

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

JAN 28 2014

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Facility/Project Identification

Facility Name:	Centegra Specialty Hospital – Woodstock, South Street
Street Address:	527 West South Street
City and Zip Code:	Woodstock 60098
County:	McHenry Health Service Area: HSA-08 Health Planning Area: A-10

Applicant /Co-Applicant Identification

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

Exact Legal Name:	Memorial Medical Center – Woodstock d/b/a Centegra Specialty Hospital – Woodstock, South Street
Address:	527 West South Street, Woodstock, IL 60098
Name of Registered Agent:	Mr. Michael S. Eesley, FACHE
Name of Chief Executive Officer:	Mr. Michael S. Eesley, FACHE
CEO Address:	385 Millennium Drive, Crystal Lake, IL 60012
Telephone Number:	(815)788-5825

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]

Name:	Ms. Hadley Streng
Title:	Director, Planning and Business Development
Company Name:	Centegra Health System
Address:	385 Millennium Drive, Crystal Lake, IL 60012
Telephone Number:	(815)788-5858
E-mail Address:	hstreng@centegra.com
Fax Number:	(815)788-5263

Additional Contact

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

Name:	Ms. Andrea R. Rozran
Title:	Principal
Company Name:	Diversified Health Resources, Inc.
Address:	65 E. Scott Street, #9A, Chicago, IL 60610-5274
Telephone Number:	(312)266-0466
E-mail Address:	arozran@diversifiedhealth.net
Fax Number:	(312)266-0715

Applicant /Co-Applicant Identification**[Provide for each co-applicant [refer to Part 1130.220].**

Exact Legal Name:	Centegra Health System
Address:	385 Millennium Drive, Crystal Lake, IL 60012
Name of Registered Agent:	Mr. Michael S. Eesley, FACHE
Name of Chief Executive Officer:	Mr. Michael S. Eesley, FACHE
CEO Address:	385 Millennium Drive, Crystal Lake, IL 60012
Telephone Number:	(815)788-5825

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.**Additional Contact****[Person who is also authorized to discuss the application for permit]**

Name:	Mr. Daniel J. Lawler
Title:	Partner
Company Name:	Barnes & Thornburg, LLP
Address:	1 N. Wacker Drive, Suite 4400, Chicago, IL 60606
Telephone Number:	(312)214-4861
E-mail Address:	daniel.lawler@btlaw.com
Fax Number:	(312)759-5646

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:	Ms. Hadley Streng
Title:	Director, Planning and Business Development
Company Name:	Centegra Health System
Address:	385 Millennium Drive, Crystal Lake, IL 60012
Telephone Number:	(815)788-5858
E-mail Address:	hstreng@centegra.com
Fax Number:	(815)788-5263

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	Memorial Medical Center – Woodstock d/b/a Centegra Specialty Hospital – Woodstock, South Street
Address of Site Owner:	527 West South Street, Woodstock, IL 60098
Street Address or Legal Description of Site:	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 <u>ATTACHMENT-2</u> , 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 of Site Owner:	Memorial Medical Center – Woodstock d/b/a Centegra Specialty Hospital – Woodstock, South Street		
Address:	527 West South Street, Woodstock, IL 60098		
☒ 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 <u>ATTACHMENT-3</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Organizational Relationships

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

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

Flood Plain Requirements

[Refer to application instructions.]

Not applicable because this project does not include any construction or modernzatrion.

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.]

Not applicable because this project does not include any construction or modernzatrion.

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

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.

This project proposes to discontinue the Acute Mental Illness Category of Service at Memorial Medical Center - Woodstock d/b/a Centegra Specialty Hospital - Woodstock, South Street. This category of service has 36 authorized beds.

This CON application is being submitted simultaneously with a CON application to establish the Acute Mental Illness (AMI) Category of Service at Memorial Medical Center - Woodstock d/b/a Centegra Hospital - Woodstock as a relocation of the AMI Service from Centegra Specialty Hospital - Woodstock, South Street. That CON application proposes to establish the AMI Category of Service with 34 authorized beds, a reduction of 2 authorized beds from those currently authorized at Centegra Specialty Hospital - Woodstock, South Street.

Both Centegra Specialty Hospital - Woodstock, South Street and Centegra Hospital - Woodstock are located in the same planning area (Planning Area 8 A-10) for the AMI Category of Service. The hospitals are located 4 miles apart, and the travel time between them is approximately 8 minutes when adjusted for normal travel times in accordance with the CON Rules (77 Ill. Adm. Code 1100.510(d)(2)).

Both Centegra Specialty Hospital - Woodstock, South Street and Centegra Hospital - Woodstock are owned and operated by Centegra Health System.

This project is "Substantive" in accordance with the Illinois Health Facilities Planning Act (20 ILCS 3960/12(8)(b)(2)) because it proposes to discontinue a service.

There are no capital costs associated with this project.

Implementation of this project is contingent upon receipt of a CON permit by Centegra Hospital - Woodstock for the establishment of the AMI Category of Service.

The AMI Category of Service at Centegra Specialty Hospital - Woodstock, South Street will be discontinued when the AMI Category of Service becomes operational at Centegra Hospital - Woodstock, which is anticipated to occur by June 30, 2015.

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	\$0	\$0	\$0
Site Survey and Soil Investigation	\$0	\$0	\$0
Site Preparation	\$0	\$0	\$0
Off Site Work	\$0	\$0	\$0
New Construction Contracts	\$0	\$0	\$0
Modernization Contracts	\$0	\$0	\$0
Contingencies	\$0	\$0	\$0
Architectural/Engineering Fees	\$0	\$0	\$0
Consulting and Other Fees	\$0	\$0	\$0
Movable or Other Equipment (not in construction contracts)	\$0	\$0	\$0
Bond Issuance Expense (project related)	\$0	\$0	\$0
Net Interest Expense During Construction (project related)	\$0	\$0	\$0
Fair Market Value of Leased Space or Equipment	\$0	\$0	\$0
Other Costs To Be Capitalized	\$0	\$0	\$0
Acquisition of Building or Other Property (excluding land)	\$0	\$0	\$0
TOTAL USES OF FUNDS	\$0	\$0	\$0
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$0	\$0	\$0
Pledges	\$0	\$0	\$0
Gifts and Bequests	\$0	\$0	\$0
Bond Issues (project related)	\$0	\$0	\$0
Mortgages	\$0	\$0	\$0
Leases (fair market value)	\$0	\$0	\$0
Governmental Appropriations	\$0	\$0	\$0
Grants	\$0	\$0	\$0
Other Funds and Sources	\$0	\$0	\$0
TOTAL SOURCES OF FUNDS	\$0	\$0	\$0
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Related Project Costs

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

Land acquisition is related to project ☐ Yes ☒ No
Purchase Price: \$ _____
Fair Market Value: \$ _____

The project involves the establishment of a new facility or a new category of service
☐ Yes ☒ No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is \$ _____.

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.

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): September 30, 2015

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

Not applicable because this project does not include any capital expenditure.

- ☐ 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 <u>ATTACHMENT-9</u> , 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: Centegra Specialty Hospital – Woodstock, South Street			CITY: Woodstock		
REPORTING PERIOD DATES: From: January 1, 2012 to: December 31, 2012					
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical	0	0	0	0	0
Obstetrics	0	0	0	0	0
Pediatrics	0	0	0	0	0
Intensive Care	0	0	0	0	0
Comprehensive Physical Rehabilitation	0	0	0	0	0
Acute/Chronic Mental Illness	36	988	7245	-36	0
Neonatal Intensive Care	0	0	0	0	0
General Long Term Care	40	445	4259	None	40
Specialized Long Term Care	0	0	0	0	0
Long Term Acute Care	0	0	0	0	0
Other ((identify))	0	0	0	0	0
TOTALS:	76	1433	11504	-36	40

*Centegra Specialty Hospital – Woodstock has 40 authorized Long Term Care beds, 10 of which are leased by Journey Care. The 10 beds are included in the inventory, but the utilization is not reported.

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 Memorial Medical Center – Woodstock d/b/a Centegra Specialty Hospital – Woodstock, South Street *
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

PRINTED NAME

PRINTED TITLE

SIGNATURE

PRINTED NAME

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
 this 17th day of January, 2014

Dianne R. McLaren
 Signature of Notary

Seal

*Insert EXACT NOTARY PUBLIC SEAL OF ILLINOIS
 MY COMMISSION EXPIRES: 12/15/15

Notarization:

Subscribed and sworn to before me
 this 17th day of January, 2014

Dianne R. McLaren
 Signature of Notary

Seal

OFFICIAL SEAL
 DIANNE R MCLAREN
 NOTARY PUBLIC - STATE OF ILLINOIS
 MY COMMISSION EXPIRES: 12/15/15

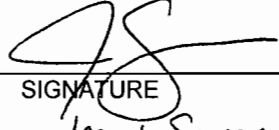
CERTIFICATION

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.

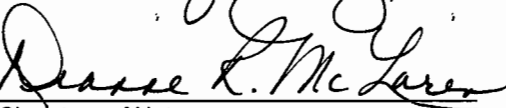
This Application for Permit is filed on the behalf of Centegra Health System *
in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the 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
Michael S. Easley
PRINTED NAME
CEO
PRINTED TITLE


SIGNATURE
JASON SCIARRO
PRINTED NAME
PRESIDENT/COO
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 17th day of January, 2014

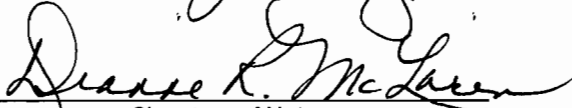

Signature of Notary

Seal

*Insert EXACT NOTARY SEAL OF STATE APPLICANT
OFFICIAL SEAL
DIANNE R MCLAREN
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES: 12/15/15

Notarization:

Subscribed and sworn to before me
this 17th day of January, 2014


Signature of Notary

Seal

OFFICIAL SEAL
DIANNE R MCLAREN
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES: 12/15/15

SECTION II. DISCONTINUATION

This Section is applicable to any project that involves discontinuation of a health care facility or a category of service. **NOTE:** If the project is solely for discontinuation and if there is no project cost, the remaining Sections of the application are not applicable.

Criterion 1110.130 - Discontinuation

READ THE REVIEW CRITERION and provide the following information:

GENERAL INFORMATION REQUIREMENTS

1. Identify the categories of service and the number of beds, if any that is to be discontinued.
2. Identify all of the other clinical services that are to be discontinued.
3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.
4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued, and the length of time the records will be maintained.
6. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 60 days following the date of discontinuation.

REASONS FOR DISCONTINUATION

The applicant shall state the reasons for discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.130(b) for examples.

IMPACT ON ACCESS

1. Document that the discontinuation of each service or of the entire facility will not have an adverse effect upon access to care for residents of the facility's market area.
2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within 45 minutes travel time of the applicant facility.
3. Provide copies of impact statements received from other resources or health care facilities located within 45 minutes travel time, that indicate the extent to which the applicant's workload will be absorbed without conditions, limitations or discrimination.

APPEND DOCUMENTATION AS ATTACHMENT-10, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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 -39, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XI. Safety Net Impact Statement

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

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

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

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

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

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)			
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			

Total			
Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

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

XII. Charity Care Information

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

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

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

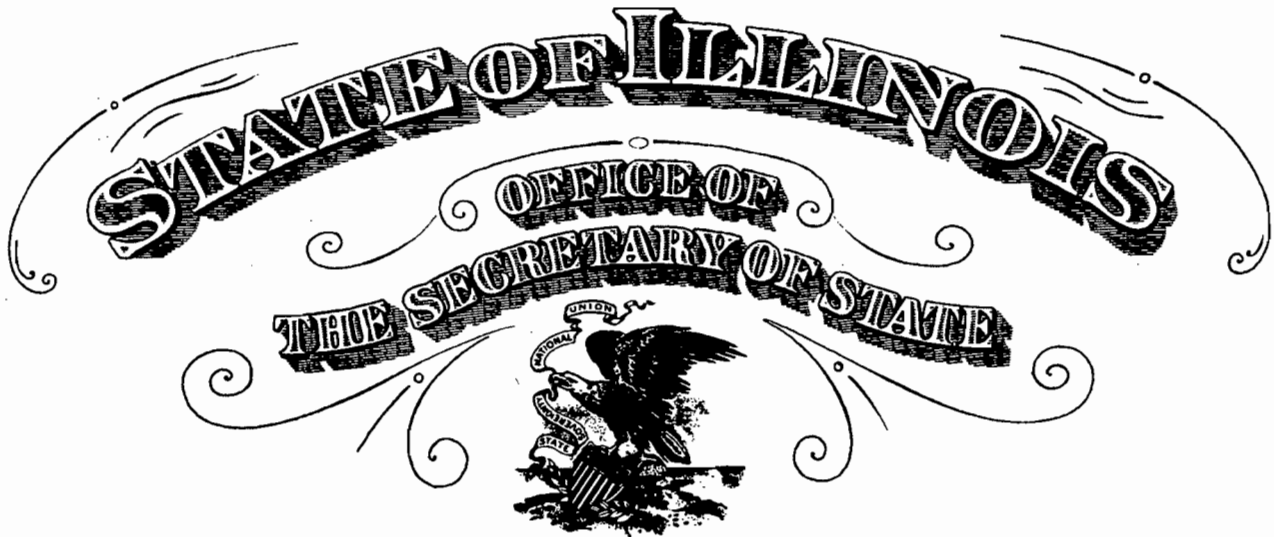
A table in the following format must be provided for all facilities as part of Attachment 44.

CHARITY CARE			
	Year	Year	Year
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

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

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

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant/Coapplicant Identification including Certificate of Good Standing	16-17
2	Site Ownership	18-24
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	25
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	26-27
5	Flood Plain Requirements	28
6	Historic Preservation Act Requirements	29
7	Project and Sources of Funds Itemization	
8	Obligation Document if required	
9	Cost Space Requirements	30
10	Discontinuation	31-45
11	Background of the Applicant	
12	Purpose of the Project	
13	Alternatives to the Project	
14	Size of the Project	
15	Project Service Utilization	
16	Unfinished or Shell Space	
17	Assurances for Unfinished/Shell Space	
18	Master Design Project	
19	Mergers, Consolidations and Acquisitions	
	Service Specific:	
20	Medical Surgical Pediatrics, Obstetrics, ICU	
21	Comprehensive Physical Rehabilitation	
22	Acute Mental Illness	
23	Neonatal Intensive Care	
24	Open Heart Surgery	
25	Cardiac Catheterization	
26	In-Center Hemodialysis	
27	Non-Hospital Based Ambulatory Surgery	
28	Selected Organ Transplantation	
29	Kidney Transplantation	
30	Subacute Care Hospital Model	
31	Children's Community-Based Health Care Center	
32	Community-Based Residential Rehabilitation Center	
33	Long Term Acute Care Hospital	
34	Clinical Service Areas Other than Categories of Service	
35	Freestanding Emergency Center Medical Services	
	Financial and Economic Feasibility:	
36	Availability of Funds	
37	Financial Waiver	
38	Financial Viability	
39	Economic Feasibility	
40	Safety Net Impact Statement	46-63
41	Charity Care Information	64-66



To all to whom these Presents Shall Come, Greeting:

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

MEMORIAL MEDICAL CENTER-WOODSTOCK, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JANUARY 09, 1914, 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 #: 1334401716

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 10TH day of DECEMBER A.D. 2013 .

Jesse White

SECRETARY OF STATE



To all to whom these Presents Shall Come, Greeting:

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

CENTEGRA HEALTH SYSTEM, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JUNE 01, 1982, 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 #: 1334401648

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 10TH day of DECEMBER A.D. 2013 .

Jesse White

SECRETARY OF STATE

I.
Site Ownership

Memorial Medical Center – Woodstock d/b/a Centegra Specialty Hospital – Woodstock, South Street is the owner of the site as shown in the Commitment for Title Insurance found on pages 2 - 7 of this Attachment.

Commitment for Title Insurance

American Land
Title Association
Commitment - 1966

TICOR TITLE INSURANCE COMPANY, a California corporation, herein called the Company, for a valuable consideration, hereby commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest covered hereby in the land described or referred to in Schedule A, upon payment of the premiums and charges therefor; all subject to the provisions of Schedule A and B and to the Conditions and Stipulations hereof.

This Commitment shall be effective only when the identity of the proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A hereof

by the Company, either at the time of the issuance of this Commitment or by subsequent endorsement.

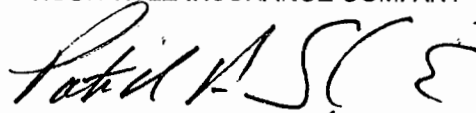
This Commitment is preliminary to the issuance of such policy or policies of title insurance and all liability and obligations hereunder shall cease and terminate 180 days after the effective date hereof or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company.

This Commitment shall not be valid or binding until countersigned below by an authorized signatory of the Company.

Issued by:
NORTHERN LAND TITLE CORPORATION
666 RUSSELL COURT
WOODSTOCK, IL 60098
(815) 338-6570

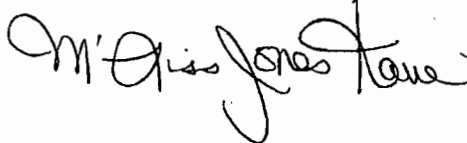
TICOR TITLE INSURANCE COMPANY

By

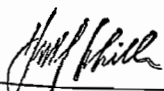


President

Attest



Secretary


Authorized Signatory

SCHEDULE A

Commitment No.: M26305A AMENDED I.

Effective Date of Commitment: MARCH 19, 2002 @ 1:05 P.M.

Your Reference:

Prepared For: BELL, BOYD & LLOYD

Inquiries Should be Directed to: HERBERT J SCHILLER
(815) 338-6570

1. POLICY OR POLICIES to be issued:

ALTA OWNER'S POLICY - FORM B - 1987

PROPOSED INSURED:

ALTA Loan Policy 1987

AMOUNT: \$ 1,000,000.00

PROPOSED INSURED:

TO BE DETERMINED

2. The estate or interest in the land described or referred to in this Commitment and covered herein is:

Fee Simple.

3. Title to said estate or interest in said land is at the effective date hereof vested in:

MEMORIAL MEDICAL CENTER-WOODSTOCK, A NOT-FOR-PROFIT CORPORATION

SCHEDULE A CONTINUED

Commitment No. M26305A

4. The land referred to in this Commitment is located in the County of MCHENRY State of Illinois and described as follows:

PARCEL 1:

THAT PART OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 7, TOWNSHIP 44 NORTH, RANGE 7 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF THE SAID NORTHEAST QUARTER; THENCE NORTH 89 DEGREES 17 MINUTES 45 SECONDS WEST ALONG THE NORTH LINE OF SAID NORTHEAST QUARTER. 895.40 FEET; THENCE SOUTH 0 DEGREES 38 MINUTES 48 SECONDS EAST, 33.93 FEET TO THE PLACE OF BEGINNING, BEING ALSO THE NORTHEAST CORNER OF LANDS DESCRIBED IN BOOK 150 OF DEEDS, PAGE 409; THENCE NORTH 89 DEGREES 12 MINUTES 26 SECONDS EAST, 100.00 FEET; THENCE NORTH 0 DEGREES 38 MINUTES 47 SECONDS WEST, 33.78 FEET TO THE NORTH LINE OF SAID NORTHEAST QUARTER; THENCE SOUTH 89 DEGREES 17 MINUTES 45 SECONDS EAST ALONG THE NORTH LINE OF SAID NORTHEAST QUARTER, 137.76 FEET; THENCE SOUTH 0 DEGREES 45 MINUTES 05 SECONDS EAST ALONG A LINE PARALLEL WITH THE EAST LINE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 7, 33.56 FEET; THENCE CONTINUING SOUTH 0 DEGREES 45 MINUTES 05 SECONDS EAST, 339.89 FEET; THENCE SOUTH 89 DEGREES 42 MINUTES 20 SECONDS WEST, 238.44 FEET ALONG THE NORTH LINE OF LANDS DESCRIBED IN BOOK 155 OF DEEDS, PAGE 582, TO THE EAST LINE OF LOT 9 IN WESTMAN'S ADDITION TO THE CITY OF WOODSTOCK BEING A SUBDIVISION OF PART OF THE NORTHEAST QUARTER OF SECTION 7, TOWNSHIP 44 NORTH, RANGE 7 EAST OF THE THIRD PRINCIPAL MERIDIAN ACCORDING TO THE PLAT THEREOF, RECORDED DECEMBER 14, 1949 AS DOCUMENT NO. 226517 IN BOOK 10 OF PLATS, PAGE 122, IN MCHENRY COUNTY, ILLINOIS; THENCE SOUTH 0 DEGREES 38 MINUTES 48 SECONDS EAST ALONG THE EAST LINE OF SAID WESTMAN'S ADDITION BEING ALSO THE WESTERLY LINE OF LANDS DESCRIBED IN BOOK 155 OF DEEDS, PAGE 582, 68.95 FEET TO THE SOUTHEAST CORNER OF LOT 10 OF SAID WESTMAN'S ADDITION; THENCE SOUTH 89 DEGREES 42 MINUTES 11 SECONDS WEST ALONG THE SOUTH LINE OF SAID LOT 10, 120.14 FEET TO THE SOUTHWEST CORNER OF SAID LOT 10, SAID POINT BEING ALSO ON THE EAST RIGHT-OF-WAY LINE OF BLAKELY AVENUE; THENCE NORTH 0 DEGREES 39 MINUTES 46 SECONDS WEST ALONG SAID EAST RIGHT-OF-WAY LINE, 405.47 FEET; THENCE NORTH 89 DEGREES 12 MINUTES 26 SECONDS EAST, FOR A DISTANCE OF 120.25 FEET ALONG THE NORTH LINE OF LANDS DESCRIBED IN BOOK 150 OF DEEDS, PAGE 409, TO THE PLACE OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS.

PARCEL 2:

PART OF LOT 125 OF THE ASSESSOR'S PLAT OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 44 NORTH, RANGE 7 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTH LINE OF SAID LOT, 2 RODS WEST FROM THE SOUTHEAST CORNER THEREOF (SAID POINT BEING 34 RODS WEST OF THE EAST LINE OF SAID SECTION); AND RUNNING THENCE WEST ALONG SAID SOUTH LINE, 7 RODS; THENCE NORTH PARALLEL WITH THE EAST LINE OF SAID LOT, 18 RODS TO THE NORTH LINE OF SAID LOT; THENCE EAST ALONG SAID NORTH LINE, 7 RODS; THENCE SOUTH 18 RODS TO THE PLACE OF BEGINNING, AND THE WEST 7 RODS IN WIDTH OF LOT 125 OF THE ASSESSOR'S PLAT OF SECTION 6 (AND OTHER SECTIONS) IN TOWNSHIP 44 NORTH, RANGE 7, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 13, 1862 IN BOOK 1 OF PLATS, PAGE 1, AND RE-RECORDED IN BOOK 3 OF PLATS, PAGE 17, DESCRIBED AS FOLLOWS: BEGINNING AT A POST ON THE SECTION LINE, 41 RODS WEST OF THE SOUTHEAST CORNER OF SAID SECTION 6 AND RUNNING THENCE NORTH ON A LINE PARALLEL WITH THE WEST LINE OF SAID LOT 125, 330 FEET TO THE NORTH LINE OF SAID LOT; THENCE WEST ON THE NORTH LINE OF SAID LOT, 7 RODS TO THE NORTHWEST CORNER OF SAID LOT; THENCE SOUTH ON

THE WEST LINE OF SAID LOT, 330 FEET TO THE SOUTH LINE OF SAID LOT; THENCE EAST ON THE SOUTH LINE OF SAID LOT AND ON THE SECTION LINE, 7 RODS TO THE PLACE OF BEGINNING; SAID LOT BEING A PART OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 6; AND ALSO PART OF THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 44 NORTH, RANGE 7 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTH LINE OF SAID SECTION, 32 RODS EAST OF THE SOUTHWEST CORNER OF SAID SOUTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER AND IN THE CENTER OF THE HIGHWAY, AND RUNNING THENCE WEST ALONG THE SECTION LINE, 60 FEET; THENCE NORTH PARALLEL WITH THE 40 LINE, 20 1/2 RODS; THENCE EAST PARALLEL WITH SAID SECTION LINE, 60 FEET; THENCE SOUTH 20 1/2 RODS TO THE POINT OF BEGINNING, (EXCEPTING THEREFROM THAT PART DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTH LINE OF SAID SECTION, 32 RODS (524.64 FEET AS MEASURED) EAST OF THE SOUTHWEST CORNER OF SAID SOUTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER AND IN THE CENTER OF THE HIGHWAY, AND RUNNING THENCE WEST ALONG THE SECTION LINE, 60 FEET; THENCE NORTH PARALLEL WITH THE 40 LINE, 192.44 FEET; THENCE EAST PARALLEL WITH SAID SECTION LINE, 60 FEET; THENCE SOUTH 192.44 FEET TO THE PLACE OF BEGINNING.), IN THE CITY OF WOODSTOCK, IN MCHEMRY COUNTY, ILLINOIS.

PARCEL 3

LOT 11 IN WESTMAN'S ADDITION TO THE CITY OF WOODSTOCK BEING A SUBDIVISION OF PART OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 7, TOWNSHIP 44 NORTH, RANGE 7 EAST OF THE THIRD PRINCIPAL MERIDIAN ACCORDING TO THE PLAT THEREOF, RECORDED DECEMBER 14, 1949 AS DOCUMENT NO. 226517 IN BOOK 10 OF PLATS, PAGE 122, IN MCHEMRY COUNTY, ILLINOIS.

SCHEDULE B

Commitment No. M26305A

I. The following are the requirements to be complied with:

1. Instruments necessary to create the estate or interest to be insured must be properly executed, delivered and duly filed for record.

II. Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
2. Standard Exceptions:
 - (a) Rights or claims of parties in possession not shown by the public records.
 - (b) Easements, or claims of easements, not shown by the public records.
 - (c) Encroachments, overlaps, boundary line disputes, or other matters which would be disclosed by an accurate survey or inspection of the premises.
 - (d) Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.

3. SPECIAL EXCEPTIONS:

1. GENERAL TAXES FOR THE YEAR 2001 AND 2002, NOT YET DUE AND PAYABLE.

13-07-227-001; 13-07-227-039; 13-06-480-047

2. RIGHTS OF THE STATE OF ILLINOIS, THE MUNICIPALITY AND THE PUBLIC IN AND TO THAT PART OF THE LAND WHICH MAY FALL IN STREETS AND HIGHWAYS.
3. RIGHTS OF WAY FOR DRAINAGE DITCHES, TILES, FEEDERS AND LATERALS, IF ANY.
4. PERMIT TO CHICAGO TELEPHONE COMPANY, BY JOHN R. KELLOGG AND ALICE M. KELLOGG, DATED SEPTEMBER 4, 1914 AND FILED SEPTEMBER 23, 1914 IN BOOK 2 OF MISCELLANEOUS RECORDS, PAGE 454, GRANTING AUTHORITY TO CONSTRUCT AND MAINTAIN ITS LINE OF TELEPHONE AND TELEGRAPH UPON, OVER AND ACROSS PROPERTY IN WHICH THE GRANTORS HAVE AN INTEREST AND UPON THE ROADS ADJOINING SAID PROPERTY, WITH THE RIGHT TO TRIM TREES, ETC. AFFECTS PARCELS 1 AND 3.
5. COVENANTS AND AGREEMENTS RELATING TO CONNECTING TO A SANITARY SEWER AS CONTAINED IN DEEDS FROM WESLEY D. COONRAD AND MAUDE COONRAD, TO FRANK WESTMAN AND LENA WESTMAN, DATED JULY 12, 1940 AND FILED JULY 13, 1940 IN BOOK 239 OF DEEDS, PAGE 536 AND FROM FRANK WESTMAN AND LENA WESTMAN TO ALVIN J. WESTMAN AND ZELDA WESTMAN, DATED NOVEMBER 7, 1945 AND FILE NOVEMBER 28, 1945 IN BOOK 279 OF DEEDS, PAGE 255.

CONTINUED

Ticor Title Insurance Company

6. THE MORTGAGE WHICH WE HAVE BEEN ASKED TO INSURE SHOULD BE PLACED OF RECORD AND OUR SEARCHES CONTINUED TO COVER THE RECORDING.
7. WE SHOULD BE FURNISHED A CERTIFIED COPY OF THE DIRECTORS' RESOLUTIONS AUTHORIZING THE CONVEYANCE OR MORTGAGE TO BE INSURED. SAID RESOLUTIONS SHOULD EVIDENCE THE AUTHORITY OF THE PERSONS EXECUTING THE CONVEYANCE OR MORTGAGE. IF THEY DO NOT, A CERTIFIED COPY OF THE CORPORATE BY-LAWS ALSO SHOULD BE FURNISHED.
8. ENCROACHMENT OF THE CONCRETE WALK AND CONCRETE WALL LOCATED ALONG THE SOUTHERLY PORTION OF PARCEL 1 AND OVER AND ONTO THE LAND SOUTH AND ADJOINING AS DISCLOSED BY SURVEY MADE BY CHARLES A. MIONSKE, DATED DECEMBER 7, 1992, NO. 92522.
9. UNRECORDED EASEMENT TO MAINTAIN THE ILLINOIS BELL TELEPHONE COMPANY UNDERGROUND CABLE ALONG THE SOUTHERLY LINE OF PARCEL 2 AS DISCLOSED BY SURVEY MADE BY CHARLES A. MIONSKE, DATED DECEMBER 7, 1992, NO. 92522.

**** Schedule B consists of 2 pages ****



To all to whom these Presents Shall Come, Greeting:

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

MEMORIAL MEDICAL CENTER-WOODSTOCK, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JANUARY 09, 1914, 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 #: 1334401716

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 10TH
day of DECEMBER A.D. 2013 .*

Jesse White

SECRETARY OF STATE

ATTACHMENT-3

I.
Organizational Relationships

This project has 2 co-applicants: Centegra Specialty Hospital – Woodstock, South Street and Centegra Health System.

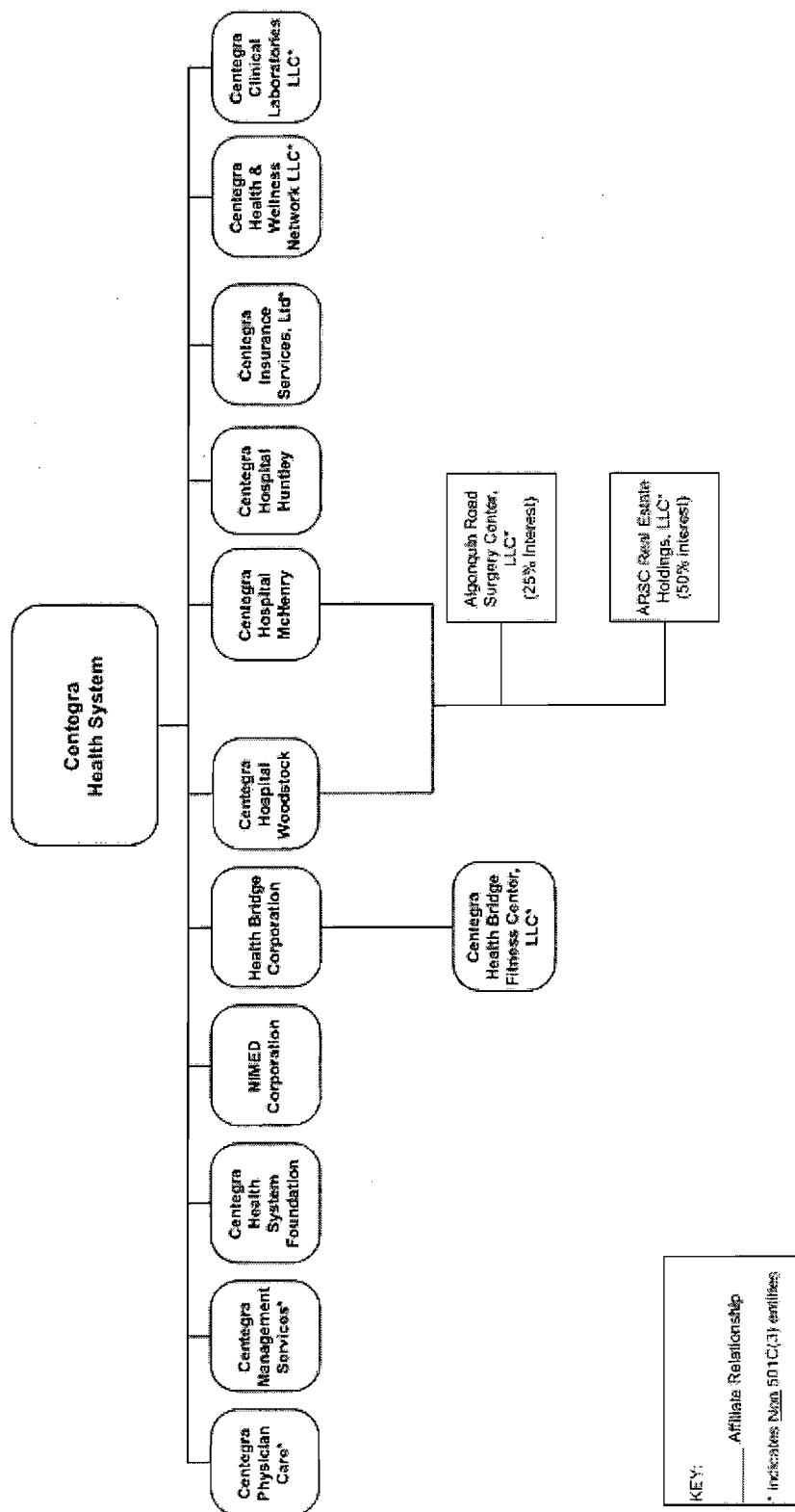
As will be seen on the Organizational Chart that appears on the following page, Centegra Health System is the sole corporate member of Centegra Specialty Hospital – Woodstock, South Street.

Centegra Health System currently operates 3 hospitals: Northern Illinois Medical Center d/b/a Centegra Hospital - McHenry; Memorial Medical Center – Woodstock d/b/a Centegra Hospital - Woodstock; and Memorial Medical Center - Woodstock d/b/a Centegra Specialty Hospital - Woodstock, South Street. Centegra Health System also is the sole corporate member of Centegra Hospital – Huntley which was granted a CON permit by the Illinois Health Facilities and Services Review Board on July 24, 2012 but is not yet operational.

Revenue bonds for the project will be issued in the name of the Centegra Health System.

A Corporate Organization Chart will be found on the next page.

CORPORATE STRUCTURE AND GOVERNANCE
The following chart depicts the corporate relationships among the
System and its affiliates.



I.
Flood Plain Requirements

This section is not applicable because the application does not involve construction.

I.
Historic Preservation Requirements

This section is not applicable because the application is not a:

1. Project involving demolition of any structure; or
2. Construction of new buildings; or
3. Modernization of existing buildings

I.
Cost Space Requirements

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							
Acute Mental Illness	0	15,753	0	0	0	0	15,753
Total Clinical	0	15,753	0	0	0	0	15,753
NON REVIEWABLE							
Total Non-clinical	0	0	0	0	0	0	0
TOTAL	0	15,753	0	0	0	0	15,753

There are no plans for the reuse of the vacated space currently occupied by the AMI Category of Service.

However, the space will not be reused for patient care or for clinical service areas. It is currently contemplated that the space may be used for offices for administrative departments or for storage.

II. Discontinuation

A. General Information Requirements

1. This project proposes to discontinue the Acute Mental Illness Category of Service at Centegra Specialty Hospital - Woodstock, South Street, which has an authorized capacity of 36 beds.

The purpose of this discontinuation is to relocate the Acute Mental Illness Category of Service to Centegra Hospital - Woodstock, where a separate CON application proposes to establish a 34-bed Acute Mental Illness Category of Service.

2. The Acute Mental Illness (AMI) Category of Service is the only Category of Service that will be discontinued.
3. No other clinical services will be discontinued at this hospital.
4. There are no plans for the reuse of the space currently occupied by the AMI Category of Service.

However, the space will not be reused for patient care or for clinical service areas. It is currently contemplated that the space may be used for offices for administrative departments or for storage.

Centegra Health System, the owner and operator of both Centegra Specialty Hospital - Woodstock, South Street and Centegra Hospital - Woodstock, has assessed the equipment and furnishings in the AMI (Psychiatric) Unit at Centegra Specialty Hospital - Woodstock, South Street and determined that a number of items can be relocated to the proposed AMI Unit at Centegra Hospital - Woodstock.

All equipment and furnishings that are not going to be relocated will be inventoried, and the disposition of these items will be in one of the following ways. 1) Any furniture that is beyond its useful life but is still in decent condition will be donated to non-profit organizations in the area. 2) Any of the equipment (e.g., beds) that is beyond its useful life will be disposed of by donating it to third world organizations, sold to a used equipment buyer or scrapped if it is made of metal and has residual value. 3) Any remaining items will be discarded.

5. In accordance with the Centegra Health System Records Management Policy, all psychiatric records will be retained as follows: complete psychiatric and treatment records for adult patients will be retained for 10 years in accordance with 210 ILCS 85.6.17(c); the complete psychiatric and treatment records for minors will be retained for 10 years after the patient's age of majority in accordance with 210 ILCS 85.6.17(c).

All medical records pertaining to the AMI Category of Service are and will continue to be stored with the medical records for all Centegra Health System hospitals. Medical records from prior to April, 2012, are housed off-site at a HIPAA-compliant storage company. Medical records created since April, 2012, are scanned from the paper records, and the resulting electronic health records are kept on computer servers that are located off-site.

6. This Item is not applicable because this application does not propose to discontinue an entire facility.

After the discontinuation of the AMI Category of Service is implemented, the only category of service that will be provided at Centegra Specialty Hospital - Woodstock, South Street will be the General Long Term Care Category of Service.

The applicants, through discussions with the staff of the Illinois Health Facilities and Services Review Board and communication with the Illinois Department of Public Health's Division of Healthcare Facilities and Programs ("Licensing Division"), understand that the license of Centegra Specialty Hospital - Woodstock, South Street will have to be changed from that of a general hospital to one of a nursing home providing skilled nursing care and that this change would be effected through a certificate of need (CON) application to discontinue the general hospital and establish a skilled nursing facility at the existing site.

B. Reasons for Discontinuation

This application seeks approval to discontinue the AMI Category of Service at Centegra Specialty Hospital - Woodstock, South Street in order to relocate this category of service to Centegra Hospital - Woodstock.

Both hospitals are located in the same planning area for AMI Services (Planning Area 8 A-10), and the two hospitals are located approximately 4 miles apart with a travel time between them of approximately 8 minutes when adjusted for normal travel times in accordance with CON Rules (77 Ill. Adm. Code 1100.510(d)(2)).

Both hospitals are owned and operated by Centegra Health System, and the two hospitals have a combined medical staff with physicians holding privileges at both hospitals. The psychiatrists who currently admit and treat patients at the AMI Category of Service at Centegra Specialty Hospital - Woodstock, South Street will continue to admit and treat their patients at the AMI Category of Service at Centegra Hospital - Woodstock. Documentation that the psychiatrists will transfer their caseloads to the proposed AMI Service at Centegra Hospital - Woodstock will be found in Centegra Hospital - Woodstock's CON application to establish the AMI Service, which was submitted at the same time as this application and is undergoing CON review at the same time.

Centegra Specialty Hospital - Woodstock, South Street is the sole provider of AMI Services in Planning Area 8 A-10.

The relocation of the AMI Category of Service will improve Centegra Health System's ability to provide AMI Services to all residents of Planning Area 8 A-10 as well as other patients it serves, including the uninsured and underinsured residents of these areas.

The reasons for discontinuing the AMI Category of Service, which are presented below, are the same as the reasons for relocating this category of service to Centegra Hospital - Woodstock, which are provided in Centegra Hospital - Woodstock's CON application to establish the AMI Category of Service. That CON application is being submitted simultaneously with this CON application.

1. The AMI Service needs upgrading and modernization because it is located in a hospital that was built 100 years ago. It will be relocated to Centegra Hospital - Woodstock, which is less than 20 years old. The new Psychiatric Unit will be constructed in space that will be vacated when the Obstetric Category of Service as well as all other Obstetric Services are discontinued pursuant to approval of a separate CON application that is being filed simultaneously with this application. This relocation will provide residents of the planning area with a modern Psychiatric Unit in a contemporary facility.

Centegra Specialty Hospital - Woodstock, South Street was constructed in 1914. The Psychiatric Units were originally constructed in 1981 and 1991, and even though they were modernized in recent years, the building in which they are located is 100 years old.

2. The current Psychiatric Units at Centegra Specialty Hospital - Woodstock, South Street are located in 2 discrete Psychiatric Units that are on 2 separate floors of the hospital, with 24 beds in one unit and 12 beds in a second unit on a different floor.

Relocating the AMI Service to Centegra Hospital - Woodstock will increase operational and staffing efficiencies because the new AMI Service will be a single 34-bed unit.

3. The current Psychiatric Units have only 2 private rooms. The relocation of the AMI Service to Centegra Hospital - Woodstock will increase the number of private rooms in the new Psychiatric Unit, thereby potentially resulting in increased utilization of the AMI Category of Service.

It should be noted that, during the 12 month period of July 1, 2012 through June 30, 2013, 259 potential psychiatric patients were unable to be admitted to Centegra Specialty Hospital - Woodstock, South Street due to the lack of an available bed. As a result, these patients had to be admitted outside the planning area.

4. The current AMI Service is less centrally located in Planning Area 8 A-10 and in areas of neighboring counties that lack AMI Services than it will be when it is relocated to Centegra Hospital - Woodstock.
5. Centegra Specialty Hospital - Woodstock, South Street lacks the diagnostic

capabilities and the ability to treat medical conditions experienced by psychiatric patients. As a result, existing psychiatric patients have to be transferred by ambulance to other hospitals for acute care services, and a number of psychiatric patients have had to be turned away because of the lack of acute care services.

The relocation of the only AMI Service in Planning Area 8 A-10 to Centegra Hospital - Woodstock will increase the accessibility of acute care services to psychiatric patients and eliminate the need for ambulance transfers to an acute care hospital of psychiatric patients requiring acute care diagnostic procedures or treatment.

This relocation of the AMI Service will also permit more psychiatric patients to be admitted to Centegra Hospital - Woodstock since 22 patients were unable to be admitted to Centegra Specialty Hospital - Woodstock, South Street's AMI Unit during the 12-month period of July 1, 2012 through June 30, 2013, due to the lack of acute care services.

C. Impact on Access

1. The discontinuation of the AMI Category of Service at Centegra Specialty Hospital - Woodstock, South Street will not have an adverse effect upon access to care for residents of Planning Area 8 A-10 for the following reasons.
 - a. Centegra Hospital - Woodstock is proposing to establish an AMI Category of Service that will accommodate the entire AMI caseload from Centegra Specialty Hospital - Woodstock, South Street, as well as those patients unable to be accommodated historically in that Psychiatric Unit and the increased psychiatric caseload that is anticipated to occur due to projected population growth in Planning Area 8 A-10 by the end of the second full year of operation of the relocated AMI Service.

Centegra Hospital - Woodstock has indicated that it is willing and able to assume the entire AMI caseload from Centegra Specialty Hospital - Woodstock, South Street. That letter is appended to this Attachment and also found in Appendix 2.
 - b. Centegra Specialty Hospital - Woodstock, South Street is currently the only provider of AMI Services in Planning Area 8 A-10 (McHenry County), and Centegra Hospital - Woodstock proposes to meet the entire AMI bed need of 34 beds for this planning area, as shown in the Illinois Department of Public Health's "Revised Bed Need Determinations," as of December 18, 2013.
 - c. Centegra Specialty Hospital - Woodstock, South Street surveyed the only facility that currently provides the AMI Category of Service that is located within 45 minutes travel time and did not receive a response to the request that assesses the impact of this discontinuation on its facility.

That facility, Presence Saint Joseph Hospital, is located in a different Planning Area (Planning Area 8 A-11).

A copy of the written request for an impact statement that was sent to this facility is appended to this Attachment, followed by documentation that the request was received at the facility.

<u>Facility and Town</u> <u>Planning Area</u>	<u>Adjusted Travel Time*</u>
--	------------------------------

Presence Saint Joseph Hospital Elgin Planning Area 8 A-11, North Kane County	41 minutes
--	------------

*Travel Time was calculated using www.mapquest.com and adjusted by multiplying the travel time by 1.15, in accordance with 77 Ill. Adm. Code 1100.510(d)(2)

The Map Quest travel time information will be found in Appendix 1 of this CON application.

2. As noted above, Centegra Specialty Hospital - Woodstock, South Street is the only provider of the AMI Category of Service in Planning Area 8 A-10. There is only one hospital located outside the planning area that is located within 45 minutes adjusted travel time of Centegra Specialty Hospital - Woodstock, South Street. That is Presence Saint Joseph Hospital in Elgin.

This facility was sent a written request to provide an impact statement, indicating the extent to which it will absorb Centegra Specialty Hospital – Woodstock, South Street's AMI workload without conditions, limitations, or discrimination.

A copy of the letter is found in Appendix 2 of this CON application, along with proof that this letter was sent by certified mail and received on December 16, 2013.

3. No impact statement was received in response to this request.

However, Centegra Hospital - Woodstock, which proposes to establish an AMI Category of Service as a relocation of the AMI Category of Service from Centegra Specialty Hospital - Woodstock, South Street, provided an Impact Statement, stating that it is willing and able to accommodate all of the AMI caseload from Centegra Specialty Hospital - Woodstock, South Street.

The impact statement received from Centegra Hospital - Woodstock is appended to this Attachment and also found in Appendix 2.

December 27, 2013

Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62702

Dear Ms. Avery:

Centegra Specialty Hospital-Woodstock and Centegra Health System have submitted a certificate of need (CON) application to discontinue the Acute Mental Illness (AMI) Category of Service at Centegra Specialty Hospital-Woodstock in order to relocate this Category of Service to Centegra Hospital-Woodstock.

Centegra Hospital-Woodstock is located in the same planning area for AMI Services as Centegra Specialty Hospital-Woodstock (Planning Area 8-A10), both hospitals have the same service area, and the 2 hospitals are located 4 miles apart, with a travel time between them of approximately 8 minutes when adjusted for normal travel times in accordance with the CON Rules (77 Ill. Adm. Code 1100.510(d)(2)).

Both Centegra Hospital-Woodstock and Centegra Specialty Hospital-Woodstock are owned and operated by Centegra Health System.

The purpose of this letter is to certify that, once Centegra Hospital-Woodstock's AMI Category of Service becomes operational, it will continue to provide care to the same AMI patients as currently receive care in this category of service at Centegra Specialty Hospital-Woodstock. The discontinuation of Centegra Specialty Hospital-Woodstock's AMI Category of Service and the establishment of this category of service at Centegra Hospital-Woodstock will not result in the discontinuation of AMI services currently provided to patients at Centegra Specialty Hospital-Woodstock.

This letter is being written to document and affirm the commitment of Centegra Health System and Centegra Hospital-Woodstock that, in accordance with 77 Ill. Adm. Code 1110.130(c), once the AMI Category of Service becomes operational at Centegra Hospital-Woodstock, we will willingly continue to provide service to all of our patients, thereby assuming Centegra Specialty Hospital-Woodstock's workload for the AMI Category of service without conditions, limitations, or discrimination. Centegra Hospital-Woodstock attests to our ability and willingness to continue to accommodate Centegra Specialty Hospital-Woodstock's AMI patient caseload in its AMI Unit.

The discontinuation of Centegra Specialty Hospital-Woodstock's AMI Category of Service and its relocation to Centegra Hospital-Woodstock will not have an adverse effect on the healthcare delivery system because it will not create a demand for services that cannot be met at Centegra Hospital-Woodstock. All of Centegra Specialty Hospital-Woodstock's AMI patients will be able to continue to receive care at Centegra Hospital-Woodstock.

The discontinuation of the AMI Category of Service at Centegra Specialty Hospital-Woodstock and the establishment of this category of service at Centegra Hospital-Woodstock will not cause residents of Planning Area 8 A-10, the planning area for AMI services in which both of these hospitals are located, unnecessary hardship by the limitation of access to needed services because all of Centegra Specialty

Hospital-Woodstock's AMI patients will continue to receive care in the Psychiatric Unit at Centegra Hospital-Woodstock, which is located within the same municipality and the same planning area as Centegra Specialty Hospital-Woodstock, and the hospitals share a common service area.

The proposed relocation of Centegra Specialty Hospital-Woodstock's AMI Category of Service will not limit the ability of low income persons, racial and ethnic minorities, women, handicapped persons, the elderly, and other underserved groups to obtain needed health care.

The goal of our project is to relocate inpatient AMI services for Planning Area 8 A-10 into modern facilities in an accessible location in order to best meet the needs of the patients served by this service.

Sincerely,



Dr. Sheila Senn, Psy.D.
Vice President and Site Administrator
Centegra Hospital - Woodstock

December 13, 2013

Michael S. Eesley
Chief Executive Officer

Mr. Eugene McMahon
Presence Saint Joseph Hospital
77 North Airlite Street
Elgin, IL 60123

Dear Mr. McMahon:

This letter is to notify you that Centegra Health System will be seeking a certificate of need (CON) to relocate its Acute Mental Illness (AMI) Category of Service from Centegra Specialty Hospital-Woodstock, located at 527 West South Street in Woodstock, to Centegra Hospital-Woodstock, located at 3701 Doty Road in Woodstock. For this purpose, we will be submitting CON applications to the Illinois Health Facilities and Services Review Board ("Review Board") to discontinue the 36-bed AMI Category of Service at Centegra Specialty Hospital-Woodstock and to establish a 34-bed AMI Category of Service at Centegra Hospital-Woodstock.

Both hospitals are located in the same planning area for AMI Services (Planning Area 8, A-10) and the two hospitals are located 4 miles apart, with a travel time between them of approximately 8 minutes when adjusted for normal travel times in accordance with the CON Rules (77 Ill. Adm. Code 1100.510(d)(2)). Both hospitals are owned and operated by Centegra Health System.

We anticipate that the Psychiatric Unit at Centegra Hospital-Woodstock will become operational by June 30, 2015, and the AMI Category of Service at Centegra Specialty Hospital-Woodstock will be discontinued at that time.

Inpatient utilization of the AMI Service at Centegra Specialty Hospital-Woodstock for the past 2 complete years as well as the last 12 months is shown below.

<u>Period</u>	<u>Admissions</u>	<u>Patient Days</u>	<u>Average Daily Census</u>
CY2011	1,156	7,050	19.3
CY2012	988	7,245	19.8
November, 2012- October, 2013	957	6,995	19.2

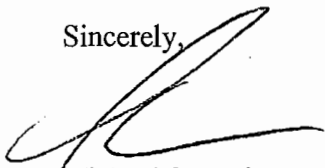
The discontinuation of the existing AMI Category of Service at Centegra Specialty Hospital-Woodstock will not cause residents of AMI Planning Area 8, A-10 unnecessary hardship by the limitation of access to needed services because all residents of the planning area, as well as residents of nearby planning areas served by Centegra Specialty Hospital-Woodstock, will be able to receive care at our proposed new AMI facility at Centegra Hospital-Woodstock. In addition, all patients currently receiving acute psychiatric care in the AMI Category of Service at Centegra Specialty Hospital-Woodstock will continue to receive care in the Psychiatric Unit that we are proposing to establish at Centegra Hospital-Woodstock under a separate CON application.

This proposed discontinuation and replacement of the AMI Category of Service will not limit the ability of low-income persons, racial and ethnic minorities, women, handicapped persons, the elderly, and other underserved groups to obtain needed health care services.

The discontinuation of the AMI Category of Service at Centegra Specialty Hospital-Woodstock will not have any impact on your hospital's caseload because the caseload will be accommodated at the new AMI Category of Service at Centegra Hospital-Woodstock. The Review Board's rules require, though, that we send this notice to you and invite your written response to me as to whether your facility has capacity available to accommodate a portion or all of the AMI caseload that will be discontinued at Centegra Specialty Hospital-Woodstock without conditions, limitations, or discrimination, should any patient choose to use your hospital rather than Centegra Hospital-Woodstock for AMI services. Please note that the Review Board's rules also provide that the failure to respond to this request for an impact statement within 15 days following your receipt of this letter constitutes a non-rebuttable assumption that the discontinuation will not have an adverse impact upon your facility.

If you have any questions relating to this project, please do not hesitate to contact me.

Sincerely,



Michael S. Eesley
Chief Executive Officer
Centegra Health System

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U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
ELGIN IL 60123 OFFICIAL USE	
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Total Postage & Fees	\$ 6.11

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12/13/2013

Sent To	
Mr. Eugene McMahon	
Street, Apt. No., or PO Box No. 77 N. Airlite St	
City, State, ZIP+4 Elgin, IL 60123	

PS Form 3800, August 2005 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
☐ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ☐ Print your name and address on the reverse so that we can return the card to you. ☐ Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature X <i>[Signature]</i> ☐ Agent ☐ Addressee
1. Article Addressed to: Mr. Eugene McMahon Presence St. Joseph Hosp 77 N. Airlite St. Elgin, IL 60123	B. Received by (Printed Name) <i>[Signature]</i> C. Date of Delivery 12/16/13
	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
	3. Service Type ☒ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.
	4. Restricted Delivery? (Extra Fee) ☐ Yes
2. Article Number (Transfer from service label)	7012 3460 0003 3258 4066

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

CAPITOL OFFICE:
309L STATE HOUSE
SPRINGFIELD, IL 62706
(217) 782-8000
FAX: (217) 782-7818



DISTRICT OFFICE:
5400 W. ELM ST., STE. 103
McHENRY, IL 60050
(815) 455-6330
FAX: (815) 679-6756

PAMELA J. ALTHOFF

STATE SENATOR · 32ND DISTRICT
REPUBLICAN CAUCUS CHAIR

January 23, 2014

Madam Chair Kathryn Olson and Board Members
c/o Ms. Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761

Re: Centegra Specialty Hospital – Woodstock: discontinuation of Acute Mental Illness
Centegra Hospital – Woodstock: establishment of Acute Mental Illness and discontinuation of Obstetrics

Dear Madam Chair and Board Members:

Please accept this letter in support of Centegra Health System's request to relocate their Behavioral Health Services Treatment Center. Centegra Health System is not only a model health care organization, but an important committed community partner. They are continually assessing our area's growth and ensuring our health needs are met now and well into the future. History proves that Centegra is always there for our community, not only in health care emergencies but also in overall wellness care.

Centegra is a McHenry/Kane County forward-thinking health system committed to our community, and is once again stepping up to the plate to invest in our health by moving inpatient behavioral health services to Centegra Hospital-Woodstock. This move demonstrates prudent management of health care resources and will more fully serve the increased patient demand in our community. The existing facility, while adequate is truly limited in meeting future growth in population and/or service requirements.

As an elected official, I am always concerned about the continuing need for behavioral health services in my district as is demonstrated not only by my voting record, but my volunteer work in the district over the past 20 years. I know this move is a great decision and I fully support Centegra Health Systems relocation of behavioral health services to better meet the demands of our community. This expansion of behavioral health services will ensure patients have access to additional behavioral health beds in a full service hospital where patients who also have medical needs will be better able to receive care.

Thank you for your consideration.

Regards,

A handwritten signature in cursive script that reads "Pamela J. Althoff".

Pamela J. Althoff
Illinois State Senator
32nd District

PJA/cd

ATTACHMENT-10, PAGE 11

RECYCLED PAPER • SOY-BASED INKS

District Office:
1500 Claremont Drive, Suite D
Crystal Lake, IL 60014
Phone: 815-459-6453
Fax: 815-356-0643
mike@miketryon.com

Springfield Office:
200-7-N Stratton Building
Springfield, IL 62706
Phone: 217-782-0432
Fax: 217-782-1141



Committees:
Energy
Minority Spokesperson
Environment
Minority Spokesperson
Mass Transit
Minority Spokesperson
Executive
Business Growth & Incentives

Michael W. Tryon
State Representative • 66th District

January 23, 2014

Courtney Avery, Administrator
IL Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761

RE: Centegra Specialty Hospital – Woodstock: discontinuation of Acute Mental Illness
Centegra Hospital – Woodstock: establishment of Acute Mental Illness and discontinuation of Obstetrics

Dear Administrator Avery:

It has come to my attention that Centegra Health Systems would like to move its behavioral health services from its current location on South Street in Woodstock to Centegra Hospital-Woodstock. I am in full support of this proposal.

While the quality of behavioral health care provided by Centegra today is excellent, services are housed in an aging and out-of-date facility. I applaud the Centegra administration's decision to move its behavioral health services to a modern and more cost-efficient facility which will ensure that patients who also have acute care needs can have those needs met at a full-service hospital. By moving inpatient behavioral health services to Centegra Hospital-Woodstock, Centegra can ensure timely and expanded access to medical services by treating behavioral health patients in the same building where other important health care services are available.

Again, I am in full support of Centegra's desire to relocate their behavioral health services and believe the move would have a positive impact on community and surrounding areas. Thank you for considering my comments as you review their certificate of need application.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Tryon".

Michael W. Tryon
State Representative
District 66

RECYCLED PAPER • SOYBEAN INKS



December 16, 2013

Dr. Sheila Senn, Psy.D., LCPC
Vice President and Site Administrator
Centegra Hospital-Woodstock
3701 Doty Road
Woodstock, IL 60098

Re: Letter of Support – Centegra Health Systems

Dear Dr. Senn,

The McHenry County Mental Health Board fully supports the proposed changes coming to Centegra Health System that will improve the behavioral health needs in McHenry County. This consolidation of OB/GYN services to the McHenry Campus and therefore making additional beds for inpatient psychiatric care available is crucial. This action not only addresses a critical need in McHenry County, it would increase the numbers of our residents being served here in our County rather than being transferred to distant hospitals outside our county, creating additional stresses for the patient and their loved ones. We know that people receiving behavioral health services closer to their homes facilitate and promote resiliency and recovery. Additionally outpatient providers of behavioral health services are supportive of these proposed changes knowing that their clients are more apt to remain within the systems of care provided across our county. As the local Mental Health Authority and a major funder of behavioral health needs and services provided at Centegra Health Systems we recognize the value not only to those served, but to our community as a whole, knowing additional care is available to those most in need.

The Mental Health Board strongly agrees with Centegra Health Systems in the changes outlined to bring improved wellness to the citizens of McHenry County.

Sincerely,

A handwritten signature in black ink, appearing to read "Duane Lahti".

Duane Lahti
Interim Executive Director



4001 Dayton Street • McHenry, Illinois 60050 • www.pioneercenter.org • 815.344.1230 • fax: 815.344.3815

Ms Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 W Jefferson St, 2'nd Floor
Springfield, IL 62702

Dear Ms Avery:

I am writing this letter to support the CON application from Centegra Health Systems in McHenry County to move their inpatient psychiatric beds from the Centegra Specialty Hospital to the acute care site at Centegra Hospital (Woodstock). By moving inpatient services to the Woodstock acute care site, Centegra will be able to serve more patients with behavioral health needs; which is a critical need in our community.

My organization (Pioneer Center for Human Services) fully supports the move of the inpatient health services. As a behavioral health organization located in McHenry County, we closely follow the availability of behavioral health services in the county. Ensuring that the county has accessible and available behavioral health services is critical to our organization, the community, and our clients/patients.

Centegra Health System is the only provider of inpatient behavioral health in our community, and works hand-in-hand with the network of behavioral/mental health providers and systems to ensure that adequate services are available. This system has identified that more services and more effective services are needed, and the CON to move inpatient services to the Woodstock centrally located and accessible acute care hospital site will address those identified needs and demand.

In summary, Pioneer Center fully supports the move of the inpatient behavioral health services addressed in the Centegra Hospital Systems CON.

Best Wishes,

A handwritten signature in black ink, appearing to read "Patrick R. Maynard, PhD". The signature is fluid and cursive, with a large, stylized 'P' and 'M'.

Patrick Maynard, PhD, President and CEO
Pioneer Center for Human Services

ATTACHMENT-10, PAGE 14



January 10, 2014

Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62702

Dear Ms. Avery:

Rosecrance fully supports the move of Centegra's inpatient psychiatric beds to Centegra Hospital – Woodstock. Rosecrance has a long history of providing substance abuse and mental health treatment services for adults, adolescents and families. We are recognized for our expertise in providing quality prevention, intervention and treatment services.

As a behavioral health organization located in McHenry County, we closely follow the availability of behavioral health services in the county. Ensuring the county has accessible and available inpatient behavioral health services is of importance to our organization and to our clients. Centegra Health System is the only provider of inpatient behavioral health and the system is committed to continuing to ensure inpatient services are available to our residents.

It is our understanding that by moving inpatient services to an acute care hospital, Centegra will be able to serve more behavioral health patients who have medical needs, which is important for our clients who may require these services. The new location is centrally located in the county and accessible by those who need the services.

Sincerely,

Philip W. Eaton
President/CEO

PWE/md

rosecrance
life's waiting

Rosecrance Health Network
1021 North Mulford Road
Rockford, Illinois 61107

T 815.391.1000
F 815.391.5041

rosecrance.org

ATTACHMENT-10, PAGE 15

ATTACHMENT-40
SAFETY NET IMPACT STATEMENT

XI.

Safety Net Impact Statement

1. The project's material impact, if any, on essential safety net services in the community.

Health Safety Net Services have been defined as services provided to patients who are low-income and otherwise vulnerable, including those uninsured and covered by Medicaid. (Agency for Healthcare Research and Quality, Public Health Service, U.S. Department of Health and Human Services, "The Safety Net Monitoring Initiative," AHRQ Pub. No. 03-P011, August, 2003).

This CON application proposes to discontinue the Acute Mental Illness (AMI) Category of Service at Centegra Specialty Hospital – Woodstock, South Street in order to relocate it to Centegra Hospital - Woodstock. A CON application to establish the AMI Category of Service at Centegra Hospital - Woodstock is being submitted simultaneously with this application.

After it is established, the AMI Category of Service at Centegra Hospital - Woodstock will continue to provide the same Health Safety Net Services within Planning Area 8 A-10 as those currently provided by Centegra Specialty Hospital - Woodstock, South Street's AMI category of service. The proposed relocation will meet the calculated bed need of 34 AMI beds for the planning area.

Both Centegra Specialty Hospital – Woodstock, South Street and Centegra Hospital – Woodstock are located in Planning Area 8 A-10, which is comprised of McHenry County. The target market area for this project is coterminous with the planning area and consists of McHenry County.

The AMI Category of Service at Centegra Specialty Hospital - Woodstock, South Street primarily serves residents of McHenry County. Patient Origin for FY13 indicated that 82% of its AMI patients resided in zip codes that are located within McHenry County, either in whole or in part, with 74.4% residing in zip codes that are located entirely within McHenry County and an additional 7.6% residing in zip codes that are located partially within McHenry County. It is anticipated that the relocated AMI Category of Service at Centegra Hospital - Woodstock will have the same patient origin and patient profile.

There are residents of Planning Area 8 A-10 who are low-income and otherwise vulnerable, as documented by their residing in Medically Underserved Areas and/or Populations and by Centegra Specialty Hospital - Woodstock, South Street's payor mix, which is anticipated to remain the same when this category of service is relocated to Centegra Hospital – Woodstock.

Medically Underserved Areas and Medically Underserved Populations are designated by the federal government (Health Resources and Services Administration of the U.S. Department of Health and Human Services) based on the Index of Medical Underservice. Designated Medically Underserved Areas (MUAs) and Medically Underserved Populations (MUPs) are eligible for certification and funding under federal

programs such as Community Health Center (CHC) grant funds, Federally Qualified Health Centers (FQHCs), and Rural Health Clinics (<http://bhpr.hrsa.gov/shortage/muaguide.htm>) (Health Resources and Services Administration, U.S. Department of Health and Human Services).

Within McHenry County, there are 3 census tracts that have been designated by the Governor as having a federally-designated Medically Underserved Population, a designation that is made to document unusual local conditions and barriers to accessing personal health services.

This project will have a positive impact on essential safety net services in Planning Area 8 A-10 for those patients requiring inpatient care in the AMI Category of Service because the relocation of the AMI Category of Service will not result in any change in providing the much needed services to patients residing in these areas and to those living elsewhere who require safety net services.

2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services

There are four existing hospitals in Planning Area 8 A-10, three of which are members of Centegra Health System. Centegra Specialty Hospital - Woodstock, South Street is currently the sole provider of the AMI Category of Service in the planning area, and Centegra Hospital - Woodstock will be the sole provider of this category of service in the planning area once these CON applications are approved and implemented. The fourth hospital, Mercy Harvard Memorial Hospital in Harvard, is a Critical Access Hospital that has a total of 20 authorized acute care beds (17 Medical-Surgical beds and 3 Intensive Care beds).

The CON application that is being submitted simultaneously with this application proposes to establish the AMI Category of Service at Centegra Hospital - Woodstock and to meet the calculated bed need for this category of service that has been determined by the Illinois Health Facilities and Services Review Board and Illinois Department of Public Health in the "Inventory of Health Care Facilities and Services and Need Determinations."

Centegra Hospital – Woodstock's AMI Category of Service will continue to provide the same safety net services as those currently provided at Centegra Specialty Hospital – Woodstock, South Street.

3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community

This application seeks approval to discontinue the AMI Category of Service at Centegra Specialty Hospital - Woodstock, South Street in order to relocate this category of service to Centegra Hospital - Woodstock.

Both hospitals are located in the same planning area for AMI Services (Planning Area 8 A-10), and the two hospitals are located approximately 4 miles apart with a travel time between them of approximately 8 minutes when adjusted for normal travel times in accordance with CON Rules (77 Ill. Adm. Code 1100.510(d)(2)).

Both hospitals are owned and operated by Centegra Health System, and the two hospitals have a combined medical staff with physicians holding privileges at both hospitals, so the psychiatrists who currently admit and treat patients at the AMI Category of Service at Centegra Specialty Hospital - Woodstock, South Street will continue to admit and treat their patients at the AMI Category of Service at Centegra Hospital - Woodstock. Documentation that the psychiatrists will transfer their caseloads to the proposed AMI Service at Centegra Hospital - Woodstock will be found in Centegra Hospital - Woodstock's CON application to establish the AMI Service, which was submitted at the same time as this application and is undergoing CON review at the same time.

Centegra Specialty Hospital - Woodstock, South Street is the sole provider of AMI Services in Planning Area 8 A-10.

As a result of the relocation of the AMI Category of Service to Centegra Hospital - Woodstock, Centegra Health System will continue to provide AMI Services to all residents of Planning Area 8 A-10 as well as other patients it serves, including the uninsured and underinsured residents of these areas.

Given that AMI services will continue to be provided by Centegra Health System in Planning Area 8 A-10, and that there are not any other providers of this service in the planning area, there will not be an impact on any other safety net provider in the planning area.

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.

As stated above, this project has two co-applicants: Centegra Specialty Hospital – Woodstock, South Street and Centegra Health System.

A notarized certification describing the amount of charity care provided in 2010 through 2012 by each of the hospitals that are members of Centegra Health System is found on Page 5 of this Attachment.

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.

A notarized certification describing the amount of care provided to Medicaid patients in 2010 through 2012 by each of the hospitals that are members of Centegra Health System is found on Page 6 of this Attachment.

3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A Safety Net Information Table per PA 96-0031 in the specified format must be provided as part of Attachment 40.

The Table is found on page 7 of this Attachment.

- a. A copy of Centegra Health System's 2013 Report to the Community is appended to this Attachment starting on page 8.
- b. During FY2013, Centegra Health System provided more than \$4,500,000 in community benefits, an increase from FY2012.
- c. Examples of community benefits that are currently provided at Centegra Specialty Hospital – Woodstock, South Street and that will continue to be provided at Centegra Hospital - Woodstock are:
 - Acute Mental Illness Consultations/Evaluations
 - Medical and Nursing Student education, training and shadowing
 - Acute Mental Illness Community Presentations
 - Suicide Awareness and Prevention
 - Collaboration with other organizations in the community such as: Mental Health Board, Pioneer Center, Rosecrance, Family Health Partnership Clinic.
- d. Centegra Health System is a core team member conducting the 2014 McHenry County Healthy Community Study, which is a collaborative effort with the McHenry County Department of Health and in which more than 10 organizations are participating. Centegra has also participated in the prior studies.
- e. Centegra Health System has been an active participant in the McHenry County Health Department's MAPP (Mobilizing for Action through Planning and Partnerships), an ongoing effort which is currently in its action phase.

January 17, 2014

Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson
Second Floor
Springfield, Illinois 62702

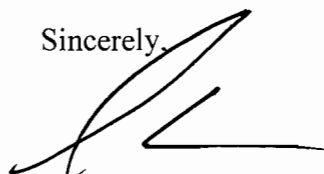
Dear Ms. Avery:

Centegra Health System hereby certifies that it provided the amount of charity care at cost that is shown below for the three audited fiscal years prior to submission of this certificate of need application.

	<u>CHARITY CARE</u>		
	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>
<u>Centegra Hospital - McHenry</u>			
Inpatients	\$1,942,786	\$3,122,403	\$3,034,156
Outpatients	\$1,040,582	\$1,840,401	\$1,898,986
Total	\$2,983,368	\$4,962,804	\$4,933,142
<u>Centegra Hospital - Woodstock</u>			
Inpatients	\$1,329,428	\$1,692,160	\$1,644,603
Outpatients	\$1,081,111	\$1,620,743	\$1,601,008
Total	\$2,410,539	\$3,312,903	\$3,245,611
<u>Centegra Specialty Hospital – Woodstock South Street</u>			
Inpatients	\$ 485,740	\$ 726,949	\$ 864,137
Outpatients	\$ 0	\$ 0	\$ 8,403
Total	\$ 485,740	\$ 726,949	\$ 872,540

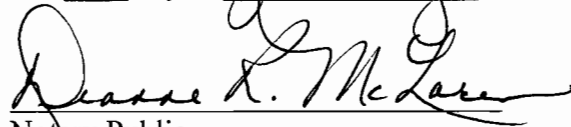
These amounts were calculated in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act.

Sincerely,

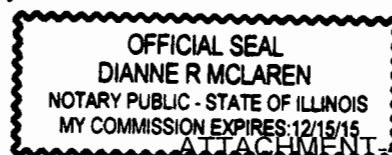


Michael S. Eesley
Chief Executive Officer
Centegra Health System

SUBSCRIBED and SWORN to before me
this 17th day of January, 2014.



Notary Public



January 17, 2014

Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson
Second Floor
Springfield, Illinois 62702

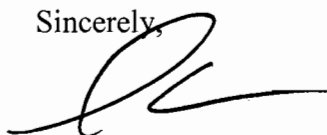
Dear Ms. Avery:

Centegra Health System hereby certifies that it provided the amount of Medicaid that is shown below for the three audited fiscal years prior to submission of this certificate of need application.

	<u>MEDICAID NET REVENUE</u>		
	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>
<u>Centegra Hospital - McHenry</u>			
Inpatients	\$7,954,179	\$8,314,827	\$6,149,882
Outpatients	\$4,604,711	\$5,790,092	\$5,166,129
<u>Centegra Hospital - Woodstock</u>			
Inpatients	\$7,196,778	\$6,190,103	\$6,731,097
Outpatients	\$2,475,497	\$2,486,947	\$3,465,923
<u>Centegra Specialty Hospital – Woodstock, South Street</u>			
Inpatients	\$ 571,859	\$ 678,527	\$ 404,518
Outpatients	\$ 565,836	\$ 543,040	\$ 237,465

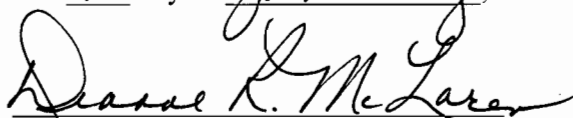
This information is provided in a manner consistent with information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source," as required by the Illinois Health Facilities and Services Review Board under Section 13 of the Illinois Health Facilities Planning Act and published in the Annual Hospital Profile.

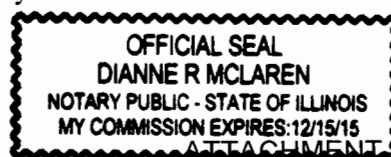
Sincerely,



Michael S. Eesley
Chief Executive Officer
Centegra Health System

SUBSCRIBED and SWORN to before me
this 17th day of January, 2014.


Notary Public



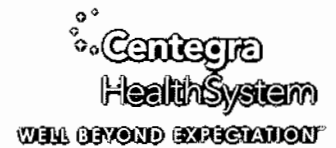
Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year FY10	Year FY11	Year FY12
Inpatient	150	183	197
Outpatient	52	173	178
Total	202	356	375
Charity (cost in dollars)			
Inpatient	\$485,740	\$726,949	\$864,137
Outpatient	\$0	\$0	\$8,403
Total	\$485,740	\$726,949	\$872,540
MEDICAID			
Medicaid (# of patients)	Year FY10	Year FY11	Year FY12
Inpatient	190	197	172
Outpatient	80	118	87
Total	270	315	259
Medicaid (revenue)			
Inpatient	\$571,859	\$678,527	\$404,518
Outpatient	\$565,836	\$543,040	\$237,465
Total	\$1,137,695	\$1,221,567	\$641,983



WELL BEYOND EXPECTATIONSM

Annual Report FY2013

Annual Report FY2013



Welcome

Dear Friends,

Thank you for joining us as we review Centegra Health System's fiscal year 2013. It was a remarkable year, one filled with great advances that show our dedication to excellence and to building a healthier future.

Each day our Associates and Physicians provided excellent personalized care to our patients and their families. I'm always amazed at the many facets of patient care. Every clinician has to have the right combination of compassion, persistence, intelligence and thoughtfulness. At Centegra, our health care team is unmatched.

We carefully develop services according to the health needs of the community. In 2013 Centegra Physician Care introduced a 24-hour hospitalist program. These physicians specialize in inpatient care at our health care facilities. Hospitalists see patients whose physicians do not provide inpatient care. They also provide care to patients who do not have a primary care physician. Our hospitalists are available at a moment's notice to support the rest of the health care team.

In 2013 our teams also finished the final planning phases of Centegra Hospital-Huntley, which will open in 2016. We have worked closely with nurses, Physicians and Associates to design a high tech hospital that will provide state of art clinical care in an aesthetically pleasing environment.

The past year was a demanding and exciting time for Centegra Health System. We have witnessed continued growth and development in the provision of services to the people that live in our community.

We invite you to learn more about Centegra's advances and our focus on our community in this annual report to the community. Please join us in the future as we continue to provide high-tech, high-quality health and wellness services for the entire McHenry County area.

Sincerely,

Michael S. Eesley
Chief Executive Officer
Centegra Health System

Annual Report FY2013

Community Benefits

Community Events 2013

As part of our mission to promote wellness for the greater McHenry County area, Centegra Health System planned, supported or participated in more than 320 events throughout the community in fiscal year 2013. Here are just a few examples:

Free blood pressure and diabetes screenings once every month during food distributions

Kiwanis Santa Run for Kids – December 2012

Chamber Memberships – 2013

Big Brothers Big Sisters Partnership – 2013

Corporate Sponsorship Hospice of Northeastern IL – 2013

Raue Center for the Arts Corporate Sponsorship – 2013

Corporate Sponsorship Pioneer Center – 2013

Health, Fitness & Nutrition Expo – January 2013

Centegra Weigh Less, Live More Expo – January 2013

8 Community Expos – January through May 2013

Centegra Health Strong Woman Event – February 2013

4 Community Parades – 2013

United Way Human Race – April 2013

Healthy Kids Day Sage YMCA – April 2013

Bob Blazier Run for the Arts – May 2013

March of Dimes March for Babies – May 2013

Sun City Feeling Great is Ageless Health Fair – May 2013

Girls on the Run – May 2013

American Cancer Society Relays for Life – June 2013

Wheeler's Children's Health and Safety Fair – June 2013

McHenry County Children's Health & Safety Fair – July 2013

Hearthstone Centegra Senior Fair – August 2013

Taste of Home – September 2013

Huntley Fall Fest – September 2013

Family Health Partnership Care 4 Breast Cancer Walk – October 2013

Algonquin/LITH Fall Expo – October 2013

Community Events – Highlights

Supported or sponsored more than 326 community events in FY13.

These events touched more than 241,194 individuals.

Conducted the Weigh Less, Live More Expo providing more than 577 free screenings and introducing the new Centegra Weight-Loss Institute.

Sold out Centegra Health Strong Woman Event, conducting 1,495 screenings and providing a Lunch and Learn segment that introduced 26 providers to more than 500 attendees. Planned the Hearthstone Senior Fair and conducted free screenings for 222 attendees.

Annual Report FY2013



Partnered with the Sun City Ageless Fair and conducted 615 free screenings.

Conducted the eighth Annual Health Care Career Fair at the Woodstock North High School.

The fair featured a variety of clinical health care careers and encouraged McHenry County's eighth-grade students to experience a hands-on, simulated environment while teaching them about all aspects of health care careers. This event has attracted more than 9,400 participants over the last several years.

Community Service

Our Associates and physicians volunteer more than 75,000 hours of their time to the community each year.

Wellness

Baseline concussion screenings were provided to youth sporting groups and local high schools, with more than 2,200 baselines performed. With the high demand of post-injury screenings that came in following the baselines, the Centegra Concussion Clinic launched in June 2013 for post injury in conjunction with neuro-rehabilitation.

Del Webb launched well checks to be hosted on-site for all Del Webb residents.

The wellness department hosted the second Break Your Boundaries (BYB) weight-loss program to almost 800 participants. Competitors lost a total of 4,032 pounds, 3,189 inches in an eight-week program designed to address healthier lifestyles through exercise, healthy eating and behavior change.

In January 2013, 1,612 Centegra Associates and just more than 100 spouses completed their Health Risk Assessment (HRA) screenings, the highest participation rates ever.

Accreditation and Quality Recognition

Centegra Gavers Breast Center was named to the National Accreditation Program for Breast Centers (NAPBC).

Centegra earned the United Healthcare Premium Designation Interventional Cardiac Care and Rhythm Management for interventional cardiac services.

Centegra was a recipient of the American College of Cardiology Foundation's National Cardiovascular Data Registry (NCDR) ACTION Registry – Get With the Guidelines (GWTG) Silver Performance Achievement Award for acute coronary syndrome patients.

Centegra was a recipient of the American Heart Association's Mission: Lifeline Bronze Quality Achievement Award.

Centegra was recognized by Blue Cross and Blue Shield of Illinois as one of the first hospitals in the nation to receive a Blue Distinction Center+ designation in the area of cardiac care.

Centegra successfully completed the Laboratory College of American Pathologist standards.

Centegra implemented the McKesson Paragon Hospital Information System for Electronic Medical Record (EMR) and achieved Healthcare Information Management and System Society (HIMSS) EMR Adoption Model (EMRAM) Stage 5 Level. This implementation replaced both our clinical and financial systems and included additional workstation and thin station rollouts, mobile clinical computing, remote access improvements and monitor integration.

Annual Report FY2013

Magnet

Centegra Health System's application for Magnet designation was accepted and the document was submitted to the American Nurses Credentialing Center (ANCC) April 1. The document was approved and three ANCC appraisers scheduled a three-day on-site visit. This visit was the final phase of Centegra's Journey to Magnet Excellence, which began more than three years ago. Fewer than 400 hospitals in the world have this distinct designation, which recognizes quality patient care, nursing excellence and innovations in professional nursing practice.

System Awards and Recognition

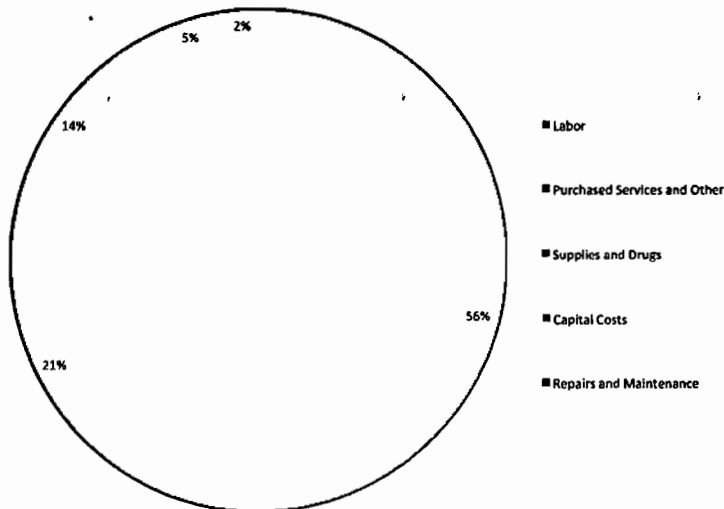
Centegra Physician Care was named to Modern Healthcare's Best Places to Work in Healthcare 2012 list. The Modern Healthcare Best Places to Work designation has been recognizing outstanding places of employment in the health care industry including health care providers, suppliers and payers since 2008. Centegra Physician Care was named 74th in the Top 100.

Again this year, McHenry County residents voted Centegra Health System and Centegra Health Bridge Fitness Centers as their choice for health and wellness. In June 2013, a special section honoring the community's choices for the "Best of Fox 2013 awards" was published in the Northwest Herald. Best Hospital category was eliminated. Below are the categories in which Centegra achieved awards:

Best Health Club	One of the Best Medical Clinics
Best Home Healthcare Provider	One of the Best Women's
Best Personal Trainer	Health Care Centers
Best Pilates	One of the Best Yoga
Best Family Physician Office	One of the Best Swim Lessons
Best Pediatrician Office	

Consolidated Expenses Chart

Labor—56%
Purchased Services and Other—21%
Supplies and Drugs—14%
Capital Costs—5%
Repairs and Maintenance—2%
Insurance—1%
TOTAL 100%



Annual Report FY2013

Centegra Physician Care

History and Background

Centegra Hospital-McHenry and Centegra Hospital-Woodstock have a rich history in their communities, dating from 1914 and 1956.

Centegra Physician Care (CPC), formerly Centegra Primary Care, is an Illinois not-for-profit corporation and the leading healthcare provider in the greater McHenry County area. We are known for our high quality, state-of-the-art medical services and our genuine, compassionate patient care.

Our mission is to serve our community by providing the highest quality care in an environment of outstanding service, access and convenience. The focus of our practice is on preventative care, education and patient involvement.

Community Involvement

As the only clinic of its kind in our county, Centegra Physician Care Associates and the Family Health Partnership Clinic employees have provided screenings, physicals, chronic disease management and sick care to people in need for the past 15 years. In FY2013, our doctors volunteered 376 hours serving more than 600 people at the clinic to provide quality health care to the residents of McHenry County.

Every one of our Centegra locations is committed to giving the highest level of service to all patients, regardless of their ability to pay.

Our providers also volunteer their time to give health-related lectures and presentations for people of our region. Providers speak at nursing homes, colleges, non-profit organizations, fitness centers, high schools and senior living communities to help people understand topics such as heart disease, cancer, chronic illnesses, orthopedics, parenting and wellness. In FY2013, 625 people received education at 33 lectures.

Retention and Growth

Centegra Physician Care doctors understand the importance of CPC's role in the community and commit themselves and their careers to our mission. About 30 percent of our doctors have five or more years with CPC and 15 percent have 10 or more years of service. Our retention rates have improved from 83 percent to 88 percent.

In terms of headcount, Centegra Physician Care has grown 291 percent since 2006.

Annual Report FY2013

Centegra
HealthSystem
WELL BEYOND EXPECTATION

1997: Acquires two medical groups to form an employed physician group

2007: Adds endocrinology

2011: Adds rheumatology

2013: Adds surgery as a specialty

2013: 24/7 hospitalist coverage is available at both hospitals



2008: Establishes two immediate care centers

2006: Adds hospitalist program

2003: Adds occupational medicine

2013: Adds Psychiatry and Behavioral Health services

2012: Adds cardiology and emergency medicine

2010: Adds chiropractic program

Expansion of Specialties

As Centegra Health System continues to grow, so do our specialty capabilities. In FY2011, Centegra offered chiropractic, endocrinology, family practice, hospitalist, immediate care, internal medicine, OB/GYN, occupational medicine, pediatrics and rheumatology services. Later, in FY2012, we developed cardiology, emergency medicine and neurology. Most recently, we began offering behavioral health and psychiatry. Presenting "What's Right in Healthcare."

In 2013, The Studer Group selected Centegra Physician Care as one of 25 organizations to present at "What's Right in Healthcare" in Atlanta, Ga. This is the largest educational institute offered by The Studer Group and is attended by health care organizations from around the world.

Centegra Physician Care was selected due to consistency in outstanding patient perception of quality, care and service.

CPC Specialties

Back & Spine	Family Practice	Pediatrics
Behavioral Health	Internal Medicine	Rheumatology
Cardiology	Neurology	Surgery
Counseling	Obstetrics & Gynecology	Wound Care
Endocrinology		

Annual Report FY2013

New in 2013



Andrea's Story (Family Practice)

Andrea "What really separates my Centegra primary care physician from others is her sincere interest in me and my family. She always takes her time and explains things to me. My doctor shares her life experiences and relates them to mine; it makes me a lot more comfortable knowing she's a person just like me.

Whenever I call for an appointment the schedulers always take such good care to get me a convenient appointment. When I show up at my appointment my doctor is very respectful of my time and she's always on time.

All the staff at Centegra are incredibly compassionate. When I delivered both of my daughters at Centegra, the nurses were attentive and reassuring at a time when I was very nervous. Even when my daughters had their tonsils removed at Centegra Hospital-McHenry the doctors and nurses were so warm and genuine, they really helped to calm my daughters and me.

What also makes Centegra such a perfect fit for my family is the convenience of their locations throughout all of McHenry County. Centegra Physician Care, immediate cares, hospitals with emergency departments are all close to my home. The staff who work at Centegra truly care about keeping me and my family healthy.

I was sick for three and a half years before I finally went to the doctor. By the end of March, I could barely take care of myself because I was so exhausted all the time. I did a lot of research and thought I had a hormonal imbalance based on my symptoms, so I started looking for a gynecologist. I had a lot of trouble finding someone who understood what I wanted, until my boyfriend's mom (a nurse at Centegra Hospital-Woodstock) recommended Dr. Favia.

I was able to get an appointment with Dr. Favia right away and she took great care of me. On March 29, she did some blood tests and sent me to a hematologist, Dr. Zahir, because the blood tests showed that I had anemia and low platelets. I saw Dr. Zahir on April 1 and he recommended a rheumatologist, Dr. Malik, because he thought I may also have lupus. I saw Dr. Malik on April 15 and started treatment on May 1. Within three days, I started feeling better.

Dr. Malik is great. He is so in tune with what I say; he listens really well. He was able to piece things together and help me quickly. He is so wonderful that I took my mom to him. She was diagnosed with lupus a few years ago but Dr. Malik found out she has fibromyalgia instead. I couldn't ask for a better doctor."

Annual Report FY2013



Michelle's Story (Rheumatology)

Michelle "My hair was falling out, my joints constantly ached and I was so exhausted. This went on for three years just not feeling well and not knowing why. I had almost completely withdrawn socially because of my extreme exhaustion. It was affecting my personal and professional relationships. Finally, my mother persuaded me to go get some blood work done. The tests were abnormal and the results finally led me to Dr. Malick. He quickly diagnosed me with lupus disease and started me on medication. Within days I could feel the medication working and my energy level returning to normal. Eventually I started feeling so much better, I returned to many of my activities and socializing again. I am so grateful to Dr. Malick. I finally had some answers to why I was feeling the way I did. My doctor has recommended exercise and a healthy diet as a part of my ongoing recovery. I exercise, I eat right and I know what I need to do now to stay well, thanks to my Centegra doctor."



Janis' Story (WellBridge)

Janis "After my bariatric surgery, Dr. Heydari referred me to the WellBridge program. I needed to improve my health because of my diabetes, my high blood pressure and my high cholesterol. My doctor wanted me to have the resources to keep improving my health so I joined Centegra Health Bridge Fitness Center. I never would have imagined in my wildest dreams working out could be so much fun. I absolutely love my aquatics classes. I love my teachers and I'm there three to four times a week. They really make it a lot of fun. I've seen significant improvements. For example, I've lost 111 pounds. I was on five different medications before my surgery and now I'm down to one. My blood pressure is in the normal range now, too. The whole program gave me the tools and resources I needed to get better and stay well. I'm so grateful to my doctor for taking such great care of me."



Kerri's Story (Centegra Weight-Loss Institute)

Kerri "I was in total shock at how heavy I had gotten and I wanted to do something about it, so I joined the Optifast program at Centegra. I've lost 40 pounds and two pant sizes in the first 11 weeks! Optifast takes the focus off food by providing me healthy meal replacements. There's medical oversight provided, which gives me peace of mind. What really makes this program so much better than any other program is the amount of support you receive. I couldn't do it without the support of the nutritionist, behaviorist, fitness trainers and my support group. I'm discovering why I had poor eating habits, learning tools to cope and learning how to eat right while exercising. I'm still working toward my final goal but now I know I can do it."



Tiffany's Story (Medical Nutrition Therapy)

Tiffany "I was shopping for bigger sized clothing. My energy level was way down and I'm a busy wife and full-time mom of a 2-year-old and a 5-year-old.

At a checkup for a thyroid condition, my endocrinologist, Dr. Achal Ahmed, voiced what what I had been thinking.

She told me I really had to lose weight or one day we'd be talking about diabetes. That really scared me. I told Dr. Ahmed, 'Give me six months to see what I can do. I was already a member of Centegra Health Bridge Fitness Center, so I scheduled a fitness assessment with a personal trainer. Spending just one hour at the gym most days of the week became a priority. I also worked closely with one of Centegra's registered dietitians. I learned to cook and shop differently.

After just six months, I've dropped 42 pounds and lost 8½ inches from my waist. I really needed the one-on-one help from a personal trainer, nutrition expert and the encouragement from my doctor. Now my glucose, cholesterol and thyroid levels are all in the normal range and the doctor said I reversed my risk of developing diabetes."

Annual Report FY2013

Awards

Centegra Physician Care is committed to providing the highest level of health care to our patients. While awards are not why we do our jobs, we are honored to have received the following accolades:

Crain's Chicago Business Top 25 Physician Groups

Ranked No. 20 in the Chicago Metropolitan area in 2013

Modern Healthcare

100 Best Places to Work in Healthcare in 2013

Northwest Herald's Readers' Choice Awards 2013

Best Family Physician Office in McHenry County

Best Pediatric Office in McHenry County

One of The Best Medical Clinics in McHenry County

Patient Satisfaction

Clinician & Group Consumer Assessment of Health Care Providers & Systems

The Clinician and Group Consumer Assessment of Health Care Providers and Systems surveys sent to patients found a 90 percent satisfaction trend in 2013

Studer Group Lecture: Best Practices

Selected by the Studer Group in 2013 to speak at a national conference to share best practices (based on scores to the right, the sustainability indicates that the best practices are consistently hardwired).

Q: Would you recommend this provider's office? 91 percent of our patients said YES!*

*Average taken over 2013 fiscal year

July 2012 – 91 %	January 2013 – 90 %
August 2012 – 94 %	February 2013 – 89 %
September 2012 – 88 %	March 2013 – 92 %
October 2012 – 90 %	April 2013 – 92 %
November 2012 – 92 %	May 2013 – 90 %
December 2012 – 93 %	June 2013 – 87 %

ATTACHMENT-41
CHARITY CARE

XII.

Charity Care Information

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.

Centegra Health System, a co-applicant for this project, is the sole corporate member of Centegra Hospital – McHenry, Centegra Hospital – Woodstock, Centegra Specialty Hospital – Woodstock, South Street and Centegra Hospital - Huntley. Centegra Hospital – Huntley is not operational and therefore does not have Charity Care information available.

The charts presented below document the amount of charity care for the last three audited fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue for each of these hospitals.

Centegra Hospital – McHenry CHARITY CARE			
	FY10	FY11	FY12
Net Patient Revenue	\$241,089,241	\$246,545,773	\$248,781,809
Amount of Charity Care (charges)	\$9,813,711	\$16,653,704	\$16,836,463
Cost of Charity Care	\$2,983,368	\$4,962,804	\$4,933,142
Ratio of Charity Care Cost to Net Patient Revenue	1.2%	2.0%	2.0%

Centegra Hospital – Woodstock CHARITY CARE			
	FY10	FY11	FY12
Net Patient Revenue	\$134,576,713	\$138,015,277	\$140,197,892
Amount of Charity Care (charges)	\$7,022,317	\$9,859,831	\$9,926,877
Cost of Charity Care	\$2,410,539	\$3,312,903	\$3,245,611
Ratio of Charity Care Cost to Net Patient Revenue	1.8%	2.4%	2.3%

Centegra Specialty Hospital – Woodstock, South Street CHARITY CARE			
	FY10	FY11	FY12
Net Patient Revenue	\$13,527,652	\$14,824,286	\$15,033,470
Amount of Charity Care (charges)	\$1,421,646	\$2,163,539	\$2,744,354
Cost of Charity Care	\$485,740	\$726,949	\$872,540
Ratio of Charity Care Cost to Net Patient Revenue	3.6%	4.9%	5.8%

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.

The reporting provided on the charts above is for each individual facility.

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.

This section does not apply.

APPENDIX-1
MAPQUEST TRAVEL TIMES



Trip to:

Provena Saint Joseph Hospital
77 N Airlite St

Elgin, IL 60123

(847) 697-4476

23.73 miles / 36 minutes

Notes



527 W South St, Woodstock, IL 60098-3756

**Download
Free App**

1. Start out going **east** on **W South St** toward **Putnam St**. [Map](#) **0.6 Mi**

2. Turn **slight right** onto **Lake Ave**. [Map](#) **0.9 Mi**

3. Turn **right** onto **S Eastwood Dr / IL-47**. Continue to follow **IL-47 S**. [Map](#) **13.0 Mi**

4. Merge onto **I-90 E / Jane Addams Memorial Tollway** via the ramp on the **left** toward **Chicago** (Portions toll). [Map](#) **5.5 Mi**

5. Take the **Randall Rd** exit. [Map](#) **0.3 Mi**

6. Keep **right** to take the ramp toward **Elgin**. [Map](#) **0.05 Mi**

7. Merge onto **Randall Rd**. [Map](#) **2.2 Mi**

8. Turn **left** onto **Highland Ave**. [Map](#) **0.8 Mi**

9. Take the 3rd **right** onto **N Airlite St**. [Map](#) **0.4 Mi**

10. **77 N AIRLITE ST**. [Map](#)



Provena Saint Joseph Hospital
77 N Airlite St, Elgin, IL 60123
(847) 697-4476

Total Travel Estimate: 23.73 miles - about 36 minutes

FREE NAVIGATION APP

SELECT: ☐ IPHONE ☐ ANDROID

Enter your mobile number

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APPENDIX-2
IMPACT ON ACCESS

December 13, 2013

Michael S. Eesley
Chief Executive Officer

Mr. Eugene McMahon
Presence Saint Joseph Hospital
77 North Airlite Street
Elgin, IL 60123

Dear Mr. McMahon:

This letter is to notify you that Centegra Health System will be seeking a certificate of need (CON) to relocate its Acute Mental Illness (AMI) Category of Service from Centegra Specialty Hospital-Woodstock, located at 527 West South Street in Woodstock, to Centegra Hospital-Woodstock, located at 3701 Doty Road in Woodstock. For this purpose, we will be submitting CON applications to the Illinois Health Facilities and Services Review Board ("Review Board") to discontinue the 36-bed AMI Category of Service at Centegra Specialty Hospital-Woodstock and to establish a 34-bed AMI Category of Service at Centegra Hospital-Woodstock.

Both hospitals are located in the same planning area for AMI Services (Planning Area 8, A-10) and the two hospitals are located 4 miles apart, with a travel time between them of approximately 8 minutes when adjusted for normal travel times in accordance with the CON Rules (77 Ill. Adm. Code 1100.510(d)(2)). Both hospitals are owned and operated by Centegra Health System.

We anticipate that the Psychiatric Unit at Centegra Hospital-Woodstock will become operational by June 30, 2015, and the AMI Category of Service at Centegra Specialty Hospital-Woodstock will be discontinued at that time.

Inpatient utilization of the AMI Service at Centegra Specialty Hospital-Woodstock for the past 2 complete years as well as the last 12 months is shown below.

<u>Period</u>	<u>Admissions</u>	<u>Patient Days</u>	<u>Average Daily Census</u>
CY2011	1,156	7,050	19.3
CY2012	988	7,245	19.8
November, 2012- October, 2013	957	6,995	19.2

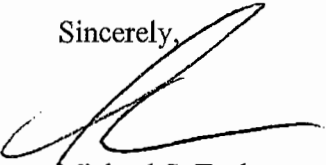
The discontinuation of the existing AMI Category of Service at Centegra Specialty Hospital-Woodstock will not cause residents of AMI Planning Area 8, A-10 unnecessary hardship by the limitation of access to needed services because all residents of the planning area, as well as residents of nearby planning areas served by Centegra Specialty Hospital-Woodstock, will be able to receive care at our proposed new AMI facility at Centegra Hospital-Woodstock. In addition, all patients currently receiving acute psychiatric care in the AMI Category of Service at Centegra Specialty Hospital-Woodstock will continue to receive care in the Psychiatric Unit that we are proposing to establish at Centegra Hospital-Woodstock under a separate CON application.

This proposed discontinuation and replacement of the AMI Category of Service will not limit the ability of low-income persons, racial and ethnic minorities, women, handicapped persons, the elderly, and other underserved groups to obtain needed health care services.

The discontinuation of the AMI Category of Service at Centegra Specialty Hospital-Woodstock will not have any impact on your hospital's caseload because the caseload will be accommodated at the new AMI Category of Service at Centegra Hospital-Woodstock. The Review Board's rules require, though, that we send this notice to you and invite your written response to me as to whether your facility has capacity available to accommodate a portion or all of the AMI caseload that will be discontinued at Centegra Specialty Hospital-Woodstock without conditions, limitations, or discrimination, should any patient choose to use your hospital rather than Centegra Hospital-Woodstock for AMI services. Please note that the Review Board's rules also provide that the failure to respond to this request for an impact statement within 15 days following your receipt of this letter constitutes a non-rebuttable assumption that the discontinuation will not have an adverse impact upon your facility.

If you have any questions relating to this project, please do not hesitate to contact me.

Sincerely,



Michael S. Eesley
Chief Executive Officer
Centegra Health System

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For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 0.46
Certified Fee	\$3.30
Return Receipt Fee (Endorsement Required)	\$2.55
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 6.11

Postmark Here
DEC 14 2013
CRYSTAL

Sent To
Mr. Eugene McMahon
Street, Apt. No.,
or PO Box No. 77 N. Airlite St
City, State, ZIP+4 Elgin, IL 60123

PS Form 3800, August 2006 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
☐ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ☐ Print your name and address on the reverse so that we can return the card to you. ☐ Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature X <i>[Signature]</i> ☐ Agent ☐ Addressee	
1. Article Addressed to: Mr. Eugene McMahon Presence St. Joseph Hosp. 77 N. Airlite St. Elgin, IL 60123		B. Received by (Printed Name) <i>Joe McMahon</i> C. Date of Delivery <i>12/16/13</i> D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
2. Article Number (Transfer from service label)		3. Service Type ☒ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.	
4. Restricted Delivery? (Extra Fee) ☐ Yes		7012 3460 0003 3258 4066	

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

December 27, 2013

Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62702

Dear Ms. Avery:

Centegra Specialty Hospital-Woodstock and Centegra Health System have submitted a certificate of need (CON) application to discontinue the Acute Mental Illness (AMI) Category of Service at Centegra Specialty Hospital-Woodstock in order to relocate this Category of Service to Centegra Hospital-Woodstock.

Centegra Hospital-Woodstock is located in the same planning area for AMI Services as Centegra Specialty Hospital-Woodstock (Planning Area 8-A10), both hospitals have the same service area, and the 2 hospitals are located 4 miles apart, with a travel time between them of approximately 8 minutes when adjusted for normal travel times in accordance with the CON Rules (77 Ill. Adm. Code 1100.510(d)(2)).

Both Centegra Hospital-Woodstock and Centegra Specialty Hospital-Woodstock are owned and operated by Centegra Health System.

The purpose of this letter is to certify that, once Centegra Hospital-Woodstock's AMI Category of Service becomes operational, it will continue to provide care to the same AMI patients as currently receive care in this category of service at Centegra Specialty Hospital-Woodstock. The discontinuation of Centegra Specialty Hospital-Woodstock's AMI Category of Service and the establishment of this category of service at Centegra Hospital-Woodstock will not result in the discontinuation of AMI services currently provided to patients at Centegra Specialty Hospital-Woodstock.

This letter is being written to document and affirm the commitment of Centegra Health System and Centegra Hospital-Woodstock that, in accordance with 77 Ill. Adm. Code 1110.130(c), once the AMI Category of Service becomes operational at Centegra Hospital-Woodstock, we will willingly continue to provide service to all of our patients, thereby assuming Centegra Specialty Hospital-Woodstock's workload for the AMI Category of service without conditions, limitations, or discrimination. Centegra Hospital-Woodstock attests to our ability and willingness to continue to accommodate Centegra Specialty Hospital-Woodstock's AMI patient caseload in its AMI Unit.

The discontinuation of Centegra Specialty Hospital-Woodstock's AMI Category of Service and its relocation to Centegra Hospital-Woodstock will not have an adverse effect on the healthcare delivery system because it will not create a demand for services that cannot be met at Centegra Hospital-Woodstock. All of Centegra Specialty Hospital-Woodstock's AMI patients will be able to continue to receive care at Centegra Hospital-Woodstock.

The discontinuation of the AMI Category of Service at Centegra Specialty Hospital-Woodstock and the establishment of this category of service at Centegra Hospital-Woodstock will not cause residents of Planning Area 8 A-10, the planning area for AMI services in which both of these hospitals are located, unnecessary hardship by the limitation of access to needed services because all of Centegra Specialty

Hospital-Woodstock's AMI patients will continue to receive care in the Psychiatric Unit at Centegra Hospital-Woodstock, which is located within the same municipality and the same planning area as Centegra Specialty Hospital-Woodstock, and the hospitals share a common service area.

The proposed relocation of Centegra Specialty Hospital-Woodstock's AMI Category of Service will not limit the ability of low income persons, racial and ethnic minorities, women, handicapped persons, the elderly, and other underserved groups to obtain needed health care.

The goal of our project is to relocate inpatient AMI services for Planning Area 8 A-10 into modern facilities in an accessible location in order to best meet the needs of the patients served by this service.

Sincerely,



Dr. Sheila Senn, Psy.D.
Vice President and Site Administrator
Centegra Hospital - Woodstock