
Patient accounts receivable, net	(6,661)	19,192
Other current assets	87,332	(18,128)
Noncurrent assets and liabilities	(33,044)	(18,583)
Accounts payable, accrued expenses, and securities lending	(50,301)	(28,408)
Due to third-party payors	990	(10,452)
Net cash provided by operating activities	201,241	93,125
Investing activities		
Investments in property and equipment, net	(161,688)	(161,260)
Acquisition of other long-term assets, net	(16,531)	(85,832)
Net cash used in investing activities	(178,219)	(247,092)
Financing activities		
Restricted contributions	8,776	14,806
Proceeds from issuance of long-term debt	—	238,786
Payments of long-term debt	(9,626)	(121,500)
Net cash (used in) provided by financing activities	(850)	132,092
Increase (decrease) in cash and cash equivalents	22,172	(21,875)
Cash and cash equivalents at beginning of year	2,456	24,331
Cash and cash equivalents at end of year	\$ 24,628	\$ 2,456

See accompanying notes.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (Dollars in Thousands)

September 30, 2011

1. Organization and Basis of Presentation

NorthShore University HealthSystem (NorthShore) is a health care organization dedicated to providing health care 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, that service the greater Chicago "North Shore" and northern Illinois communities.

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 Insurance International (Insurance International), and NorthShore University HealthSystem Foundation (the Foundation). FPA is the sole shareholder of NorthShore University HealthSystem Medical Group, Inc. (MG). 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 (IRC). MG is a for-profit corporation. Insurance International is a foreign corporation organized in the Cayman Islands that does not tax the activities of this organization.

The Corporation has 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 health care-related personnel.

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 the amounts disclosed in the notes to the consolidated financial statements at the date of the consolidated financial statements.

NorthShore University HealthSystem

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

2. Summary of Significant Accounting Policies (continued)

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 collectability 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, based on the first-in, first-out method.

Investments

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

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.

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, 2011 and 2010.

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

2. Summary of Significant Accounting Policies (continued)

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.

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. Prior to October 1, 2010, goodwill was amortized using the straight-line method over 24 years. In accordance with ASC 954-805, *Health Care Entities Business Combinations*, goodwill is no longer amortized but is subject to impairment testing. As of September 30, 2011, no goodwill has been impaired. The Corporation has goodwill of \$86,097 and \$75,409 included in other noncurrent assets at September 30, 2011 and 2010, respectively, and related amortization expense recorded of \$2,713 for the year ended September 30, 2010. Other intangible assets with definite lives, such as noncompete clauses or trade names, are amortized over the estimated useful life of the asset. Amortization expense for the years ended September 30, 2011 and 2010, was \$2,926 and \$3,502, respectively.

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 or alternative investments in 2011 and 2010.

NorthShore University HealthSystem

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

2. Summary of Significant Accounting Policies (continued)

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 fair value at September 30, 2011 and 2010, of \$9,394 and \$9,338, respectively.

Derivative Instruments

Derivative instruments (interest rate swaps and swaptions) 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. The Corporation had no derivative instruments outstanding as of September 30, 2011 and 2010.

General and Professional Liability

The provision for self-insured general and professional liability claims, per actuarial calculations, includes estimates of the ultimate costs for both reported claims and claims incurred but not reported. The estimated receivable from the excess insurance carrier is reported in other noncurrent assets.

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.

NorthShore University HealthSystem

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

2. Summary of Significant Accounting Policies (continued)

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 (loss) income.

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 used for operations. 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.

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 \$84,617 and \$88,178 for the years ended September 30, 2011 and 2010, respectively.

NorthShore University HealthSystem

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

2. Summary of Significant Accounting Policies (continued)

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.

Other Revenue and Other Nonoperating (Loss) Income

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 (loss) income, consists primarily of the expenses of the Foundation, investment management expenses, and other transfers.

New Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2010-06, *Improving Disclosures about Fair Value Measurements*. 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

NorthShore University HealthSystem

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

2. Summary of Significant Accounting Policies (continued)

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 there was no significant impact to the Corporation's financial statements.

In August 2010, the FASB issued ASU 2010-23, *Measuring Charity Care for Disclosure*. The provisions of ASU 2010-23 are intended to reduce the diversity in how charity care is calculated for disclosures across health care 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 has not elected early adoption and is currently evaluating the impact this guidance will have on the consolidated financial statements.

In August 2010, the FASB issued ASU 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries*. This guidance requires that health care entities present anticipated insurance recoveries separately on the balance sheet from estimated liabilities for medical malpractice claims or similar contingent liabilities. This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2010, with early adoption permitted. The Corporation adopted the guidance as of September 30, 2011. Adoption of this ASU did not significantly impact the Corporation's financial statements.

In July 2011, the FASB issued ASU 2011-07, *Health Care Entities (Topic 954): Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities (a consensus of the FASB Emerging Issues Task Force)*. The amendments in this update require certain health care entities to change the presentation of the statement of operations by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue (net of contractual allowances and discounts). Additionally, those health care entities are required to provide enhanced disclosures about their policies for recognizing revenue and assessing bad debts. The amendments also require disclosures of patient service revenue by major payor source (net of contractual allowances and discounts), as well as qualitative and quantitative information about changes in the allowance for doubtful accounts. The amendments in ASU 2011-07 are effective for fiscal years and interim periods within those fiscal years

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

2. Summary of Significant Accounting Policies (continued)

beginning after December 15, 2011, with early adoption permitted. The amendments to the presentation of the provision for bad debts related to patient service revenue in the statement of operations should be applied retrospectively to all prior periods presented. The disclosures required by the amendments in ASU 2011-07 should be provided for the period of adoption and subsequent reporting periods. The Corporation is required to adopt the new guidance on October 1, 2012, and is currently evaluating the impact this guidance will have on the consolidated financial statements.

Reclassifications

Certain reclassifications were made to the 2010 consolidated financial statements to conform with classifications made in 2011. 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 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.

A 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 \$2,456 and \$106 for the years ended September 30, 2011 and 2010, respectively, to reflect changes in the estimated Medicare and Medicaid settlements for prior years.

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

NorthShore University HealthSystem

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

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

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

	2011	2010
Medicare	39%	39%
Medicaid	7	7
BCBS	23	22
Managed care	19	18
Other	12	14
Total	100%	100%

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

	2011	2010
Medicare	27%	33%
Medicaid	20	11
BCBS	15	14
Managed care	23	26
Other	15	16
Total	100%	100%

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.

Current liabilities include \$60,010 and \$59,020 at September 30, 2011 and 2010, respectively, related to estimated cost report settlement amounts due to Medicare, Medicaid, and BCBS Indemnity Plans, and BCBS claims lag liability. Laws and regulations governing Medicare and

NorthShore University HealthSystem

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

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

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.

For the years ended September 30, 2011 and 2010, \$62,251 and \$62,567, 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 on July 1, 2008 (the beginning of the State's fiscal year), through the State's fiscal year 2013. Legislation has been approved to enhance this program and extend it to June 30, 2014.

The Corporation recognized \$28,597 of net patient service revenue and \$24,828 of program assessment expense for both of the years ended September 30, 2011 and 2010. The State exercised the option to accelerate payments and receipts, resulting in a prepaid amount of \$1,168 and \$2,337 and a liability of \$7,149 and \$14,299 at September 30, 2011 and 2010, respectively.

4. Financial Instruments

The presentation of investments at September 30 is as follows:

	2011	2010
Other short-term investments	\$ 16,383	\$ 51,042
Collateral under securities lending program	—	52,389
Investments available for general use	1,175,079	1,124,124
Investments limited as to use:		
Internally designated investments, current portion	47,186	47,327
Internally designated for capital replacement and other	148,650	151,870
Investments under securities lending program	—	51,078
Other noncurrent assets	26,569	23,573
Payable under securities lending program	—	(52,389)
Total investments, net	<u>\$ 1,413,867</u>	<u>\$ 1,449,014</u>

NorthShore University HealthSystem

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

4. Financial Instruments (continued)

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

	2011	2010
Dividend and interest income	\$ 29,684	\$ 25,106
Net realized gains on investments	91,239	1,626
Net unrealized (losses) gains on investments	(79,597)	79,584
Subtotal	41,326	106,316
Net unrealized (losses) gains on investments – endowments	(4,408)	10,777
Total investment return	\$ 36,918	\$ 117,093

The investment return for the year ended September 30 is:

	2011	2010
Nonoperating:		
Dividend and interest income	\$ 29,684	\$ 25,106
Net realized gains on investments	84,386	7,238
Net unrealized (losses) gains on investments	(79,597)	79,584
Temporarily restricted:		
Net realized gains (losses)	6,853	(5,612)
Net unrealized (losses) gains	(4,408)	10,777
Total investment return	\$ 36,918	\$ 117,093

Investment fees for the years ended September 30, 2011 and 2010, were \$15,994 and \$11,977, respectively, included in other, net, within nonoperating.

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 2011 or 2010.

NorthShore University HealthSystem

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

4. Financial Instruments (continued)

Securities Lending

As part of the management of the investment portfolio, the Corporation entered into an arrangement whereby securities owned by the Corporation were loaned to an approved list of borrowers. The Corporation, in discussion with its Board, evaluated the risks and rewards of this program, and in November 2010, decided to discontinue the program. No material earnings impact was recorded as a result of this wind-down completed in January 2011. This program and related loans were arranged through a financial institution as investment custodian and lending agent for the program. Under the terms of the agreement, the lending agent obtained collateral from borrowers daily in the form of United States Treasury securities, cash, or letters of credit equal to approximately 102% of the value of the securities borrowed with the value of the collateral adjusted daily for market fluctuations.

The financial institution was responsible for the creditworthiness of the borrowers and was responsible for the risk of borrower bankruptcy and default. The value of collateral was included in current assets, while the corresponding liability reflecting the Corporation's obligation to repay the collateral upon settlement of the lending transaction was included in current liabilities in the accompanying consolidated balance sheets.

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.

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.

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

5. Fair Value Measurements (continued)

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 Corporation's financial assets and liabilities that are carried at fair value at September 30, 2011, were as follows:

	Level 1	Level 2	Level 3	Total
Nature of investment				
Open-ended mutual funds ^(a)	\$ 28,587	\$ –	\$ –	\$ 28,587
Domestic equity funds ^(a)	72,585	116,780	–	189,365
International equity funds ^(a)	16,061	211,113	–	227,174
Domestic equities ^(a)	152,146	–	–	152,146
Real asset funds ^(b)	–	21,040	–	21,040
Bond funds ^(a)	264,754	–	–	264,754
Fixed income accounts ^(b)	–	87,506	–	87,506
Treasury inflation protected securities ^(b)	–	21,189	–	21,189
Total assets at fair value	\$ 534,133	\$ 457,628	\$ –	\$ 991,761

There were no financial liabilities measured at fair value on a recurring basis as of September 30, 2011.

NorthShore University HealthSystem

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

5. Fair Value Measurements (continued)

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

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

^(a) Pricing of equity securities and funds is based on quoted market prices in active markets. Redemption frequency is daily for Level 1 and monthly for Level 2. This is presented on the consolidated balance sheets as "Other short-term investments," "Other noncurrent assets," "Internally designated for capital replacement and other," and "Internally designated investments, current portion."

^(b) 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 daily or monthly. This is presented on the consolidated balance sheets as "Other short-term investments," "Other noncurrent assets," "Internally designated for capital replacement and other," and "Internally designated investments, current portion."

^(c) 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."

NorthShore University HealthSystem

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

5. Fair Value Measurements (continued)

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.

There were no transfers between Level 1, Level 2, and Level 3 assets during the year ended September 30, 2011 and 2010.

Total investments at September 30, 2011, are \$1,413,867. In addition to total investments recorded at fair value, this amount includes: \$397,653 in limited partnerships and funds recorded at cost, \$22,957 in limited partnerships recorded using the equity method, and other assets of \$1,496 recorded at cost.

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, less \$52,389 payable under securities lending program.

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 \$400,102 at September 30, 2011, and \$409,946 at September 30, 2010. The fair value included a consideration of third-party credit enhancements, for which there was no impact.

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 sold as of September 30, 2010. 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 with a notional amount of \$127,300. 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 swaptions 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 effects of derivative instruments on the consolidated statements of operations and changes in net assets for 2010 are as follows:

	Financial Statement Location	2010
Derivatives not Designated as Hedging Instruments		
Interest rate contracts	Net realized gains on investments and derivatives	\$ (3,261)
Swaptions – premium receipts	Supplies, services, and other	(345)
Swap agreements – cash payment	Interest expense	4,009

NorthShore University HealthSystem

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

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.

In November 2009, the Corporation remarketed the Series 1995 and 1996 bonds (\$100,000) in a weekly demand mode to external investors. The Series 1995 bonds are backed by an SBPA issued by Wells Fargo that expires on September 22, 2016. The Series 1996 bonds are backed by an SBPA issued by JPMorgan Chase Bank, N.A. that expires on September 22, 2015. These bonds were originally issued with self-liquidity provided by the Corporation. The first principal payment to bondholders was made 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, 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. In the event an SBPA cannot be renewed or replaced, the liquidity facility provider will make a loan in the amount necessary to complete the mandatory tender of the bonds. The principal and interest on the loan will be amortized over three years.

The Corporation has two SBPAs in conjunction with the Series 2001B and 2001C bonds with JPMorgan Chase Bank, N.A. and Wells Fargo, respectively, that expire on September 22, 2013. In the event these bonds cannot be remarketed, 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 facility is secured. After the 367-day period, the bonds will begin to amortize over a three-year period. In the event an SBPA cannot be renewed or replaced, the liquidity provider will make a loan in the amount necessary to complete the mandatory tender of the bonds. The principal and interest on the loan will be amortized over three years.

The Corporation has an LOC backup facility with The Northern Trust Company in conjunction with the 2008 Pooled Program that expires on November 30, 2014. The LOC may be drawn upon by the trustee to make payments of principal and interest on maturing commercial paper in

NorthShore University HealthSystem

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

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

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's obligation to purchase the Series 1998, 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, 2011 and 2010, there were no bonds with self-liquidity outstanding with third parties. The Series 1988 bonds matured in August 2010.

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

	Final Maturity	2011	2010
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	40,000	50,000
		<u>\$ 240,000</u>	<u>\$ 250,000</u>

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

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.

NorthShore University HealthSystem

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

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

The Corporation has various outstanding letters of credit in connection with construction projects, and property lease obligations, which amount to \$8,262 and \$7,826 for the years ended September 30, 2011 and 2010, respectively. Subsequent to September 30, 2011, the Corporation obtained a \$1,200 letter of credit in support of new property lease obligations. No amounts have been drawn against these letters.

For the years ending September 30, 2012, 2013, 2014, 2015, and 2016, maturities of long-term debt assuming remarketing of variable rate demand bonds (including an \$88 bond premium) are \$8,643, \$8,948, \$9,263, \$9,638, and \$9,988, respectively.

Interest paid for the years ended September 30, 2011 and 2010, was \$6,190 and \$1,462, respectively. Interest of \$1,161 and \$655 was capitalized for the same periods respectively. In addition, bond premium amortization was \$88 and \$18 for the years ended September 30, 2011 and 2010 respectively.

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

Type/Issuer	Series	Amortization		Years		Outstanding Principal		Interest Rate	
		Amount	Range	From	To	September 30 2011	September 30 2010	September 30 2011	September 30 2010
Illinois Development Finance Authority Variable Rate Demand Revenue Bonds									
	2001B	\$1,400	– \$5,000	2011	– 2031	\$ 43,600	\$ 45,000	0.12%	0.27%
	2001C	1,400	– 5,000	2011	– 2031	43,600	45,000	0.12%	0.26%
Illinois Health Facilities Authority Variable Rate Adjustable Demand Revenue Bonds									
	1995	\$ 1,345	– \$8,605	2011	– 2035	48,655	50,000	0.12%	0.24%
	1996	1,335	– 8,560	2011	– 2035	48,665	50,000	0.12%	0.24%
Illinois Educational Facilities Authority Commercial Paper Revenue Notes									
	2008	\$995	– \$13,305	2032	– 2038	75,000	75,000	0.18%	0.31%
Illinois Finance Authority Revenue Refunding Bonds									
	2010	\$825	– \$9,685	2012	– 2037	132,280	136,425	4.80%	4.80%
Total long-term debt						391,800	401,425		
Less current maturities of debt						8,643	9,713		
Plus 2011 bond premium (current and long-term)						2,254	2,343		
Total long-term debt less current maturities						\$ 385,411	\$ 394,055		

NorthShore University HealthSystem

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

8. Employee Benefit Programs

The Corporation sponsors a funded, noncontributory, defined-benefit pension plan (the NorthShore Plan) which 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 primarily of fixed income securities, domestic/international stocks, limited partnerships, and hedge funds. A plan measurement date of September 30 is utilized for the NorthShore Plan.

The Corporation utilized \$15,741 of the NorthShore Plan's funding standard carryforward balance against the minimum required quarterly contributions for the 2011 plan year and \$8,248 for the 2010 plan year. An additional \$5,136 was used subsequent to year-end for the pension plan's third quarter 2011 payment. In 2011, the Corporation made \$20,500 in cash contributions for the 2010 plan year.

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

	2011	2010
Change in benefit obligation:		
Benefit obligation at beginning of year	\$ 368,360	\$ 309,953
Service cost	18,617	16,180
Interest cost	18,391	17,508
Amendments	3,276	—
Actuarial gains	33,060	34,187
Benefits paid	(11,380)	(9,468)
Benefit obligation at end of year	<u>\$ 430,324</u>	<u>\$ 368,360</u>
Accumulated benefit obligation	<u>\$ 405,210</u>	<u>\$ 342,704</u>
Change in plan assets:		
Fair value of plan assets at beginning of year	\$ 271,188	\$ 238,724
Actual return on plan assets	5,989	21,872
Employer contributions	20,500	20,060
Benefits paid	(11,380)	(9,468)
Fair value of plan assets at end of year	<u>\$ 286,297</u>	<u>\$ 271,188</u>

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:

	2011	2010
Funded status of the plan	\$ (144,027)	\$ (97,172)
Unrecognized net actuarial loss	171,596	130,142
Unamortized prior service benefit	3,724	682
Prepaid pension cost	31,293	33,652
Accumulated adjustments to unrestricted net assets	(175,320)	(130,824)
Amounts recognized in consolidated balance sheets	<u>\$ (144,027)</u>	<u>\$ (97,172)</u>

Changes in the NorthShore Plan's assets and benefit obligation recognized in unrestricted net assets during 2011 and 2010 include the following:

	2011	2010
Current year actuarial loss	\$ 49,647	\$ 33,452
Prior service cost	3,276	—
Recognized loss	(233)	(284)
Current year amortization of prior service cost	(8,194)	(3,421)
	<u>\$ 44,496</u>	<u>\$ 29,747</u>

The estimated transition obligation, prior service cost, and net loss that will be amortized over the next fiscal year are \$0, \$568, and \$12,522, respectively.

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

Asset Category	Strategic Target	Actual Asset Allocation at September 30	
		2011	2010
Equity securities	39.0%	38.1%	43.5%
Debt securities	23.0	28.7	28.3
Other	38.0	33.2	28.2
Total	100.0%	100.0%	100.0%

NorthShore University HealthSystem

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

8. Employee Benefit Programs (continued)

The following table presents the NorthShore Plan's financial instruments as of September 30, 2011, measured at fair value on a recurring basis by the ASC 820 valuation hierarchy defined in Note 5:

	Level 1	Level 2	Level 3	Total
Nature of investment				
Domestic equity funds ^(a)	\$ 14,853	\$ 23,111	\$ -	\$ 37,964
International equity funds ^(a)	-	49,605	-	49,605
Domestic equities ^(a)	35,204	-	-	35,204
Real asset funds ^(b)	-	9,304	-	9,304
Bond funds ^(a)	42,210	-	-	42,210
Fixed income accounts ^(b)	-	17,504	-	17,504
Treasury inflation protected securities ^(b)	-	19,980	-	19,980
Limited partnership and hedge funds ^(c)	-	-	74,114	74,114
Cash equivalents ^(a)	412	-	-	412
Total assets at fair value	\$ 92,679	\$ 119,504	\$ 74,114	\$ 286,297

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:

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

NorthShore University HealthSystem

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

8. Employee Benefit Programs (continued)

- (a) Pricing of equity securities and funds is based on quoted market prices in active markets. Redemption frequency is daily for Level 1 and monthly for Level 2.
- (b) 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 daily or monthly.
- (c) 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.

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, 2010 to September 30, 2011:

	Limited Partnerships and Hedge Funds
Balance, beginning of year	\$ 52,206
Dividends and interest income	26
Unrealized gains	3,619
Unrealized losses	(269)
Realized gains	782
Purchases	18,724
Sales	(974)
Balance, end of year	<u>\$ 74,114</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>\$ 3,349</u>

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:

	2011	2010
Service cost	\$ 18,617	\$ 16,180
Interest cost	18,391	17,508
Expected return on plan assets	(22,576)	(21,137)
Prior service cost recognized	233	284
Actuarial loss	8,194	3,421
Net periodic pension cost	<u>\$ 22,859</u>	<u>\$ 16,256</u>

The Corporation anticipates that contributions to the NorthShore Plan's assets will be made during 2012 from employer assets of \$33,807. Expected employee benefit payments are \$25,629 in 2012, \$26,076 in 2013, \$27,461 in 2014, \$28,905 in 2015, \$30,465 in 2016, and \$170,242 during the period from 2017 through 2021.

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

	2011	2010
Discount rate	4.70%	5.10%
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:

	2011	2010
Discount rate	5.10%	5.80%
Expected return on plan assets	7.75	7.75
Rate of compensation increase	3.78	3.78

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 2011 and 2010.

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 \$17,278 and \$16,538 in 2011 and 2010, respectively, and are included in salaries and benefits expense. The liability at September 30, 2011 and 2010, is \$13,948 and \$13,500, respectively.

The Corporation also sponsors a supplemental executive retirement plan. The total plan liability is \$14,946 and \$8,995 for the periods ended September 30, 2011 and 2010, respectively.

The Corporation also offers an Executive and Physician Income Deferral Plan (457B), which is 100% employee-funded. The plan assets are \$26,569 and \$23,573, included in other noncurrent assets for the periods ended September 30, 2011 and 2010, respectively.

9. Professional Liability Insurance

The Corporation has claims-made basis policies. As of September 30, 2011, (beginning with policy year March 26, 2009), claims are subject to deductibles of \$10,000 with a \$15,000/\$15,000 buffer layer. A 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 4.0% for fiscal year 2011 and 4.5% for fiscal year 2010, resulting in a total liability of \$294,893 and \$303,752 at September 30, 2011 and 2010, respectively, and an insurance receivable of \$16,813 and \$17,361 at September 30, 2011 and 2010, 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, management believes the ultimate disposition of such matters will not have a material effect on the Corporation's financial condition or operations.

In February 2004, the Federal Trade Commission (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 health care services of HPH unless a payor specifically elects to opt out and negotiate jointly for all of the Corporation's hospitals. The Final Order also requires the Corporation to give prior notification to the FTC for any future acquisitions of hospitals within the Chicago Metropolitan Statistical Area through April 2018. The Final Order terminates in April 2028.

In August 2007, three individual private plaintiffs filed a purported antitrust class action lawsuit 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. On January 13, 2012, the Seventh Circuit Court issued an opinion, which vacated the District Court's denial of class certification, and remanded the case back to the District Court for further proceedings.

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.

The Corporation has filed required applications seeking real estate tax-exempt status for certain of the Corporation's Skokie Hospital and related facilities, which were certified as tax-exempt as part of Rush North Shore Medical Center prior to the merger with the Corporation on January 1, 2009. These applications are pending with the appropriate state and local tax authorities.

NorthShore University HealthSystem

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

10. Litigation and Contingencies (continued)

Additionally, upon the regularly scheduled renewal of the Corporation's sales and use tax exemption, the Illinois Department of Revenue notified the Corporation that its existing sales and use tax exemptions will remain in effect on an interim basis with issuance of a new certification pending review of further information requested by the Department of Revenue.

11. Commitments

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

2012	\$	15,239
2013		14,037
2014		13,356
2015		13,534
2016		11,233

Lease expense for the years ended September 30, 2011 and 2010, was \$21,470 and \$21,282, respectively.

At September 30, 2011, the Corporation is committed to \$69,191 in construction-related contracts.

At September 30, 2011, the Corporation is committed to fund \$90,267 to limited partnerships, which is expected to occur over the next decade. At September 30, 2011, the pension plan is committed to fund \$20,066 to limited partnerships, which is expected to occur over the next decade.

Future minimum intangible asset amortization for the next five years is as follows:

2012	\$	2,402
2013		2,016
2014		1,984
2015		636
2016		103

NorthShore University HealthSystem

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

12. General, Administrative, and Fund-Raising Expenses

General and administrative expenses incurred in connection with providing inpatient, outpatient, professional, and emergency care services amounted to approximately \$244,746 in 2011 and \$226,177 in 2010. Fund-raising expenses for the years ended September 30, 2011 and 2010, were \$2,694 and \$2,434, respectively.

13. Temporarily and Permanently Restricted Net Assets

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

	2011	2010
Restricted for:		
Research	\$ 16,356	\$ 14,005
Special purpose	67,499	71,596
Total temporarily restricted net assets	<u>\$ 83,855</u>	<u>\$ 85,601</u>

Activity in the endowment funds was as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, at October 1, 2009	\$ 4,281	\$ 26,576	\$ 62,947	\$ 93,804
Contributions	—	—	6,400	6,400
Investment return	(793)	(4,210)	—	(5,003)
Change of value in 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	6,154	27,798	69,347	103,299
Contributions	—	—	1,772	1,772
Investment return	1,885	9,022	—	10,907
Change of value in trust	(828)	(4,408)	—	(5,236)
Distributions	(1,885)	(5,264)	—	(7,149)
Net asset reclassification from unrestricted investment	59	110	—	169
Endowment net assets, at September 30, 2011	<u>\$ 5,385</u>	<u>\$ 27,258</u>	<u>\$ 71,119</u>	<u>\$ 103,762</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 objective, 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 \$3,205 and \$3,037 as of September 30, 2011 and 2010, 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 Section 501(c)(3) of the IRC. Most of the income received by NorthShore Exempt Group is exempt from taxation under 501(a) of the IRC, 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 federal income tax returns and returns for various states in the U.S.

ASC 740-10, *Income Taxes*, requires that realization of an uncertain income tax position is 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, 2011 or 2010.

NorthShore currently has a net operating loss carryforward of \$13,319, which generated assets of \$5,361. MG currently has a net operating loss carryforward of \$712, which generated assets of \$285. These assets are 100% offset by valuation allowances.

15. Other Events

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 the 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 neuroscience.

The Corporation recorded goodwill of \$78,122, included in other noncurrent assets, and intangible assets of \$7,450 and \$260 for the noncompete clause and the trade name, respectively.

NorthShore University HealthSystem

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

15. Other Events (continued)

The results of operations of the acquisition of CINN have been included in the consolidated financial statements since December 7, 2009. The following are the unaudited pro forma results for fiscal year 2010 as if the acquisition had occurred on October 1, 2009:

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

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.

During fiscal year 2011, the Corporation acquired the medical practices listed below as part of its efforts to provide clinically integrated health care to patients in its service area:

- November 8, 2010, Medical Imaging of Northbrook Court, LLC (MINC) – the primary focus of service is mammography within two retail locations.
- January 1, 2011, North Shore Cardiologists, S.C. – this practice of 12 physicians operates out of four office locations focused on services primarily in Lake County, IL.
- March 1, 2011, Maine Ridge Medical Associates – this practice of five internal medicine physicians operates a single office in Des Plaines, IL.
- April 1, 2011, Deerpath Physicians Group – the focus of this five-physician practice is to provide leading-edge primary care for patients primarily in Lake County from its office located in Gurnee, IL.
- July 1, 2011, Pulmonary Physicians of the North Shore – an eight-physician practice located in Bannockburn, IL, providing pulmonary, critical care, and sleep-related clinical services primarily to patients in Lake County.
- July 1, 2011, NorthShore Medical Associates – this two-physician concierge care practice is located in Bannockburn, IL.

NorthShore University HealthSystem

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

15. Other Events (continued)

- July 1, 2011, Comprehensive Healthcare for Women – a three-physician practice providing women's health services located in Skokie, IL.

These acquisitions resulted in the recording of \$10,688 in goodwill and \$2,615 in intangible assets. Pro forma results for the acquisitions above are impracticable due to the lack of adequate financial records that would require the significant use of estimates and the size and timing of the individual acquisitions.

16. Subsequent Events

The Corporation evaluated events and transactions occurring subsequent to September 30, 2011 through February 6, 2012, the date of issuance of the consolidated financial statements. During this period, there were no items requiring disclosure or recognition in the consolidated financial statements, other than noted below.

The Corporation acquired several medical practices in December 2011 and January 2012, adding 19 physicians serving primarily in Lake County, IL. In December 2011, the Corporation also acquired Northwestern Orthopaedic Institute, LLC of Chicago, IL, a comprehensive orthopaedic practice with 14 physicians located in Chicago, IL.

In December 2011, the Corporation also acquired North Suburban Affiliated Physicians – a clinically integrated, independent practice association, representing more than 200 independent doctors in their relationships with various managed care and commercial insurers. As part of this acquisition, effective January 1, 2012, the MG name was changed to NorthShore Physician Associates, Inc. (NPA).

The Corporation agreed to acquire Ravinia Associates in Internal Medicine of Highland Park, IL. This 12-physician practice is focused on primary and gastroenterology care for patients primarily in Lake County, IL. This transaction is expected to be effective on April 1, 2012.

Pro forma results for the acquisitions above are impracticable due to the lack of adequate financial records that would require the significant use of estimates and the size and timing of the individual acquisitions.

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Skokie Hospital

Kristen Murtos
President

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kmurtos@northshore.org

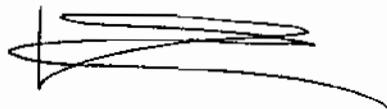
February 27, 2012

Illinois Health Facilities and Services Review Board
525 West Jefferson
Springfield, IL 62761

To Whom It May Concern:

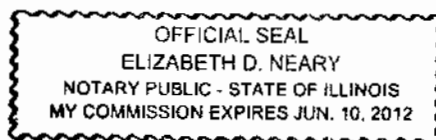
Please be advised that the proposed project to modernize Skokie Hospital will be funded entirely with cash and equivalents.

Sincerely,



Kristen Murtos
President, Skokie Hospital
NorthShore University HealthSystem

Notarized:



Elizabeth D. Neary
March 1, 2012

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE

Skokie Bed Tower	\$ 395.00	\$ 275.00								
Department	A	B	C	D	E	F	G	H	Total	
(list below)	Cost/Sq. Foot		Gross Sq. Ft.		Gross Sq. Ft.		Const. \$	Mod. \$	Costs	
	New	Mod.	New	Circ.	Mod.	Circ.	(A x C)	(B x E)	(G + H)	
Reviewable										
Med/Surg Units	\$ 422.65	\$ 294.25	19,300		64,995		\$ 8,157,145	\$ 19,124,779	\$ 27,281,924	0.490
ICU	\$ 477.95		10,950				\$ 5,233,553		\$ 5,233,553	0.094
Surgery	\$ 485.85	\$ 338.25	19,890		2,095		\$ 9,663,557	\$ 708,634	\$ 10,372,190	0.186
PACU/Recovery	\$ 485.85	\$ 338.25	2,645		2,790		\$ 1,285,073	\$ 943,718	\$ 2,228,791	0.040
Same Day Surg.	\$ 438.45	\$ 305.25	3,520		16,835		\$ 1,543,344	\$ 5,138,884	\$ 6,682,228	0.120
Acute Dialysis		\$ 266.75			715			\$ 190,726	\$ 190,726	0.003
Rehab Services		\$ 266.75			1,580			\$ 421,465	\$ 421,465	0.008
Respiratory Care		\$ 266.75			1580			\$ 421,465	\$ 421,465	0.007
Pharmacy	\$ 383.15		7,515				\$ 2,879,372		\$ 2,879,372	0.052
	\$ 450.67	\$ 297.49	63,820		90,590		\$ 28,762,044	\$ 26,949,670	\$ 55,711,714	1.000
contingency	\$ 20.00	\$ 20.00					\$ 1,276,400	\$ 1,811,800	\$ 3,088,200	
							\$ 30,038,444	\$ 28,761,470	\$ 58,799,914	
Non-Reviewable										
Sterile Processing	\$ 405.27		7,245				\$ 2,936,181		\$ 2,936,181	0.057
Cafeteria	\$ 405.27	\$ 282.15	5,085		1,685		\$ 2,060,798	\$ 475,423	\$ 2,536,221	0.050
Food Service	\$ 307.15	\$ 213.84	5,810		4,015		\$ 1,784,553	\$ 858,568	\$ 2,643,121	0.052
Conference Ctr.	\$ 337.01	\$ 234.63	3,680		3,680		\$ 1,240,212	\$ 858,746	\$ 2,098,957	0.041
Administration	\$ 337.01	\$ 234.63	16,530		8,250		\$ 5,570,841	\$ 1,935,698	\$ 7,506,539	0.147
Support Serv. Off.	\$ 337.01	\$ 234.63	6,835		1,055		\$ 2,303,491	\$ 247,535	\$ 2,551,025	0.050
Simulation Lab.		\$ 365.31			2,975			\$ 1,086,797	\$ 1,086,797	0.021
Hospitalists		\$ 234.63			2,775			\$ 651,098	\$ 651,098	0.013
Care Management		\$ 234.63			2,045			\$ 479,818	\$ 479,818	0.009
On-Call Rooms		\$ 234.63			3,475			\$ 815,339	\$ 815,339	0.016
Dept. of Surgery		\$ 234.63			20,975			\$ 4,921,364	\$ 4,921,364	0.096
Telecommun.		\$ 234.63			1,580			\$ 370,715	\$ 370,715	0.007
Residents	\$ 337.01	\$ 234.63	1,450		1,010		\$ 488,670	\$ 236,976	\$ 725,647	0.014
Public & Circ.	\$ 405.27	\$ 282.15	10,873		3,725		\$ 4,406,501	\$ 1,051,009	\$ 5,457,509	0.107
Mechanicals	\$ 311.42		36,815				\$ 11,464,854		\$ 11,464,854	0.224
CSF>>BGSF	\$ 311.42		15,814				\$ 4,924,858		\$ 4,924,858	0.096
	\$ 337.59	\$ 244.46	110,137		57,225		\$ 37,180,958	\$ 13,989,086	\$ 51,170,044	1.000
contingency	\$ 20.00	\$ 20.00					\$ 2,202,746	\$ 1,144,500	\$ 3,347,246	
							\$ 39,383,704	\$ 15,133,586	\$ 54,517,290	
Total			173,957		147,815		\$ 69,422,148	\$ 43,895,056	\$ 113,317,204	

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PROJECTED OPERATING COSTS and TOTAL EFFECT OF PROJECT ON CAPITAL COSTS

SKOKIE HOSPITAL

2018 Projections

Adjusted patient days:

$$\frac{\$69,367,000}{\$106,067,000 / 43,836} = 28,668$$

	Med/Surg	ICU	Total Hospital
Operating Costs:			
salaries	\$ 19,158,000	\$ 3,693,000	\$ 78,797,000
benefits	\$ 5,243,000	\$ 1,013,000	\$ 20,181,000
supplies	\$ 847,000	\$ 175,000	\$ 7,862,000
Total	\$ 25,248,000	\$ 4,881,000	\$ 106,840,000

Operating Cost per Adjusted Patient Day:			
	\$ 880.69	\$ 170.26	\$ 3,726.75

Capital Costs:

depreciation, amortization, interest: \$31,106,000

Capital Cost per Adjusted Patient Day:	\$1,085.03
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SAFETY NET STATEMENT

Both Skokie Hospital and its parent, NorthShore University HealthSystem ("NorthShore"), are safety net providers, and operate as a not-for-profit corporation. NorthShore acquired the hospital (formerly known as Rush North Shore Medical Center) in 2009. In 2010, the first full year under NorthShore ownership, the hospital increased the amount of charity care it provided by 230% over the 2008 level; and the number of Medicaid recipients served increased from 558 to 13,851 patients. Medicaid admissions alone increased by 178% during that two-year period.

The proposed project improves the manner in which the hospital provides a variety of essential services, including ICU services, medical/surgical inpatient care, and surgery; and the project does not involve the discontinuation of any services, safety net or other.

Attached is a copy of NorthShore University HealthSystem's 2010 *Community Benefits Report*. That report addresses system-wide initiatives, and outlines the system's liberal discount policies for uninsured and underinsured patients.



COMMUNITY BENEFITS REPORT 2010



The more
NorthShore University HealthSystem
and the community connect,
the stronger and healthier
both will become.

NorthShore
University HealthSystem

ATTACHMENT 43

Table of Contents

1. Mission Statement
 2. Community Relations Vision Statement
 3. Community Benefits Guiding Principles
 4. Program Tracking and Evaluation
 5. Service Area Map
 6. Community Demographics
 7. Community Needs Assessment
 8. Community Relations Department
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 10. System-wide Community Relations Programs
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NorthShore University HealthSystem Mission Statement

The core mission of NorthShore University HealthSystem (NorthShore) 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 the organization's commitment. The organization's primary service area includes Chicago's "north shore," northern suburbs, and its 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, and does so largely by way of its teaching affiliation with the University of Chicago.

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

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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.*

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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, including:

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 track NorthShore University HealthSystem's community benefits initiatives, which are evaluated against an assessed community need, outcome(s) and guiding principles.



NorthShore Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2010
October 1, 2009 – September 30, 2010

<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
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.	Treated 7,081 adult patients at 13,430 visits and 4,289 adolescent patients at 7,454 visits.	☒ Cancer ☒ Heart Disease/Stroke ☒ Pneumonia ☒ Diabetes ☒ Mental Health ☐ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☒ Seamless Continuum of Care ☒ Build Community Capacity ☒ 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.	Provided care to 120,750 individuals at the Evanston, Glenbrook, Highland Park and Skokie Hospital emergency departments.	☒ Cancer ☒ Heart Disease/Stroke ☒ Pneumonia ☒ Diabetes ☒ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☒ Seamless Continuum of Care ☐ Build Community Capacity ☐ Community Collaboration
1/6/11 Ongoing	Be Well Lake County	NorthShore provided funding to support a diabetes management program for more than 400 current patients at the Lake County Health Department/Community Health Center in North Chicago. Funding allowed for increased staffing at the health center, 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.	☐ Cancer ☒ Heart Disease/Stroke ☐ Pneumonia ☒ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☒ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

NorthShore Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2010
October 1, 2009 – September 30, 2010

Date	Initiative	Outcomes	Community Assessed Need Addressed	NorthShore Guiding Principles Addressed
Ongoing	Family Care Center at Glenbrook Hospital	Glenbrook Hospital provides comprehensive care for people of all ages and serves as a training site for Family Medicine resident physicians and medical students from University of Chicago Pritzker School of Medicine. From August 2009 to July 2010, 14 residents were trained through the Family Care Center.	☒ Cancer ☒ Heart Disease/Stroke ☒ Pneumonia ☒ Diabetes ☒ Mental Health ☐ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☒ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
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, management for oral complications in oncology patients and refractory dental problems.	The Dental Center provided free and discounted care for 2,613 adult patients at a cost of \$182,074.	☒ Cancer ☒ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☒ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
Ongoing	Evanston Township High School Health Center is a school-based health clinic, funded by NorthShore University HealthSystem for \$547,010 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.	For the 2009-2010 academic year 824 ETHS students made 2,449 visits to the Health Center. For School District 65, 132 students made 175 visits.	☐ Cancer ☒ Heart Disease/Stroke ☐ Pneumonia ☒ Diabetes ☒ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☒ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
Ongoing	Interpretive Services provides comprehensive, in-person, written, and telephonic translation and interpretation services for patients and family members receiving medical treatment at any NorthShore facility.	NorthShore provided \$1,362,563 for interpretive services including 22,000 hours of verbal interpretive services provided by three NorthShore University HealthSystem staff interpreters and 17 members of an in-house resource pool.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☐ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☒ Seamless Continuum of Care ☒ Build Community Capacity ☐ Community Collaboration

☒ Principle Addressed

NorthShore Community Benefits Program Tracking & Evaluation

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<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
Ongoing	The Medication Assistance Program helps with the cost of prescriptions for patients at NorthShore University HealthSystem.	NorthShore University HealthSystem provided \$722,922 to assist 1,723 individuals by filling 26,143 prescriptions.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☒ Seamless Continuum of Care ☐ Build Community Capacity ☐ Community Collaboration
Ongoing	Provide Financial and Direct Support to organizations that support NorthShore University HealthSystem's mission to <i>preserve and improve human life</i> , as well as to help NorthShore University HealthSystem connect with the communities it serves.	NorthShore University HealthSystem provided \$1,562,146 in contributions to 87 organizations.	☒ Cancer ☒ Heart Disease/Stroke ☒ Pneumonia ☒ Diabetes ☒ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☒ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
1/23 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.	The Eye and Vision Center treated 1,283 medically underserved patients.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☐ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☒ Seamless Continuum of Care ☐ Build Community Capacity ☐ Community Collaboration
Ongoing	NorthShore University HealthSystem has Community Relations Manager at each of its hospitals.	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.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☒ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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NorthShore Community Benefits Program Tracking & Evaluation

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<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
Ongoing	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, inpatient centers for both adults and adolescents. Staff from NorthShore University HealthSystem's Psychiatry Department also provide Mental Health Outreach by offering presentations and professional services to outside organizations on a variety of mental health issues.	NorthShore University HealthSystem, Department of Psychiatry supervises social work interns for clinical training across programs. The Access Center offers 24-hour crises intervention and triage over the phone and in the Emergency Department. The Access Center answered over 450 calls per month for intakes and referrals to outside counseling or treatment.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☒ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☒ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
12/1 Ongoing	Mobile Meals/Meals at Home programs provide meals for homebound individuals.	Food and Nutrition Services at NorthShore University HealthSystem's Evanston, Glenbrook, Highland Park and Skokie Hospitals prepared 33,180 meals.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
Ongoing	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, Radiation Oncology, Pastoral Care and Hospital Administration.	NorthShore University HealthSystem provided 940 students with 102,558 internship hours. NorthShore University HealthSystem staff provided 83,597 hours of supervision.	☒ Cancer ☒ Heart Disease/Stroke ☒ Pneumonia ☒ Diabetes ☒ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
Ongoing	Hospital Tours	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.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
Ongoing	Cancer Wellness Center, Northbrook is a not-for-profit organization that provides psychosocial support to cancer patients and their families.	NorthShore University HealthSystem Kellogg Cancer Care Centers offered 17 educational programs and provided \$10,000 in financial support.	☒ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☒ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
Ongoing	Perinatal Depression Program identifies women who are suffering from perinatal depression and offers referrals for women who may need additional support. 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.	NorthShore University HealthSystem physicians conducted 5,238 screenings to identify at-risk patients. Free psychological support and referrals were provided for 438 women identified through the screenings as at-risk for perinatal mood disorders. The hotline received 731 calls.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☒ Mental Health ☐ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☒ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
Ongoing	Health Education programs are offered at NorthShore University HealthSystem sites.	NorthShore University HealthSystem provided 369 health education classes to 10,123 participants.	☒ Cancer ☒ Heart Disease/Stroke ☒ Pneumonia ☒ Diabetes ☒ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration

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Ongoing	Exercise Programs are offered at NorthShore University HealthSystem sites.	NorthShore University HealthSystem provided 77 exercise programs to 622 participants.	☒ Cancer ☒ Heart Disease/Stroke ☒ Pneumonia ☒ Diabetes ☒ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ 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.	NorthShore University HealthSystem provided 21 presentations to 406 participants.	☒ Cancer ☒ Heart Disease/Stroke ☒ Pneumonia ☒ Diabetes ☒ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
12/2 Ongoing	Staff members from NorthShore University HealthSystem participate in community Health Fairs throughout the year.	NorthShore University HealthSystem participated in 23 health fairs. Staff members provided resource information and/or health screenings.	☒ Cancer ☒ Heart Disease/Stroke ☒ Pneumonia ☒ Diabetes ☒ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
Ongoing	Health Screenings are offered at NorthShore University HealthSystem sites on a monthly basis, as well as in the community by request.	NorthShore University HealthSystem provided 172 screenings opportunities serving 4,011 individuals.	☒ Cancer ☒ Heart Disease/Stroke ☒ Pneumonia ☒ Diabetes ☒ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
Ongoing	Blood Drive	NorthShore hosts ongoing community-wide blood drives at each of its hospitals.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
Ongoing	Community Advisory Committees , comprised of 12-15 members, are active at each NorthShore University HealthSystem hospitals.	The committees help identify gaps in healthcare services within the community and seek opportunities for partnerships between the hospital and community organizations.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☐ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☒ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
127 Ongoing	Reach Out and Read is a program that promotes early literacy by bringing new books and advice about the importance of reading aloud.	Doctors and nurses give new books to children from six months of age to five years at each well-child visit and accompany these books with developmentally appropriate advice to parents about reading aloud with their child.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☐ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
Ongoing ATTACHMENT 43	OASIS Institute , a national senior-based membership organization located on the North Shore of Chicago.	NorthShore University HealthSystem provided 21 speaking and screening engagements, reaching 493 OASIS members.	☒ Cancer ☒ Heart Disease/Stroke ☒ Pneumonia ☒ Diabetes ☒ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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Ongoing	Meeting Room Space is made available free of charge at NorthShore University HealthSystem sites to community organizations.	NorthShore University HealthSystem met 59 requests for meeting room space from community organizations.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
Ongoing	Access to Care Program with Family Care Center (Residency Program in Family Medicine) and Glenbrook South High School.	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.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☒ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
12/ 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.	The perinatal family support center provided services to 1,753 patients/families.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☒ Mental Health ☐ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
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.	NorthShore University HealthSystem provided services to 217 teenagers.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☒ Mental Health ☐ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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Ongoing	Teddy Bear Clinics provide ongoing hands-on educational opportunity to engage with children and their parents, teaching them about basic first aid and what kinds of things to expect when they visit a hospital.	NorthShore conducted four clinics were held and reached over 100 children and their parents.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
Ongoing	English Language Learning (ELL) Parent Center Health Education Series	Throughout the school year, NorthShore provides health education classes, screening events and programs addressing specific needs as identified by the ELL Parent Center.	☐ Cancer ☒ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☒ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
12/9 Ongoing	Morton Grove Senior Center Educational Programming	Throughout the year, NorthShore provides a variety of health education classes addressing specific senior needs as identified by the senior center.	☐ Cancer ☒ Heart Disease/Stroke ☐ Pneumonia ☒ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
Ongoing	Coming Together In Skokie is a community-wide celebration of diversity, culture and Skokie residents.	North Shore provided health education to 62 individuals on healthy cooking and eating and nutrition as part of this community wide initiative lead by the Village of Skokie, the Skokie Public Library and School District 219.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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Ongoing	Whitehall of Deerfield Lecture Series for the Elderly	NorthShore provided three lectures covering nutrition, fall prevention and Medicare part D coverage for the elderly in our communities. These lectures reached over 75 people.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
Ongoing/School Year	Glenview District 34 Science Olympiad Program	In the 2010-2011 school year, Glenbrook Hospital provided sole funding for the Science Olympiad program in the District 34 science curriculum, providing students an opportunity to engage with hands-on learning through the national recognized science competition at a local, regional and national level.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☐ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
Ongoing/School 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.	In the 2009-2010 school year, Glenbrook Hospital provided approximately 1,500 hours of rotations for high school students participating in the District 214 medical academy.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
Ongoing/School Year	Glenbrook South High School Medical Technologies Hospital-Based Curriculum	Throughout the school year, Glenbrook Hospital provided 60 students the opportunity to interact with various hospital technologies in healthcare service lines.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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October 15	Glenbrook North High School Health Fair	Glenbrook Hospital staff provided health education information and bone density screenings to 35 faculty and staff at Glenbrook North High School.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
October 17	Diabetes and Diabetic Retinopathy Screenings	Highland Park Hospital partnered with the Lake County Health Department, Highland Park Senior Center, and Moraine Township to offer screenings for residents at risk for diabetes and diabetic retinopathy, providing vision, hearing, glucose and blood pressure screenings to 75 community members.	☐ Cancer ☒ Heart Disease/Stroke ☐ Pneumonia ☒ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☒ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
October 18	Making Strides Walk for Breast Cancer Awareness	Approximately 27 employees and family members took part in a 5 mile walk and raised more than \$3,000 for the event.	☒ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
October 20	Simulator Center Experience and Medical Career Opportunities for Highland Park High School Students	The Simulator Center staff provided hands-on experience and information regarding medical opportunities to 11 bilingual/bicultural students from Highland Park High School.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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October 20	Flu shots for Evanston McGaw YMCA Residents	Provided flu vaccinations to approximately 30 residents of the Evanston McGaw YMCA.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☒ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
October 22	Glenbrook South High School Health Fair	Glenbrook Hospital staff provided health education information and bone density screenings to 30 faculty and staff at Glenbrook South High School.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
9/22 October 22	Skokie Community Leaders' Briefing	Presented in-depth plans and information about current and future Skokie Hospital services to 80 community leaders, highlighting \$150 million in investments on the hospital campus.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
October 26- November 6	H1N1 Coloring Book Distribution	Distributed nearly 6,000 coloring books on how to prevent the flu to schools in NorthShore communities.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration

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October 28	Diabetes Health Fair	Diabetes educators and physicians presented educational seminars, screenings and information to about 125 individuals at the Park Center in Glenview.	☐ Cancer ☒ Heart Disease/Stroke ☐ Pneumonia ☒ Diabetes ☐ Mental Health ☐ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
November-December	District 219 Health Careers Tours	Skokie Hospital provided hands-on interactive sessions through a variety of hospital departments such as central supply, endoscopy, radiology, nursing education, rehabilitation and food and nutrition services, to 30 interested high school students enrolled in the Health Careers program through District 219.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
November 9-19	Evanston Hospital Thanksgiving Food Drive	Evanston Hospital collected food items, which were distributed to local agencies in the Evanston community.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
November 12	District 219 Job Shadow Career Exploration Day	Glenbrook Hospital provided a full day of explorative hands-on tours and job shadowing experiences for 30 District 219 students interested in the healthcare field.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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November 19 – December 10	Glenbrook Hospital Holiday Gift Drive	Glenbrook Hospital partnered with Youth Services and the North Shore Senior Center to provide holiday gifts to over 80 kids, adults and seniors.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
December 1-14	Highland Park Hospital Holiday Gift Drive	Highland Park Hospital collaborated with Moraine Township to adopt families for the holidays. Hospital staff and physicians gave 150 gifts and gift cards for local grocery stores to the township gift drive.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
December 3-20 /74	Evanston Holiday Food Drive & Christmas Toy Collection	Evanston Hospital collected food and toys that were distributed to Connections for the Homeless and Soup at Six.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
January	Cell Phone Collection and Donation	Employees donated 30 used cell phones to the National Coalition Against Domestic Violence and Phones for Life (seniors). The phones will be given to women and children affected by domestic violence and seniors living alone.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration

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<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
January	Haiti Donations	NorthShore provided \$25,000 to the American Red Cross to support Haiti earthquake relief efforts.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
February	American Cancer Society Daffodil Days	NorthShore helped raise \$2,300 for the American Cancer Society's Daffodil Days program, benefiting cancer patients at the hospital.	☒ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
775 February 1	Heart of Glenview	Glenbrook Hospital provided \$2,000 to support this community-wide event addressing funding needs for local social service charities.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
February 2	NorthShore University HealthSystem School District 65 Health Challenge Bowl	Four District 65 middle schools sent a team of four students to participate in fun academic competition on health issues. Teams played for a traveling trophy, medals and \$400 that went to support the school's physical education program.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☐ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration

ATTACHMENT 43

☒ Principle Addressed

NorthShore Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2010
October 1, 2009 – September 30, 2010

<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
February 20	Glenview New Resident Open House	NorthShore University HealthSystem provided free blood pressure screenings to attendees of the New Resident Open House as well primary prevention education to over 200 attendees.	☐ Cancer ☒ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
February 28	Hustle Up the Hancock	Fifteen Kellogg Cancer Center staff members participated in this annual fundraising event for lung disease research in greater Chicago.	☒ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
March	Evanston Community Foundation <i>Educating Success-Ready Students</i> Research	NorthShore participated in a research study to examine projected high growth middle skill industries (health care).	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
March	Northfield Pantry Food Collection by Glenbrook Hospital employees	Glenbrook Hospital employees collected staple food pantry items for the Northfield Food Pantry program.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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NorthShore Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2010
October 1, 2009 – September 30, 2010

<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
March - June	Women Out Walking	NorthShore was a supporting sponsor with the City of Evanston, for Women Out Walking. This free walking and health education campaign promoted health, wellness, community and physical activities for approximately 500 women in Evanston.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
March 14-30	Games and Sports Equipment Drive	Highland Park Hospital staff collected three large boxes of board games and sports equipment that was delivered to the USO for troops overseas.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
March 23	Skokie Hospital Bone Marrow Drive	In partnership with LifeSource, Skokie Hospital hosted a bone marrow drive and donated \$1,500 to cover the expense to screen minority donors. The event screened 15 donors to join the national bone marrow registry.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
April 16	Donate Life America Organ Donor Outreach	NorthShore hosted Donate Life America at Evanston, Glenbrook and Highland Park Hospitals to sign up employees as organ donors.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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NorthShore Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2010
October 1, 2009 – September 30, 2010

<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
April 17	McGaw YMCA Healthy Kids Day	NorthShore was a financial sponsor of the event and provided health screenings and health information.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community
April 18	Northbrook Leadership Program	Glenbrook Hospital hosted the final class and graduation ceremony for the Northbrook Leadership program and provided breakfast, lunch and an hour long tour of the hospital and services.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
178 April 21	Glenbrook Hospital Community Forum	This annual forum provided health information to the community about neurological services and capabilities at Glenbrook, as well as shared the Hospital's multi-year \$100 million expansion plan.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☐ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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NorthShore Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2010
October 1, 2009 – September 30, 2010

<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
April 24	"Baby Steps" A Baby Shower for Low Income Moms-to-Be	The Junior League of Evanston-North Shore partnered with Evanston Hospital's Perinatal Family Support Center to throw a baby shower for 15 low-income expectant mothers. The event included information on breastfeeding and nutrition, post-partum depression and car seat safety. Like a traditional baby shower, the day included lunch and gifts for the moms-to-be.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☒ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
179 April 24	Rebuilding Together	Glenbrook Hospital has been an ongoing sponsor of one home project and engaged employees to volunteer to help rebuild the home of a low-income senior or disabled person in the community.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
April 27	Glenbrook South High School Student Health Fair	NorthShore staff worked one-on-one with a group of students on their final project to provide hands-on health education, information and screenings on topics such as blood pressure, stroke awareness, blood sugar, healthy eating, body mass index, bone density and sleep to their student colleagues at Glenbrook South High School.	☐ Cancer ☒ Heart Disease/Stroke ☐ Pneumonia ☒ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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NorthShore Community Benefits Program Tracking & Evaluation

*Activities for Fiscal Year 2010
October 1, 2009 – September 30, 2010*

<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
April 28	School District 113 Student Scholarship Awards Dinner	NorthShore provided a \$1,000 scholarship to a Highland Park High School senior interested in pursuing a career in healthcare.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
May 2	Skin Cancer Screening at Skokie Hospital	Dermatologists on staff at NorthShore University HealthSystem provided skin cancer screenings to 102 individuals.	☒ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☐ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
180 May /June	American Cancer Society Relay for Life	NorthShore donated a total of \$20,000 towards four Relays held in the hospital service areas. Additionally, Glenbrook Hospital donated \$1,600 of food with hospital employee volunteers to help serve dinner.	☒ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
May 13	Medical Technologies Scholarship Awards	Glenbrook Hospital provided three scholarships totaling \$1,000 for post high school education to three high school students interested in a career in the field of medical technology.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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NorthShore Community Benefits Program Tracking & Evaluation

*Activities for Fiscal Year 2010
October 1, 2009 – September 30, 2010*

<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
May 17	American Cancer Society Walk & Roll	Twenty-six Kellogg Cancer Care staff members volunteered a total of 104 hours at this annual fundraising event.	☒ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
May 16-17	Skokie Festival of Cultures	Nurses and other staff from Skokie Hospital and surrounding Medical Group offices provided weekend-long education via the Skokie Wheel of Health, teaching thousands of children and parents the importance of healthy eating and fitness.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
187 Summer Months	Skokie's Trail to Fitness	Skokie Hospital sponsored the Skokie Trail to fitness, a community-wide initiative to help individuals lead healthier lives through a 12 week summer program that provided free classes, programs, screenings and events. NorthShore offered a free pre and post screening to all 450 registrants as well as provided various nutrition and other preventive educational classes throughout the program.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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NorthShore Community Benefits Program Tracking & Evaluation

*Activities for Fiscal Year 2010
October 1, 2009 – September 30, 2010*

<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
Summer Months	Sizzling Summer Science Camps	Skokie Hospital provided \$1,600 to fully subsidize camp fees for 28 underserved kids in the Niles Township School District and also allowed the camp to purchase additional materials and equipment for a variety of camp sessions.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
Summer Months	Mayor's (Evanston) Summer Youth Job Program	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.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
182 Summer Months	Partnership for the Future (PFF)	As a PFF business partner, Evanston Hospital hired one Evanston Township High School student during the summer months, to work in radiology. At the completion of the summer, NorthShore made a \$1,000 contribution to the student's college fund.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
June 20 ATTACHMENT 43	Ricky Byrdsong/YWCA Race Against Hate	NorthShore provided \$2,500 as financial sponsor of the race, as well as provided staff to serve in a medical support role.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration

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NorthShore Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2010
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<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
June 26	Glenview Summer Festival	Glenbrook Hospital employees provided blood pressure screenings during this community event that draws thousands of community members.	☐ Cancer ☒ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☐ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
June 27	Park District of Highland Park Firecracker 4 Run and Walk	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.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
July 13	Evanston Hospital Community Forum	Provided a forum open to the community with a panel discussion on "Advances in Cancer Treatment and Prevention" which featured NorthShore experts, followed by a question-and-answer session. A tour of Evanston Hospital's renovated Kellogg Cancer Center was provided. The event drew an audience of 83 people.	☒ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☐ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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NorthShore Community Benefits Program Tracking & Evaluation

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<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
July 16	Dr. Tammy Novak's Hope Clinic	Glenbrook Hospital was a key sponsor and participant in the second annual Hope Clinic, which offered free preventive cervical and mammography screenings to uninsured women. Glenbrook Hospital provided funding for 41 cervical pap smears including HPV screenings, diabetes, cholesterol, stroke screenings as well as information on a variety of health issues that affect women.	☒ Cancer ☒ Heart Disease/Stroke ☐ Pneumonia ☒ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
July 18	NorthShore Grand Prix of Cycling	This NorthShore sponsored event brought 10,000-15,000 spectators to downtown Evanston. NorthShore diabetes educators and Neurology personnel provided screenings and information.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☒ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
August	Healthy Back to School Snacks Collection by Glenbrook Hospital employees	Glenbrook Hospital employees collected healthy snacks for distribution to families of the Northfield Township Food Pantry program.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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NorthShore Community Benefits Program Tracking & Evaluation

Activities for Fiscal Year 2010
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<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
August	NorthShore Skokie Hospital Health Careers Scholarship Fund	Established an Oakton Community College scholarship to provide financial help annually to one community member who plans to enter the field of health and sciences.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
August 4	Lake County Health Department Kids 1 st Fair	Highland Park Hospital was a sponsor for the health fair. Highland Park Hospital contributed \$2,500 towards medical supplies. Additionally 24 staff members volunteered approximately 100 hours at the event which provided back to school physicals and screenings for 1,200 underserved/ uninsured children.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☒ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
August 7	American Cancer Society Family Health Fair at Lincolnwood Mall	NorthShore University HealthSystem provided 38 bone density screenings and dentists offered dental awareness information to 265 individuals.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
August 9-11	Patient Simulation Training for Evanston Fire Department Emergency Responders	The Evanston Hospital Simulation Center provided training for 30 members of the Evanston Fire Department using multiple scenarios.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration

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NorthShore Community Benefits Program Tracking & Evaluation

*Activities for Fiscal Year 2010
October 1, 2009 – September 30, 2010*

<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
August 14 - September 4	School Supplies Collection by Evanston Hospital Employees	School supplies were collected for distribution to students in need at the Youth Umbrella Organization of Evanston.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
August 22	Evanston Latino Health Fair at Flectwood Jourdain Community Center	NorthShore staff provided blood pressure screenings, body mass index measurements and distributed health information to approximately 30 people.	☐ Cancer ☒ Heart Disease/Stroke ☐ Pneumonia ☒ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☒ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
August 28-29	Information and First Aid provided at 26 th Annual Port Clinton Art Festival	Four NorthShore staff provided 36 volunteer hours to staff a first aid booth and provide health information at the annual art festival.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration
August 28-29	Skokie Back Lot Bash	NorthShore staff provided blood pressure, glucose and BMI screenings to approximately 45 registrants in the 5K run, which launched the weekend's festivities.	☐ Cancer ☒ Heart Disease/Stroke ☐ Pneumonia ☒ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☒ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community

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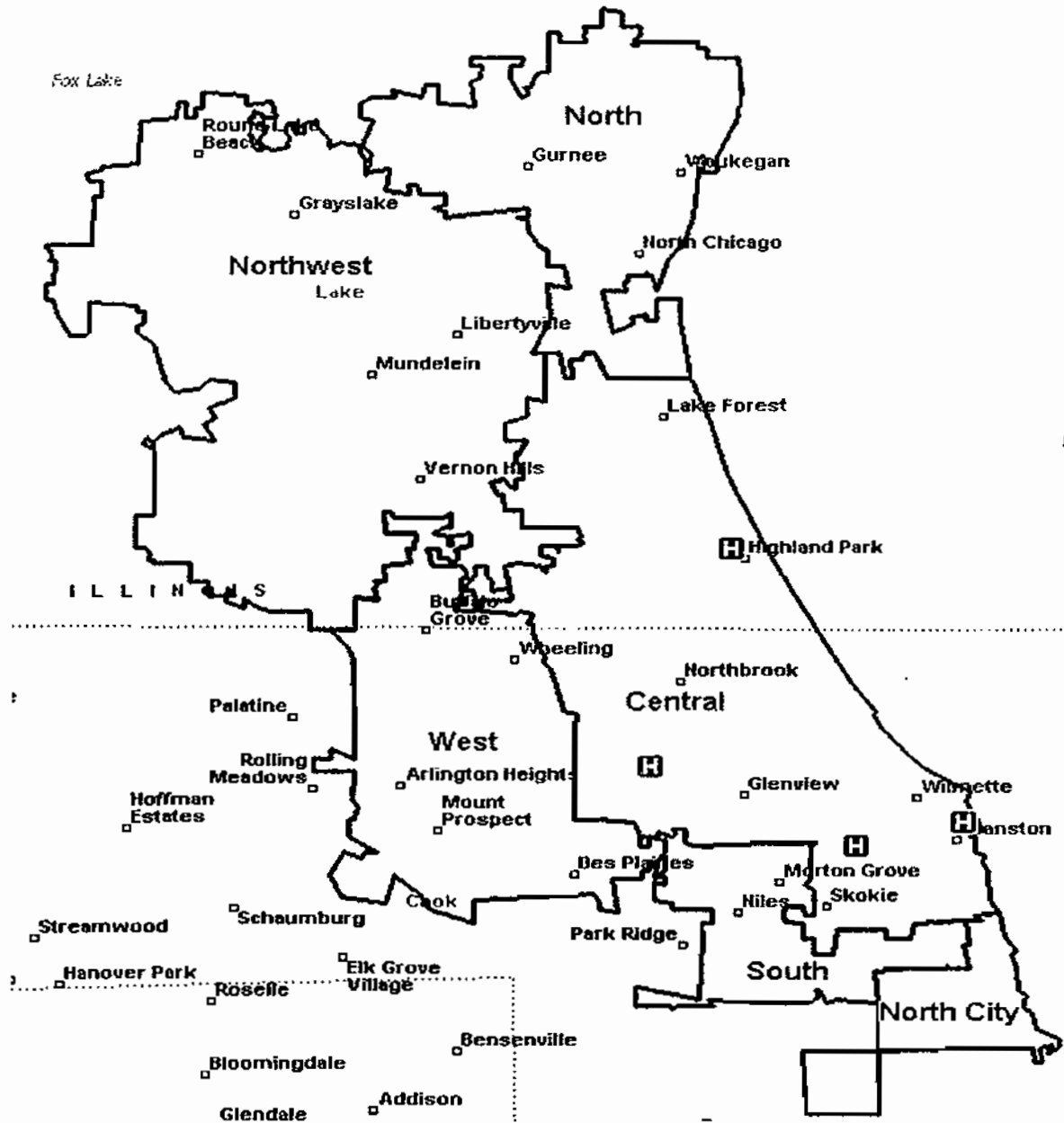
NorthShore Community Benefits Program Tracking & Evaluation

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<i>Date</i>	<i>Initiative</i>	<i>Outcomes</i>	<i>Community Assessed Need Addressed</i>	<i>NorthShore Guiding Principles Addressed</i>
September 14	Sharing Spirit Award recognized NorthShore employees who selflessly give of their time and skills to improve the lives of others.	Ten NorthShore employees were honored at a breakfast ceremony and each employee received a \$500 contribution to give to the organization for which they volunteer.	☐ Cancer ☐ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☐ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☒ Build Community Capacity ☒ Community Collaboration
September 26	American Heart Walk	NorthShore University HealthSystem participated in the Annual Heart Walk with 720 employees, raising a system record \$107,000.	☐ Cancer ☒ Heart Disease/Stroke ☐ Pneumonia ☐ Diabetes ☐ Mental Health ☒ Initiative Requested by Community	☐ Disproportionate Unmet Health-Related Needs ☐ Primary Prevention ☐ Seamless Continuum of Care ☐ Build Community Capacity ☒ Community Collaboration

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NorthShore University HealthSystem Service Area Map 51 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
 60641 Irving Park
 60659 North Town
 60660 Rogers Park

N.W. 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

	2010	2015	% Change
Central	381,525	385,120	0.9%
North	171,201	175,511	2.5%
North City	372,450	367,622	-1.3%
Northwest	242,190	256,431	5.9%
South	163,255	161,002	-1.4%
West	288,763	285,902	-1.0%
Total	1,619,384	1,631,568	0.8%

Population by Gender, 2010

	% 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, 2010

	0-17	18-34	35-44	45-54	55-64	65-74	75-84	85+
Central	26%	20%	10%	15%	13%	8%	5%	2%
North	31%	23%	15%	13%	9%	5%	3%	1%
North City	25%	24%	17%	14%	10%	6%	3%	2%
Northwest	31%	19%	14%	16%	11%	5%	3%	1%
South	23%	17%	12%	14%	13%	9%	7%	4%
West	25%	19%	14%	16%	12%	7%	4%	2%
Total	27%	21%	14%	15%	12%	7%	4%	2%

Income / Household, Average Household Size, 2010

	# HH	Avg HH Income	Under \$25K	\$25k up to \$50k	\$50k up to \$100k	\$100k up to \$150k	\$150k up to \$200k	\$200k+
Central	140,159	\$ 127,258	11%	16%	28%	18%	8%	19%
North	55,779	\$ 85,339	18%	25%	33%	15%	5%	5%
North City	142,878	\$ 59,141	27%	28%	30%	10%	2%	2%
Northwest	79,404	\$ 125,233	8%	15%	34%	22%	9%	13%
South	62,193	\$ 85,587	17%	23%	34%	16%	5%	5%
West	111,482	\$ 89,683	12%	21%	36%	19%	6%	6%
Total	591,895	\$ 95,373	16%	21%	32%	16%	6%	9%

Population by Race, 2010

	African American	Asian	Caucasian	Multiracial	Native American	Other	Pacific Islander
Central	6.1%	10.9%	77.7%	2.4%	0.1%	2.8%	0.0%
North	15.6%	6.4%	53.8%	3.7%	0.5%	20.0%	0.0%
North City	10.5%	12.5%	54.0%	6.0%	0.5%	16.4%	0.1%
Northwest	2.0%	7.5%	79.1%	2.4%	0.3%	8.7%	0.0%
South	3.7%	15.3%	72.9%	3.2%	0.2%	4.6%	0.0%
West	1.7%	12.6%	76.9%	2.2%	0.2%	6.2%	0.1%
Total	6.5%	11.0%	69.3%	3.4%	0.3%	9.4%	0.1%



Community Needs Assessment

NorthShore University HealthSystem (NorthShore) consistently assesses the needs of its communities and those of the underserved, to ensure that its community benefits programs are in alignment with the health needs of the communities it serves. In addition to collecting and analyzing available quantitative and qualitative data on mortality, disease incidence, utilization of and access to health care services, NorthShore established a mechanism in which to actively seek the involvement of our community and public health leaders in an ongoing manner to ensure that our analysis reflects the current public health needs in our area.

Community Needs Assessment Methodology – In order to produce a comprehensive health assessment, NorthShore utilized a range of available data sources. Public health statistics on mortality, maternal, infant, and child health, emotional well-being and access to care were obtained from the Illinois Department of Public Health website. The most recent data available is from 2006. As public health data often lags by several years, and is only available at the state, Metropolitan Statistical Area, or county-level, NorthShore also identified sources of zip-code level estimates of disease incidence metrics and socioeconomic status. This data assisted in understanding local levels of need and variation across our specific service area. (The zip-code level metrics included data from Thomson/Reuters from 2008, a health care information company, which creates estimates based on Census data, Medicare and third party insurance claims, and a nationally-representative household survey that includes self-reported health status, health care utilization, and self-report diagnoses.) NorthShore also identified zip-code level rates of preventable hospitalizations based on Agency for Healthcare Research and Quality (AHRQ) definitions. Preventable hospitalizations served as an indicator of the quality and depth of the outpatient management of chronic diseases, such as hypertension, high cholesterol, diabetes and obesity. The causes that trigger hospitalization were identified using the Illinois Hospital Associations COMPData database.

Based on the compilation of these sources, NorthShore found that mortality and non-obstetric hospitalizations are driven predominantly by heart disease, cancer, stroke, pneumonia, diabetes and psychiatric conditions. Areas of greatest socioeconomic need within NorthShore's service area are concentrated in northern Lake County and the North Chicago neighborhoods. NorthShore also identified differences across the service area in the self-reported health status and diagnosis of disease, and compared overall rates to Healthy Goals 2010 (where applicable).

Community Involvement – NorthShore utilizes multiple mechanisms for seeking out the collective voice of the community in understand the unmet health needs. For example, each NorthShore hospital has a community advisory committee that includes a range of community leaders. These leaders represent local public health agencies, non-profit organizations serving low-income residents, faith based groups, business and civic leaders. They advise each hospital and NorthShore on services or initiatives from a community perspective and provide strategic recommendations for community benefits programs. NorthShore's key senior administrators, as well as, its community relations staff maintain strong working relationships with local leaders, public health agencies, township officials and social service agencies not represented in the community advisory committee. In their role as community liaison, the community relations personnel serves as point of contact for NorthShore's involvement with community requests. In addition, community relations personnel coordinate the hospital presidents' role in NorthShore advocacy programs.

Senior administrators at NorthShore also participate regularly in outreach to local leaders. NorthShore physicians and staff play an equally important role in identifying health trends and needs through their leadership, board participation and involvement in local, regional and national organizations.



Information related to the health assessments and findings are communicated at the department level to NorthShore leadership.

NorthShore will continue to track both quantitative and qualitative sources of public health information as it becomes available, as well as feedback from community leaders. Community health needs data is used in our annual strategic planning processes. Stakeholder participation is critical and greatly influences NorthShore's prioritization and execution of its community benefits programs. In addition, collaboration with local leadership allows NorthShore to detect urgent and growing needs that may be under represented or absent from aggregate data, in a timely and effective manner. Lastly, collaboration with local leaders has facilitated the development of signature programs, such as Be Well-Lake County and real time solutions to critical health challenges.

Strategic Approach for Meeting Community Health Needs – NorthShore implements a three-fold strategy to address the health needs of the communities that it serves as follows:

- Community benefits programs, signature initiatives and partnerships will address a need identified in the community health needs assessment conducted by NorthShore.
- Community benefits programs, initiatives and partnerships will address a need identified by the community.
- Community benefits programs, initiatives and partnerships will be aligned with the guiding principles outlined in *Advancing the State of the Art of Community Benefits for Nonprofit Hospitals*. The guiding principles are: disproportionate unmet health-related needs; primary prevention; seamless continuum of care; build community capacity and, community collaboration.

All of NorthShore's community benefits programs, initiatives and partnerships will be documented in a report that provide the date(s), describes the initiative, identifies assessed need(s) met, highlights outcomes and identifies guiding principles met. NorthShore will continue to place priority on providing community benefits and services in the communities located nearest to our hospitals, where we believe we have the greatest capacity and responsibility to serve.



Community Relations Department

Department Overview

The Community Relations Department ensures that NorthShore University HealthSystem activities are in alignment with community needs, state requirements, corporate goals and other internal initiatives. The Department has a community relations manager assigned to each hospital with the director having system-wide responsibility. As part of the NorthShore Foundation, Community Relations' responsibilities include:

- Building relationships and partnerships with local agencies, officials and community groups
- Working with hospital staff to prepare 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
- Community relations personnel coordinate the hospital presidents' role in NorthShore advocacy programs

Contacts

NorthShore University HealthSystem/ Evanston Hospital

Mark Schroeder, Director
Community Relations
NorthShore University HealthSystem
Evanston Hospital
2650 Ridge Avenue
Evanston, IL 60201
Phone/Fax: (847) 570-1867/(847) 570-2940
E-mail: mschroeder@northshore.org

Glenbrook Hospital

Secma 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

Hania Fuschetto, Manager
Community Relations - Highland Park Hospital
777 Park Avenue West
Highland Park, IL 60035
Phone/Fax: (847) 480-2630/(847) 480-3974
E-mail: hfuschetto@northshore.org

Skokie Hospital

Secma Terry, Manager
Community Relations - 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 and issues, focus groups, community leader forums, industry trends and partnerships with community organizations.

Strengths:

- High quality care (see Section 17, Industry Recognition)
- Cutting edge clinical research & innovative technology (see Section 17, Industry Recognition)
- Financial stability
- University of Chicago Pritzker School of Medicine affiliation
- Advanced electronic medical record system
- National reputation – “100 Best Hospitals”
- Research Institute nationally ranked
- Only health system in Illinois with nursing Magnet status
- Highly regarded employer
- Corporate commitment to community relations
- Numerous NorthShore University HealthSystem initiatives working to improve community health
- Established successful community relations program

Challenges:

- Federal and State reimbursement
- Fluctuations in charity care
- Economic downturn
- Maintaining image and reputation
- Community impressions
- Public awareness of services, technology and contributions
- Balancing stewardship of business with charity care
- Continued community relations success
- Launching Skokie Hospital Community Relations program

Opportunities:

- Continual improvement in quality, service and technology
- 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
- Connect NorthShore University HealthSystem services with the needs of the community
- 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
- Continue to identify community health issues & 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 enhance the health of the community
 - Respond to reasonable 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

4/98



4. Tactic: Share Our Story

- Northshore.org
- NorthShore University HealthSystem Annual Report
- NorthShore University HealthSystem Annual Community Benefits Report
- Community leader briefings
- Internal communication vehicles (*Inside NorthShore*, *Pulse*, meetings, etc.)
- External communication vehicles (*Connections*, *Philanthropy Perspectives* and *HealthWatch*)
- External speaking opportunities
- NorthShore University HealthSystem-sponsored forums
- Partner publications
- Media placements
- 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

6. Tactic: Track & Evaluate

External

- Comply with Internal Revenue Service Community Benefits Reporting Schedule H
- Comply with Illinois Community Benefits Act
- Conduct community health assessment(s) (every 3 years)
- 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 services
- Track participation level of NorthShore University HealthSystem employees in volunteer activities



System-wide Community Relations 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 are implemented throughout NorthShore University HealthSystem.

Be Well Lake County

Be Well-Lake County is a collaboration between NorthShore, Lake County Health Department and Community Health Center (LCHD/CHC), and supporting community partners. The program goal is to build greater access through a coordinated network of healthcare targeting the underserved diabetes population in Lake County. The program enables the partner organizations to effectively pool and maximize resources in order to provide high quality comprehensive diabetes management, education, and support resources that will address one of the nation's fastest growing health threats.

Contacts

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

CACHÉ - Community Action for Child Health Equity

NorthShore's Community Action for Child Health Equity (CACHÉ) is one of five national sites in a groundbreaking National Institutes of Health (NIH) funded study focused on maternal stress and the corresponding effect on birth outcomes and child health, growth and development. 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. 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

The Community Advisory Committee's (CAC) role is to advise hospital administration on services and initiatives, from a community perspective. CACs are structured to ensure NorthShore University HealthSystem accountability to the community by working to fulfill our 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 (unless more frequently based on the interests of the CAC)

Membership Composition

- Comprised of 12-15 community members
- Comprised of 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 & Skokie Hospitals
- Hania Fuschetto, Manager, Community Relations, Highland Park Hospital

Contributions

NorthShore University HealthSystem provides financial support to a variety of national and local non-profit organizations that support NorthShore's mission to preserve and improve human life and to help NorthShore University HealthSystem connect with the communities it serves.

Contacts

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



Community Wellness

Community Wellness programs are offered by various NorthShore University HealthSystem departments and typically partner with a community organization to provide health screening services and educational programs.

Activities

- CPR Classes
- First Aid Classes
- Babysitting 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 Contacts
 - Appropriate department related to topic request*
 - CPR Classes--Anne Middaugh, RN
 - First Aid Classes--Anne Middaugh, RN
 - Babysitting 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)
 - Glaucoma Screenings--Al Campos, COA
 - Lung Function Screenings--Rick Pahomi, RRT
 - Fitness Screenings--Paulette Brody, RN



Dental Center

The Dental Center at Evanston Hospital provides adults with primary care services and special consultations for medically underserved patients, pre-screenings for cardiovascular patients, management for oral complications in oncology patients and refractory dental problems. The Dental Center provided free and discounted care for 2,613 patients at a cost of \$182,074 to NorthShore.

Contacts

- Christine Milne, Manager, Evanston Hospital Dental Clinic

Employee Volunteerism

NorthShore employees have a long-standing 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 goodwill. 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 & Skokie Hospitals
- Hania Fuschetto, Manager, Community Relations, Highland Park Hospital



LIFE: Living in the Future Cancer Survivorship Program

Living in the Future (LIFE) – 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 between the patient, the oncologist and the primary care physician.

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

The Medication Assistance Program helps with the cost of prescriptions for patients of NorthShore University HealthSystem. The program assisted 1,723 patients filling 26,143 prescriptions valued at \$722,922.

Contacts

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

Mentoring and Clinical Internships

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, but not inclusive of: Cardiology, Laboratory, Medical Social Work, Occupational Therapy, Patient Care, Infection Control, Perinatal Family Support Center, Physical Therapy, Radiology, Radiation Oncology, Pastoral Care and Hospital Administration.

Contacts

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



OASIS

OASIS was created in 1982 and offers 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. The OASIS membership in the North Shore is approximately 13,000 members, and as a corporate sponsor for the past 18 years, NorthShore University HealthSystem provides health screenings and speakers to OASIS on health-related topics. In fiscal year 2010, NorthShore University HealthSystem provided 21 lectures to 493 members.

Contacts

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

Outpatient Clinic

The 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. The clinic treated 7,081 adult patients at 13,430 visits and 4,289 adolescent patients at 7,454 visits.

Contacts

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

Perinatal Depression Program

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 services through interpretation services to assist those with limited or no English-speaking ability. All services are provided free of charge. NorthShore University HealthSystem physicians conducted 5,238 screenings to identify at-risk patients. Free psychological support and referrals were provided for 438 women identified through the screenings as at-risk for perinatal mood disorders. The hotline received 731 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

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 21 presentations to 406 participants.

Contacts

- Hania Fuschetto, Manager, Community Relations, Highland Park Hospital
- Seema Terry, Manager, Community Relations, Glenbrook & 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; Contributions; Community Wellness; Employee Volunteerism; Speakers' Bureau; and Mentoring and Clinical Internships.

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 \$547,010 works to support the center, which is staffed by NorthShore University HealthSystem employees who include a physician, two part-time nurse practitioners and a social worker. For the 2009-2010 school year, there were 824 students who utilized the health center at 2,449 visits.

Support for Nurse Practitioner for Evanston/Skokie School District 65

- NorthShore University HealthSystem provided funding for a nurse practitioner to provide specific health care 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 them the opportunity to work in a professional setting and gain valuable work experience. Although the program can be subsidized by the city, the hospital paid the full minimum hourly rate.

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 was a financial sponsor and provided volunteers to serve as medical staff for the race.



NorthShore University HealthSystem Grand Prix of Cycling

- 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, week-long cycling event attracted 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 provided 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 Fifth Annual Health Challenge Bowl in January. Twenty students comprised of sixth and seventh graders from all five district middle schools participated in a football-themed health quiz game. The Health Challenge Bowl provided Evanston Hospital 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 (ETHS) 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 front and personal. Designed for junior and senior students, this program combined classroom instruction with job shadowing rotations among different hospital departments. HSRP was a yearlong course, through which students earned four semester credits, two for science and two for applied science. The program averages approximately 40 students per year.



Evanston Hospital – Community Advisory Committee

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, and to assist in the fulfillment of the 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

Gerri Kahnweiler

Trustee
New Trier Township

Christopher Canning

President
Village of Wilmette

Kelley Kalinich

Superintendent
Kenilworth School District 38

Carol Chaya Siegel

Community Nurse
CJE Senior Life

Greg Klaiber

Chief, Evanston
Fire & Life Safety Services

Katie Dold White

Trustee
Village of Kenilworth

Mary Larson

Coordinator of Health Services
Evanston/Skokie School District 65

Willis Francis

Chairman
Evanston Latino Resource Coalition

Colleen Sheridan

Health Services Coordinator
New Trier High School

Bill Gieger

President & CEO
McGaw YMCA

Karen Singer

Executive Director
YWCA Evanston Northshore

Jane Grover

Alderman, 7th Ward
City of Evanston

William Stafford

Chief Financial Officer
Evanston Township High School

Sandi Johnson

Past Executive Director
North Shore Senior 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; Contributions; Community Wellness; Employee Volunteerism; Speakers' Bureau; and Mentoring and Clinical Internships.

District 214 Medical Academy

- Each school year, Glenbrook Hospital participates in High School District 214's Medical Academy program by providing students an opportunity to rotate through hospital departments, job shadow and get hands-on clinical healthcare experience. Glenbrook Hospital provided 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 provided 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 3rd annual Heart of Glenview event. This is a community-wide fund raising event which then donates all proceeds to those local charities in Glenview aimed at helping residents of Glenview.

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 in particular for those students who lack privatized 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 misusing 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 fifth year, Glenbrook Hospital sponsored a home and provided employees to volunteer 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.

Glenview School District 34 Science Olympiad

- For the 2010-2011 school year, Glenbrook Hospital provided sole funding for the Science Olympiad program in the District 34 science curriculum, providing students an opportunity to engage with hands-on learning through the national recognized science competition at a local, regional and national level.



Glenbrook Hospital – Community Advisory Committee

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, and to assist in the fulfillment of the 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

Jill Brickman

Township Supervisor
Northfield Township

Barbara Marzillo

School Nurse
Glenbrook South High School

Eric Dawson

Pastor
St. Philip Lutheran Church

Robert Noone, PhD

Executive Director
Family Service Center

Eric Etherton

Assistant Principal
Glenbrook North High School

Megann Panek

Director
Glenview Senior Center

Julie Fleckenstein

Social Worker
Glenview Police Department

Gary Smith

Executive Director
The Josselyn Center

Kim Hand

Senior Services
Village of Glenview

Dana Turban

Northfield Resident

Sidney Helbraun

Rabbi
Temple Beth-El

Nancy Vaccaro

Social Worker
Northbrook Police Department

Jason Hickman

Director of Recreation
Glenview Park District



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; Contributions; Community Wellness; Employee Volunteerism; Speakers' Bureau; and Mentoring and Clinical Internships.

Region X Pod Hospital for Northeastern Illinois

- Illinois Department of Public Health designates Highland Park Hospital as one of twelve hospitals in the state as a "pod hospital" to function as a coordinating hospital for the purpose of preparedness and response within Northeastern Illinois and the state disaster plan.

Center for Simulation Technology and Academic Research (CSTAR)

- 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, fire fighters, police, and Lake County Health Department staff simulated trauma and preparedness training opportunities in a controlled environment.

Lake County Access Project

- Highland Park Hospital in addition to other healthcare organizations in Lake County made a three year commitment to Lake County Health Department to provide diagnostic services for their patients. An initial multi-year commitment of \$500,000 allows Highland Park Hospital to provide GI, cardiovascular and diagnostic services to uninsured patients.

Lake County Health Department Kids 1st Fair

- Highland Park Hospital contributed \$2,500 towards medical supplies and 24 staff members volunteered more than 100 total hours at the event, which provided physicals and screenings for nearly 1,200 underserved children.



Fire Cracker 4

- 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

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

Jim Adams
Business Owner

Renee Goier, PhD
Superintendent
School District # 109

Jeanne Ang
Director, Primary Care Services
Lake County Health Department

Linda Kimball
Director
OASIS

Mari Barnes
Township Supervisor
Moraine Township

Karen May
State Representative
Illinois District # 58

Anne Bassi
Board Member
Lake County Board

Liza McElroy
Executive Director
Park District of Highland Park

Patrick Brennan
Deputy City Manager
City of Highland Park

Julie Morrison
Supervisor
West Deerfield Township

Alicia De La Cruz
Highland Park Resident

Kent Street
Village Manager
Village of Deerfield

Susan Garrett
State Senator
Illinois District # 29

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; Contributions; Community Wellness; Employee Volunteerism; Speakers' Bureau and Mentoring and Clinical Internships.

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 provided a health booth, offering health education, blood pressure screenings and fun interactive learning with the "Wheel of Health" game.

Back Lot Bash

- Over three days, Skokie's Backlot Bash featured 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, provided a health booth, filled with health education, blood pressure screenings.

English Language Learning (ELL) Parent Center

- The ELL Parent Center provides parents from other countries with resources that will help them to successfully navigate the American school system. Skokie Hospital provided health education classes and teddy bear clinics upon request from the center, 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, should they need to go to the emergency department. The event uses the teddy bears to demonstrate different tests that could take place as well as talking about general health and safety for the kids. Four clinics were conducted with nearly 100 participants.



Skokie Trail to Fitness

- Skokie Hospital contributed \$10,000 to support programming of the Skokie Trail to Fitness (2010-2012), a free community-wide, summer-long health and wellness program to assist individuals and families to meet their fitness and nutrition goals. Various classes, programs and events take place throughout the summer to help individuals maintain healthy lifestyles and to address the epidemic of obesity in adults and children.

Sizzling Summer Science Camps

- Skokie Hospital supported the explorative and interactive science camps, allowing 28 children who could not otherwise afford to join. The camps are hosted by the Skokie and Lincolnwood Park Districts and Niles Township High School District 219.

Skin Cancer Screening

- Skokie Hospital provided a free skin cancer screening to 102 community residents.

NorthShore Skokie Hospital Health Careers Scholarship Fund

- In 2010, Skokie Hospital established an Oakton Community College scholarship annually to provide financial help to students who plan to enter the fields of health and sciences.

Niles Township School District 219 Career Mentoring Program

- Skokie Hospital provides hands-on learning experiences for high school students interested in going into healthcare. Through its partnership with School District 219, Skokie Hospital provides 20 students in the medical technology program a half day job shadowing experience in various clinical settings, as well as speaking engagements from varied healthcare professionals as part of the medical technology curriculum.



Skokie Hospital – Community Advisory Committee

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

Skokie Hospital Members

Nada Becker

Executive Director
Wilmette Chamber of Commerce

Marcia McMahon

Chief Professional Officer
North West Suburban United Way

Mark Collins

Trustee
Niles Township

Brian Petrow

Assistant General Manager
Old Orchard Shopping Center

Ralph Czerwinski

Fire Chief
Village of Skokie

Mathai Samkutty

Reverend
Village of Lincolnwood

Maureen DiFrancesca

Human Service Director
Village of Skokie

Jim Szczepaniak

Community Relations Director
Niles Township High School District 219

Frances Givertz

Hadassah Chicago Chapter

Michelle Tuft

Superintendent of Recreation
Skokie Park District

Jackie Grossmann

Home Sharing Coordinator
Interfaith Housing

Jackie Walker-O'Keefe

Social Services Director
Village of Morton Grove

Loryn Kogan

Community Relations Director
NorthShore Senior Center

Gayle Weinhouse

Director, Membership and Sponsorship
Skokie Chamber of Commerce

Margaret Lee

President
Oakton Community College



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

Administrative Directives Manual AD10-1032
Effective Date: 12/10

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 with low or no income / resources. Programs include, but are not limited to, Medicaid and Kid Care. The Illinois Comprehensive Health Programs, (ICHP and IXPX), are examples of aid programs for those who are uninsurable but 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.



4. PROCEDURE:

	<u>Action</u>	<u>Responsibility</u>
A.	<u>Financial Counselors, Customer Service Representatives intake of financial information for eligibility determination</u>	
	1. Interview and screen the patient for potential eligibility for NorthShore Financial Assistance	- Financial Counselors - Business Office Staff or Liaison
	2. If the patient's financial situation appears to be appropriate for Financial Assistance, then	- Manager, Financial Counseling
	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	
B.	<u>Eligibility Determination for the Uninsured</u>	
	1. Charges must be greater than \$300.00 to be considered eligible for discount.	- Financial Counselors - Manager, Financial Counseling
	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.	- Liaison in Business Office
	3. Patient must be an Illinois resident. Exceptions to Illinois residency requirement will be evaluated on a case by case basis.	- Director Customer Service, Manager Financial Counseling
	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).	- Director Customer Service
	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	
C.	<u>Eligibility Determination for the Underinsured</u>	
	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)	- Financial Counselors - Manager, Financial Counseling



<u>Action</u>	<u>Responsibility</u>
2. Patient balance (liability) must be \$300.00 or greater to be eligible for consideration. 3. If the patient is <u>not</u> eligible for any other aid program, then evaluate income information against the <u>Underinsured Discount Table</u> 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	- Liaison in Business Office, - Director Customer 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.



15. Charity Care and Financial Assistance Policies

- 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 - Sr. VP of Business Services
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

<u>Action</u>	<u>Responsibility</u>
F. <u>Procedure for Account Adjustment and Review</u>	
1. If the patient is determined to be income-eligible for free or discounted care, then	- Financial Counselors
a. Document the level of financial assistance (free care, or discount level) in the patient accounting system.	- Legal/Bad Debt Liaison in Business Office
b. Fax a copy of the patient's Financial Assistance application, with associated supporting documents to the Business Office, Attn: Correspondence Care Liaison.	- Manager, Financial Counseling
c. Documents will be scanned imaged and indexed to the patient account.	
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. <u>Confidentiality</u>	
1. Access patient records on a need to know basis only	- Financial Counselors
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 Management of Information)	- Business Office Liaison - Manager, Financial Counseling - Sr. VP Business Services

5. ATTACHMENT:

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

Attachment A
Attachment B

6. DISTRIBUTION:

Administrative Directives Manual

7. POLICY RESPONSIBILITY:

Sr. Vice President, Business Services

In Coordination With:

Department of Nursing
Hospital and Clinics
Home Health



8. REFERENCES:

Internal

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

External

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

9. 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.

10. APPROVAL:

<u>Brian Washa</u>	<u>Sr. Vice President, Business Services</u>	<u>12/16/10</u>
	Title	Date
<u>Jeffrey Hillebrand</u>	<u>Chief Operating Officer</u>	<u>12/27/10</u>
	Title	Date

11. DATES:

Origination: 6/04 Last Review: 12/10 Next Review: 12/13



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							
\$ 21,661	\$ 29,140	80.00%	Free						
\$ 29,141	\$ 36,620	65.00%	80.00%	Free					
\$ 36,621	\$ 44,100	60.00%	65.00%	80.00%	Free				
\$ 44,101	\$ 64,980	58.00%	60.00%	65.00%	80.00%	Free			
\$ 64,981	\$ 87,420	0.00%	58.00%	60.00%	65.00%	80.00%	Free		
\$ 87,421	\$ 109,860	0.00%	0.00%	58.00%	60.00%	65.00%	80.00%	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%							
\$ 21,661	\$ 29,140	75.00%	95.00%						
\$ 29,141	\$ 36,620	55.00%	75.00%	95.00%					
\$ 36,621	\$ 43,320	35.00%	55.00%	75.00%	95.00%				
\$ 43,321	\$ 58,280	0.00%	35.00%	55.00%	75.00%	95.00%			
\$ 58,281	\$ 73,240	0.00%	0.00%	35.00%	55.00%	75.00%	95.00%		
\$ 73,241	\$ 88,200	0.00%	0.00%	0.00%	35.00%	55.00%	75.00%	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

2010 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, 2010- February 28, 2011.



NorthShore Charity Care Information Protocol

Please be informed that it is the position of NorthShore University HealthSystem (NorthShore) to offer free or discounted care to patients who meet certain criteria as outlined by the NorthShore Charity Care and Financial Assistance Evaluation and Eligibility Policy. Be advised that it is the responsibility of all employees who are approached by patients with financial assistance inquiries of any kind, to direct those patients to the appropriate personnel as outlined below.

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) 933-6757 |
|-----------------|---|



BILLING AND CHARGE RELATED INQUIRIES:

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

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

PHONE:

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 2010, a total of \$1,362,563 in financial support and non-cash donations were provided to numerous not for profit organizations. System-wide recipients include:

- Alzheimer's Foundation
- American Brain Tumor Association
- American Cancer Society
- American Diabetes Association
- American Heart Association
- American Red Cross
- Autism Speaks
- Be Well Lake County/Lake County Health Department
- Boy Scouts of America
- Buddy Foundation
- Cancer Research Institute
- Cancer Wellness Center
- Crohn's & Colitis Foundation
- Greater Chicago Food Depository
- Hines Veterans Hospital
- Hospice Alliance Inc.
- Karen Dove Cabral Foundation
- National Alliance for the Mentally Ill
- North Shore Senior Center (OASIS)
- Northwest Suburban United Way
- Respiratory Health Association
- University of Chicago

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:

Evanston Hospital-Based Community Support

- Childcare Network of Evanston
- City of Evanston
- Connections for the Homeless
- Cradle Foundation
- Evanston Coalition for Latino Resources
- Evanston Community Development
- Evanston Community Foundation- City of Evanston 150 Initiative
- Evanston/Skokie School District 65



Evanston Hospital-Based Community Support (continued)

- Family Awareness Network
- Family Focus
- Greater Chicago Food Depository
- Housing Options
- McGaw YMCA
- New Trier High School
- Peer Services
- Ted Fund
- Youth Job Center of Evanston
- YWCA Evanston/ North Shore

Glenbrook Hospital-Based Community Support

- Glenview Education Foundation
- Glenview Giving Foundation
- Glenbrook South High School
- Hope Clinic
- North Shore Senior Center
- Prospect Heights Park District
- Rotary Club of Northbrook
- Youth Services of Glenview & Northbrook

Highland Park Hospital-Based Community Support

- CJE Senior Life
- Deerfield Police Department
- Family Network
- Friends for Health
- Great Lakes Adaptive Sports Association
- Highland Park Chamber of Commerce Scholarship- Elmhurst College
- Lake County Health Department
- Park District of Highland Park
- The Art Center
- Village of Deerfield

Skokie Hospital-Based Community Support

- Cheder Lubavitch
- CJE Senior Life
- Life Source
- Niles Township High School
- North West Suburban United Way – Skokie Trail to Fitness



Skokie Hospital-Based Community Support (continued)

- Oakton Community College
- Skokie Park District
- Skokie School District 68
- Village of Skokie

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: Bright Side of the Road Foundation, Charasia, Childrens' Oncology Services of Illinois, Chicago Northwest Suburban Chinese School, The Compassionate Friends Inc., East Prairie PTA, Friends of the Forest Preserve, North Shore Health Center, Medical Eye & Dental International Care Organization Inc. and St. Andrews Pentecost Episcopal Church.



Industry Recognition

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

- **100 Most Wired Hospitals.** NorthShore has been recognized as one of the nation's Most Wired and Most Wireless according to the results of the 2010 Most Wired Survey in *Hospitals & Health Networks* magazine. This represents the seventh year in a row that NorthShore and its hospitals have earned the Most Wired designation.
- **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).
- **100 Top Hospitals®** by Thomson Reuters, a leading provider of information and solutions to improve the cost and quality of healthcare. NorthShore has been named a Top 100 Hospital fourteen times, more times than any hospital in the United States.
- **ANCC Nurse Magnet Status.** The award, given by the American Nurses Credentialing Center (ANCC), recognizes health care organizations that demonstrate excellence in nursing and high standards in patient care. NorthShore is the only organization in Illinois to receive this prestigious designation as a system.
- **Leapfrog Top Hospitals List.** NorthShore University HealthSystem's (NorthShore) four hospitals – Evanston, Glenbrook, Highland Park and Skokie – were named to the annual class of top national hospitals by the Leapfrog Group's Top Hospitals List for 2010. NorthShore is the first in Illinois to be honored as a system. The results were based on Leapfrog's national survey that measures hospitals' performance in crucial areas of patient safety and quality. The survey is the most complete picture available of a hospital's quality and safety.
- **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 systemwide EMR systems that demonstrably improved our quality, safety and efficiency.
- **2010 Top 25 Connected Healthcare Facilities Award.** According to HeathImaging.com, NorthShore was the only Illinois facility honored on the annual list that recognizes hospitals, healthsystems, imaging centers and physician practices that seamlessly integrate imaging and IT systems, provide physicians with immediate, anywhere access to patient data and demonstrate ROI and high patient and staff satisfaction.
- **Top Leadership Teams in Healthcare Award.** The NorthShore Medical Group was recognized by HealthLeaders 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. 9 in the nation and No. 1 in Illinois among Comprehensive Independent Research Hospitals in funding from the NIH.



- **The Joint Commission Stroke Center Accreditation Gold Seal of Approval™** Evanston and Highland Park Hospitals earned this distinction after the Joint Commission conducted an unannounced on-site review. The stroke care program follows national standards and guidelines that can significantly improve outcomes for stroke patients.
- **The American Society for Gastrointestinal Endoscopy (ASGE) Endoscopy Unit Recognition Program.** This award is system-wide and recognizes all five of NorthShore's GI Lab locations at Evanston, Glenbrook, Highland Park and Skokie Hospitals as well as our Vernon Hills site. NorthShore's GI Labs have been honored for promoting quality in endoscopy through ASGE is known as a leader in setting standards for excellence in endoscopy and the recognition program honors units committed to the highest standards of safety and quality. NorthShore's recognition reflects our physician expertise and our dedicated and specially trained GI nurses and technicians.
- **Beacon Award.** For its high performance, innovation and exceptional patient care, NorthShore's Evanston, Glenbrook and Highland Park Hospitals' Intensive Care Units (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.
- **Excellence in Healthcare Awards.** NorthShore University HealthSystem (Northshore) was awarded 13 National Excellence in Healthcare Awards by Professional Research Consultations (PRC), Inc., a nationally-known healthcare marketing research company.

The following is a complete list of the awards presented to NorthShore:

NorthShore Evanston Hospital

Electroencephalogram
5-Star Award Winner
Outpatient - Overall Quality of Care
4-Star Award Winner
Emergency Department - Overall Quality of Care

NorthShore Glenbrook Hospital

Kellogg Cancer Center
Top Performer Award Winner
Outpatient Oncology - Overall Quality of Care
Cat Scanner
5-Star Award Winner
Outpatient Radiology - Overall Quality of Care
Center for Breast Health
5-Star Award Winner
Outpatient Breast Health - Overall Quality of Care
5-Star Award Winner
Outpatient Surgery - Overall Quality of Care



Kellogg Cancer Center
 5-Star Award Winner
 Outpatient Oncology - Overall Quality of Care
 4-Star Award Winner
 Emergency Department - Overall Quality of Care
 4-Star Award Winner
 Outpatient - Overall Quality of Care

NorthShore Highland Park Hospital

Radiation Oncology
 5-Star Award Winner
 Outpatient Radiation Oncology - Overall Quality of Care
 Nuclear Medicine
 5-Star Award Winner
 Outpatient Radiology - Overall Quality of Care
 4-Star Award Winner
 Outpatient - Overall Quality of Care

Nordstrom Radiology

Mammography
 5-Star Award Winner
 Outpatient Radiology - Overall Quality of Care

PRC conducted research via confidential phone interviews to obtain feedback from NorthShore patients on their perceptions of hospital operations and patient care. NorthShore uses these findings to continually improve and to support our commitment to service excellence.

- **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.
- **WorkforceChicago 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 / 09 through 09 / 30 / 10 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 its 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..... \$ 20,198,539

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

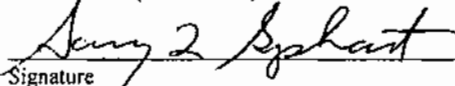
Language Assistant Services	\$ 1,362,563
Government Sponsored Indigent Health Care	\$ 103,027,295
Donations	\$ 1,562,146
Volunteer Services	
a) Employee Volunteer Services	\$ 8,948
b) Non-Employee Volunteer Services	\$ 2,227,494
c) Total (add lines a and b)	\$ 2,236,441
Education	\$ 35,333,461
Government-sponsored program services	\$ 1,453,135
Research	\$ 3,758,823
Subsidized health services	\$ 22,247,694
Bad debts	\$ 8,911,766
Other Community Benefits	\$ 477,256

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)


Signature

Gary L. Gephart
Name of Person Completing Form

ggephart@northshore.org
Electronic / Internet Mail Address

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

3-3-11
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, 2010
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 \$201 million in total community benefits, which is a 2.5% increase from last year. Below are the results of NorthShore's community benefit activities by category:

- The Charity Care and Government Sponsored Indigent Healthcare categories were higher than the prior year due to increased patient volumes and activity. These categories also increased with a full year of activity for Skokie Hospital (formerly known as Rush North Shore Medical Center).
- Language Assistant Services increased with a full year of Skokie Hospital activity and providing more services with in-house staff at higher costs.
- Donations increased because of contributions to the University of Chicago as part of the Urban Health Initiative.
- The Education line increased due to classification changes to be consistent with Form 990 Schedule H reporting.
- Government Sponsored Program Services and Subsidized Health Services increased primarily due to higher expenses from the prior year for the same services.
- The Bad Debts expenses decreased due to calculation changes utilizing the Medicare cost-to-charge ratio to be consistent with Form 990 Schedule H reporting.

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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