



# STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 FAX: (217) 785-4111

|                                                                                                                                                                                         |                                            |                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|------------------------------------------------------------|
| <b>DOCKET ITEM NUMBER:</b><br>C-01                                                                                                                                                      | <b>BOARD MEETING:</b><br>November 17, 2015 | <b>PROJECT NUMBER:</b><br>E-007-15<br>E-008-15<br>E-009-15 |
| <b>EXEMPTION APPLICANT(S):</b> Northwestern Memorial HealthCare, KishHealth System, Kishwaukee Community Hospital, Valley West Community Hospital, The Midland Surgical Center, LLC     |                                            |                                                            |
| <b>FACILITY NAME and LOCATION:</b> Kishwaukee Community Hospital, Dekalb, Illinois, Valley West Community Hospital, Sycamore, Illinois, The Midland Surgical Center, Sycamore, Illinois |                                            |                                                            |

## 1. The Transaction

On August 17, 2015 the State Board received three change of ownership exemption applications for the two (2) hospitals and the surgical center identified above. Northwestern Memorial HealthCare is proposing to become the sole corporate member of KishHealth System. KishHealth System controls Kishwaukee Community Hospital, Valley West Community Hospital, and The Midland Surgical Center. Northwestern Memorial HealthCare will have the power and authority to govern, direct, and oversee the property, funds, business, and affairs of KishHealth System. This transaction will result in change of control of KishHealth's existing health care facilities. The operating entities/licensees will remain unchanged. The enterprise range of value for KishHealth System was concluded to be in the range of \$329.1 million to \$362.4 million.

There is no anticipated acquisition price for this transaction; however, as of the closing, there will be a fund created with the unrestricted net cash position of the KishHealth System at closing. This fund will be used exclusively to support the mission of KishHealth and benefit the health care needs of KishHealth's geographic service area. The anticipated completion date is December 31, 2015.

## 2. The Applicants

The applicants are Northwestern Memorial HealthCare, KishHealth System, Kishwaukee Community Hospital, Valley West Community Hospital, The Midland Surgical Center, LLC.

**Northwestern Memorial HealthCare**, located at 251 East Huron Street, Chicago, Illinois, is the corporate parent of Northwestern Memorial Hospital, Northwestern Lake Forest Hospital, Northwestern Medical Group, and Northwestern Memorial Foundation. Northwestern Memorial HealthCare is also the parent of CDH-Delnor Health System (Central DuPage Hospital and Delnor Community Hospital). Northwestern Memorial Hospital has a total of 894 licensed beds in the Feinberg/Galter Pavilion and Prentice Women's Hospital. It is the primary teaching hospital for Northwestern University's Feinberg School of Medicine. The University's Feinberg School of Medicine is integrally linked with Northwestern Memorial Healthcare through a shared strategic plan.

**KishHealth**, based in DeKalb, Illinois, is a community-owned health system with facilities in DeKalb, Sandwich, Sycamore, Plano, Genoa, Hampshire, Waterman, and Rochelle, including the Physician Group, a multi-specialty practice with over 40 health care providers with several office locations.

**Kishwaukee Hospital**, located at 1 Kish Hospital Drive, DeKalb, Illinois, is a 98-bed acute care hospital. In 2011, the Joint Center opened at Kishwaukee Hospital, and in 2013, a Spine Center was added. Kishwaukee Hospital is a not-for-profit organization that provides comprehensive health care services, including inpatient acute and nonacute care and various outpatient services to residents of DeKalb County, Illinois and surrounding areas. Kishwaukee Hospital owns a 74.5% interest in Midlands Surgical Center, LLC a for-profit entity.

**Valley West Community Hospital** a 25 bed Critical Access Hospital located at 1302 North Main Street, Sandwich, Illinois is a not-for-profit organization that provides comprehensive health care services including inpatient acute and nonacute care and various outpatient services, to residents of DeKalb, Kendall, and LaSalle counties of Illinois and surrounding areas.

**The Midland Surgical Center, LLC** is a multi-specialty ambulatory surgical treatment center located at 2120 Midlands Court, Sycamore, Illinois. Kishwaukee Community Hospital owns 74.5% of this surgery center.

### **3. Public Hearing**

Three (3) public hearings were held on September 24, 2015 in DeKalb, Illinois for these changes of ownership exemption applications. State Board Chair Kathy Olson was the State Board representative at these public hearings.

At the public hearing for Exemption #E-007-15, twenty (20) individuals registered for the public hearing, five (5) individuals provided supporting testimony and four (4) individuals provided neutral testimony. Exemption #E-008-15 five (5) individuals provided supporting testimony and one (1) individual provided neutral testimony. Exemption #E-009-15 five (5) individuals provided supporting testimony. Letters of support and opposition were received by the State Board Staff.

### **4. Public Act 99-0154**

Public Act 99-0154 became law July 29, 2015 and is effective immediately. This Act states that an application for a change of ownership need not contain a signed transaction document so long as the application contains the following:

- name and background of the parties
- structure of the transaction

- person who will be the licensed or certified entity both prior to and after the transaction
- fair market value of assets transferred
- purchase price or other consideration for the assets

The State Board cannot impose any conditions or restrictions, including;

- the time period for a subsequent change of ownership; or
- a commitment to continue to offer a service for a specified period of time after the change of ownership occurs.

20 ILCS 3960/6 (b) states “an exemption shall be approved when information required by the State Board by rule is submitted.”

**The applicants have submitted the required information per PA 99-0154.**

A no objection letter was received from the Office of The Attorney General and is included at the conclusion of this report.

## **5. Other Information**

Attached to the end of this report is the 2014 Hospital Profiles for Kishwaukee Community Hospital, Valley West Community Hospital, and The Midland Surgical Center.

| <u>Ownership, Management and General Information</u> |                                          |              |                       | <u>Patients by Race</u> |       | <u>Patients by Ethnicity</u> |       |
|------------------------------------------------------|------------------------------------------|--------------|-----------------------|-------------------------|-------|------------------------------|-------|
| ADMINISTRATOR NAME:                                  | Brad Copple                              |              |                       | White                   | 90.4% | Hispanic or Latino:          | 6.0%  |
| ADMINSTRATOR PHONE                                   | 815-756-1521 ext 153376                  |              |                       | Black                   | 6.8%  | Not Hispanic or Latino:      | 93.5% |
| OWNERSHIP:                                           | KishHealth System                        |              |                       | American Indian         | 0.0%  | Unknown:                     | 0.5%  |
| OPERATOR:                                            | KishHealth System                        |              |                       | Asian                   | 0.9%  |                              |       |
| MANAGEMENT:                                          | Not for Profit Corporation (Not Church-R |              |                       | Hawaiian/ Pacific       | 0.0%  | IDPH Number:                 | 5470  |
| CERTIFICATION:                                       | None                                     |              |                       | Unknown                 | 1.9%  | HPA                          | B-04  |
| FACILITY DESIGNATION:                                | General Hospital                         |              |                       |                         |       | HSA                          | 1     |
| ADDRESS                                              | One Kish Hospital Drive                  | CITY: DeKalb | COUNTY: DeKalb County |                         |       |                              |       |

| <u>Facility Utilization Data by Category of Service</u> |                                      |                                   |                |            |                   |                     |                              |                            |                            |                                    |
|---------------------------------------------------------|--------------------------------------|-----------------------------------|----------------|------------|-------------------|---------------------|------------------------------|----------------------------|----------------------------|------------------------------------|
| <u>Clinical Service</u>                                 | Authorized<br>CON Beds<br>12/31/2014 | Peak Beds<br>Setup and<br>Staffed | Peak<br>Census | Admissions | Inpatient<br>Days | Observation<br>Days | Average<br>Length<br>of Stay | Average<br>Daily<br>Census | CON<br>Occupancy<br>Rate % | Staffed Bed<br>Occupancy<br>Rate % |
| Medical/Surgical                                        | 70                                   | 70                                | 70             | 3,827      | 15,196            | 2,666               | 4.7                          | 48.9                       | 69.9                       | 69.9                               |
| 0-14 Years                                              |                                      |                                   |                | 41         | 87                |                     |                              |                            |                            |                                    |
| 15-44 Years                                             |                                      |                                   |                | 501        | 1,511             |                     |                              |                            |                            |                                    |
| 45-64 Years                                             |                                      |                                   |                | 1,078      | 3,948             |                     |                              |                            |                            |                                    |
| 65-74 Years                                             |                                      |                                   |                | 750        | 3,090             |                     |                              |                            |                            |                                    |
| 75 Years +                                              |                                      |                                   |                | 1,457      | 6,560             |                     |                              |                            |                            |                                    |
| Pediatric                                               | 0                                    | 0                                 | 0              | 0          | 0                 | 0                   | 0.0                          | 0.0                        | 0.0                        | 0.0                                |
| Intensive Care                                          | 12                                   | 12                                | 12             | 237        | 1,126             | 44                  | 4.9                          | 3.2                        | 26.7                       | 26.7                               |
| Direct Admission                                        |                                      |                                   |                | 237        | 1,126             |                     |                              |                            |                            |                                    |
| Transfers                                               |                                      |                                   |                | 0          | 0                 |                     |                              |                            |                            |                                    |
| Obstetric/Gynecology                                    | 16                                   | 16                                | 16             | 861        | 1,646             | 227                 | 2.2                          | 5.1                        | 32.1                       | 32.1                               |
| Maternity                                               |                                      |                                   |                | 859        | 1,644             |                     |                              |                            |                            |                                    |
| Clean Gynecology                                        |                                      |                                   |                | 2          | 2                 |                     |                              |                            |                            |                                    |
| Neonatal                                                | 0                                    | 0                                 | 0              | 0          | 0                 | 0                   | 0.0                          | 0.0                        | 0.0                        | 0.0                                |
| Long Term Care                                          | 0                                    | 0                                 | 0              | 0          | 0                 | 0                   | 0.0                          | 0.0                        | 0.0                        | 0.0                                |
| Swing Beds                                              |                                      |                                   | 0              | 0          | 0                 |                     | 0.0                          | 0.0                        |                            |                                    |
| Acute Mental Illness                                    | 0                                    | 0                                 | 0              | 0          | 0                 | 0                   | 0.0                          | 0.0                        | 0.0                        | 0.0                                |
| Rehabilitation                                          | 0                                    | 0                                 | 0              | 0          | 0                 | 0                   | 0.0                          | 0.0                        | 0.0                        | 0.0                                |
| Long-Term Acute Care                                    | 0                                    | 0                                 | 0              | 0          | 0                 | 0                   | 0.0                          | 0.0                        | 0.0                        | 0.0                                |
| Dedicated Observation                                   | 0                                    |                                   |                |            |                   | 0                   |                              |                            |                            |                                    |
| Facility Utilization                                    | 98                                   |                                   |                | 4,925      | 17,968            | 2,937               | 4.2                          | 57.3                       | 58.4                       |                                    |

(Includes ICU Direct Admissions Only)

| <u>Inpatients and Outpatients Served by Payor Source</u> |          |          |              |                   |             |              |         |
|----------------------------------------------------------|----------|----------|--------------|-------------------|-------------|--------------|---------|
|                                                          | Medicare | Medicaid | Other Public | Private Insurance | Private Pay | Charity Care | Totals  |
| Inpatients                                               | 46.4%    | 7.7%     | 0.1%         | 29.7%             | 7.5%        | 8.6%         |         |
|                                                          | 2287     | 378      | 5            | 1463              | 368         | 424          | 4,925   |
| Outpatients                                              | 36.9%    | 15.5%    | 0.2%         | 43.6%             | 1.6%        | 2.1%         |         |
|                                                          | 54297    | 22796    | 338          | 64180             | 2408        | 3048         | 147,067 |

| <u>Financial Year Reported:</u> | 5/1/2013 to | 4/30/2014 | <u>Inpatient and Outpatient Net Revenue by Payor Source</u> |                   |             |             | Charity<br>Care<br>Expense | Total Charity<br>Care Expense                |
|---------------------------------|-------------|-----------|-------------------------------------------------------------|-------------------|-------------|-------------|----------------------------|----------------------------------------------|
|                                 | Medicare    | Medicaid  | Other Public                                                | Private Insurance | Private Pay | Totals      |                            |                                              |
| Inpatient<br>Revenue ( \$ )     | 45.2%       | 4.0%      | 0.1%                                                        | 44.5%             | 6.2%        | 100.0%      |                            | 4,757,921                                    |
|                                 | 19,368,696  | 1,708,406 | 45,548                                                      | 19,039,568        | 2,657,761   | 42,819,979  | 1,924,264                  |                                              |
| Outpatient<br>Revenue ( \$ )    | 10.3%       | 7.0%      | 0.2%                                                        | 76.8%             | 5.8%        | 100.0%      |                            | Total Charity<br>Care as % of<br>Net Revenue |
|                                 | 12,845,530  | 8,706,328 | 251,111                                                     | 96,005,524        | 7,230,881   | 125,039,374 | 2,833,657                  | 2.8%                                         |

| <u>Birthing Data</u>                      |     |  | <u>Newborn Nursery Utilization</u> |          |           | <u>Organ Transplantation</u> |   |
|-------------------------------------------|-----|--|------------------------------------|----------|-----------|------------------------------|---|
| Number of Total Births:                   | 845 |  | Level I                            | Level II | Level II+ | Kidney:                      | 0 |
| Number of Live Births:                    | 840 |  | Beds                               | 16       | 3         | Heart:                       | 0 |
| Birthing Rooms:                           | 0   |  | Patient Days                       | 1,344    | 48        | Lung:                        | 0 |
| Labor Rooms:                              | 2   |  | Total Newborn Patient Days         |          | 1,392     | Heart/Lung:                  | 0 |
| Delivery Rooms:                           | 0   |  |                                    |          |           | Pancreas:                    | 0 |
| Labor-Delivery-Recovery Rooms:            | 0   |  |                                    |          |           | Liver:                       | 0 |
| Labor-Delivery-Recovery-Postpartum Rooms: | 10  |  |                                    |          |           | Total:                       | 0 |
| C-Section Rooms:                          | 1   |  | Inpatient Studies                  |          | 122,102   |                              |   |
| CSections Performed:                      | 241 |  | Outpatient Studies                 |          | 293,437   |                              |   |
|                                           |     |  | Studies Performed Under Contract   |          | 20,754    |                              |   |

**Surgery and Operating Room Utilization**

| <b><u>Surgical Specialty</u></b>         | <b><u>Operating Rooms</u></b> |            |                           |          | <b><u>Surgical Cases</u></b> |             | <b><u>Surgical Hours</u></b> |             |             | <b><u>Hours per Case</u></b> |            |
|------------------------------------------|-------------------------------|------------|---------------------------|----------|------------------------------|-------------|------------------------------|-------------|-------------|------------------------------|------------|
|                                          | Inpatient                     | Outpatient | Combined                  | Total    | Inpatient                    | Outpatient  | Inpatient                    | Outpatient  | Total Hours | Inpatient                    | Outpatient |
| Cardiovascular                           | 0                             | 0          | 0                         | 0        | 0                            | 0           | 0                            | 0           | 0           | 0.0                          | 0.0        |
| Dermatology                              | 0                             | 0          | 0                         | 0        | 0                            | 0           | 0                            | 0           | 0           | 0.0                          | 0.0        |
| General                                  | 0                             | 0          | 6                         | 6        | 192                          | 542         | 473                          | 1190        | 1663        | 2.5                          | 2.2        |
| Gastroenterology                         | 0                             | 0          | 0                         | 0        | 239                          | 563         | 458                          | 1079        | 1537        | 1.9                          | 1.9        |
| Neurology                                | 0                             | 0          | 0                         | 0        | 34                           | 162         | 52                           | 249         | 301         | 1.5                          | 1.5        |
| OB/Gynecology                            | 0                             | 0          | 1                         | 1        | 286                          | 241         | 379                          | 275         | 654         | 1.3                          | 1.1        |
| Oral/Maxillofacial                       | 0                             | 0          | 0                         | 0        | 6                            | 5           | 11                           | 7           | 18          | 1.8                          | 1.4        |
| Ophthalmology                            | 0                             | 0          | 0                         | 0        | 0                            | 3           | 0                            | 27          | 27          | 0.0                          | 9.0        |
| Orthopedic                               | 0                             | 0          | 0                         | 0        | 578                          | 644         | 834                          | 902         | 1736        | 1.4                          | 1.4        |
| Otolaryngology                           | 0                             | 0          | 0                         | 0        | 12                           | 56          | 15                           | 68          | 83          | 1.3                          | 1.2        |
| Plastic Surgery                          | 0                             | 0          | 0                         | 0        | 0                            | 0           | 0                            | 0           | 0           | 0.0                          | 0.0        |
| Podiatry                                 | 0                             | 0          | 0                         | 0        | 1                            | 49          | 1                            | 65          | 66          | 1.0                          | 1.3        |
| Thoracic                                 | 0                             | 0          | 0                         | 0        | 0                            | 0           | 0                            | 0           | 0           | 0.0                          | 0.0        |
| Urology                                  | 0                             | 0          | 0                         | 0        | 10                           | 42          | 22                           | 74          | 96          | 2.2                          | 1.8        |
| <b>Totals</b>                            | <b>0</b>                      | <b>0</b>   | <b>7</b>                  | <b>7</b> | <b>1358</b>                  | <b>2307</b> | <b>2245</b>                  | <b>3936</b> | <b>6181</b> | <b>1.7</b>                   | <b>1.7</b> |
| <b><u>SURGICAL RECOVERY STATIONS</u></b> |                               |            | Stage 1 Recovery Stations |          | 10                           |             | Stage 2 Recovery Stations    |             | 25          |                              |            |

**Dedicated and Non-Dedicated Procedure Room Utilization**

| <b><u>Procedure Type</u></b>                   | <b><u>Procedure Rooms</u></b> |            |          |       | <b><u>Surgical Cases</u></b> |            | <b><u>Surgical Hours</u></b> |            |             | <b><u>Hours per Case</u></b> |            |
|------------------------------------------------|-------------------------------|------------|----------|-------|------------------------------|------------|------------------------------|------------|-------------|------------------------------|------------|
|                                                | Inpatient                     | Outpatient | Combined | Total | Inpatient                    | Outpatient | Inpatient                    | Outpatient | Total Hours | Inpatient                    | Outpatient |
| Gastrointestinal                               | 0                             | 0          | 2        | 2     | 273                          | 2274       | 432                          | 3601       | 4033        | 1.6                          | 1.6        |
| Laser Eye Procedures                           | 0                             | 0          | 0        | 0     | 0                            | 0          | 0                            | 0          | 0           | 0.0                          | 0.0        |
| Pain Management                                | 0                             | 0          | 0        | 0     | 0                            | 0          | 0                            | 0          | 0           | 0.0                          | 0.0        |
| Cystoscopy                                     | 0                             | 0          | 1        | 1     | 50                           | 211        | 56                           | 232        | 288         | 1.1                          | 1.1        |
| <b><u>Multipurpose Non-Dedicated Rooms</u></b> |                               |            |          |       |                              |            |                              |            |             |                              |            |
| Pain Management                                | 0                             | 0          | 1        | 1     | 0                            | 2514       | 0                            | 3074       | 3074        | 0.0                          | 1.2        |
|                                                | 0                             | 0          | 0        | 0     | 0                            | 0          | 0                            | 0          | 0           | 0.0                          | 0.0        |
|                                                | 0                             | 0          | 0        | 0     | 0                            | 0          | 0                            | 0          | 0           | 0.0                          | 0.0        |

**Emergency/Trauma Care**

|                                           |                |
|-------------------------------------------|----------------|
| Certified Trauma Center                   | No             |
| Level of Trauma Service                   | <b>Level 1</b> |
| Operating Rooms Dedicated for Trauma Care | 0              |
| Number of Trauma Visits:                  | 0              |
| Patients Admitted from Trauma             | 0              |
| Emergency Service Type:                   | Comprehensive  |
| Number of Emergency Room Stations         | 23             |
| Persons Treated by Emergency Services:    | 31,179         |
| Patients Admitted from Emergency:         | 4,132          |
| Total ED Visits (Emergency+Trauma):       | <b>31,179</b>  |

**Free-Standing Emergency Center**

|                                               |  |
|-----------------------------------------------|--|
| Beds in Free-Standing Centers                 |  |
| Patient Visits in Free-Standing Centers       |  |
| Hospital Admissions from Free-Standing Center |  |

**Outpatient Service Data**

|                                            |                |
|--------------------------------------------|----------------|
| Total Outpatient Visits                    | <b>147,067</b> |
| Outpatient Visits at the Hospital/ Campus: | 147,067        |
| Outpatient Visits Offsite/off campus       | 0              |

**Cardiac Catheterization Labs**

|                                                |          |
|------------------------------------------------|----------|
| Total Cath Labs (Dedicated+Nondedicated labs): | <b>2</b> |
| Cath Labs used for Angiography procedures      | 2        |
| Dedicated Diagnostic Catheterization Lab       | 0        |
| Dedicated Interventional Catheterization Labs  | 0        |
| Dedicated EP Catheterization Labs              | 0        |

**Cardiac Catheterization Utilization**

|                                         |            |
|-----------------------------------------|------------|
| Total Cardiac Cath Procedures:          | <b>429</b> |
| Diagnostic Catheterizations (0-14)      | 0          |
| Diagnostic Catheterizations (15+)       | 232        |
| Interventional Catheterizations (0-14): | 0          |
| Interventional Catheterization (15+)    | 123        |
| EP Catheterizations (15+)               | 74         |

**Cardiac Surgery Data**

|                                                                          |          |
|--------------------------------------------------------------------------|----------|
| Total Cardiac Surgery Cases:                                             | <b>0</b> |
| Pediatric (0 - 14 Years):                                                | 0        |
| Adult (15 Years and Older):                                              | 0        |
| Coronary Artery Bypass Grafts (CABGs) performed of total Cardiac Cases : | 0        |

**Diagnostic/Interventional Equipment****Examinations****Therapeutic Equipment****Therapies/**

|                                     | <b><u>Owned Contract</u></b> |   | <b><u>Inpatient Outpt</u></b> |        | <b><u>Contract</u></b> |                              | <b><u>Owned Contract</u></b> |   | <b><u>Treatments</u></b> |
|-------------------------------------|------------------------------|---|-------------------------------|--------|------------------------|------------------------------|------------------------------|---|--------------------------|
| General Radiography/Fluoroscopy     | 3                            | 0 | 8,578                         | 17,367 | 0                      | Lithotripsy                  | 0                            | 0 | 0                        |
| Nuclear Medicine                    | 0                            | 1 | 0                             | 0      | 1,406                  | Linear Accelerator           | 0                            | 0 | 0                        |
| Mammography                         | 2                            | 0 | 6                             | 4,885  | 0                      | Image Guided Rad Therapy     |                              |   | 0                        |
| Ultrasound                          | 2                            | 0 | 1,141                         | 6,955  | 0                      | Intensity Modulated Rad Thrp |                              |   | 0                        |
| Angiography                         | 2                            | 0 |                               |        |                        | High Dose Brachytherapy      | 0                            | 0 | 0                        |
| Diagnostic Angiography              |                              |   | 5                             | 15     | 0                      | Proton Beam Therapy          | 0                            | 0 | 0                        |
| Interventional Angiography          |                              |   | 60                            | 96     | 0                      | Gamma Knife                  | 0                            | 0 | 0                        |
| Positron Emission Tomography (PET)  | 1                            | 0 | 4                             | 382    | 0                      | Cyber knife                  | 0                            | 0 | 0                        |
| Computerized Axial Tomography (CAT) | 2                            | 0 | 2,166                         | 10,682 | 0                      |                              |                              |   |                          |
| Magnetic Resonance Imaging          | 1                            | 0 | 280                           | 2,257  | 0                      |                              |                              |   |                          |

| <u>Ownership, Management and General Information</u> |                                          |                |                       | <u>Patients by Race</u> |       | <u>Patients by Ethnicity</u> |       |
|------------------------------------------------------|------------------------------------------|----------------|-----------------------|-------------------------|-------|------------------------------|-------|
| ADMINISTRATOR NAME:                                  | Brad Copple                              |                |                       | White                   | 97.0% | Hispanic or Latino:          | 5.2%  |
| ADMINSTRATOR PHONE                                   | 815-756-1521 ext 153376                  |                |                       | Black                   | 1.5%  | Not Hispanic or Latino:      | 94.5% |
| OWNERSHIP:                                           | KishHealth System                        |                |                       | American Indian         | 0.0%  | Unknown:                     | 0.3%  |
| OPERATOR:                                            | KishHealth System                        |                |                       | Asian                   | 0.3%  |                              |       |
| MANAGEMENT:                                          | Not for Profit Corporation (Not Church-R |                |                       | Hawaiian/ Pacific       | 0.0%  | IDPH Number:                 | 4690  |
| CERTIFICATION:                                       | Critical Access Hospital                 |                |                       | Unknown                 | 1.1%  | HPA                          | B-04  |
| FACILITY DESIGNATION:                                | General Hospital                         |                |                       |                         |       | HSA                          | 1     |
| ADDRESS                                              | 1302 North Main Street                   | CITY: Sandwich | COUNTY: DeKalb County |                         |       |                              |       |

| <u>Facility Utilization Data by Category of Service</u> |                                      |                                   |                |            |                   |                     |                              |                            |                            |                                    |
|---------------------------------------------------------|--------------------------------------|-----------------------------------|----------------|------------|-------------------|---------------------|------------------------------|----------------------------|----------------------------|------------------------------------|
| <u>Clinical Service</u>                                 | Authorized<br>CON Beds<br>12/31/2014 | Peak Beds<br>Setup and<br>Staffed | Peak<br>Census | Admissions | Inpatient<br>Days | Observation<br>Days | Average<br>Length<br>of Stay | Average<br>Daily<br>Census | CON<br>Occupancy<br>Rate % | Staffed Bed<br>Occupancy<br>Rate % |
| <b>Medical/Surgical</b>                                 | 15                                   | 15                                | 15             | 716        | 1,924             | 506                 | 3.4                          | 6.7                        | 44.4                       | 44.4                               |
| 0-14 Years                                              |                                      |                                   |                | 6          | 15                |                     |                              |                            |                            |                                    |
| 15-44 Years                                             |                                      |                                   |                | 90         | 192               |                     |                              |                            |                            |                                    |
| 45-64 Years                                             |                                      |                                   |                | 183        | 473               |                     |                              |                            |                            |                                    |
| 65-74 Years                                             |                                      |                                   |                | 139        | 378               |                     |                              |                            |                            |                                    |
| 75 Years +                                              |                                      |                                   |                | 298        | 866               |                     |                              |                            |                            |                                    |
| <b>Pediatric</b>                                        | 0                                    | 0                                 | 0              | 0          | 0                 | 0                   | 0.0                          | 0.0                        | 0.0                        | 0.0                                |
| <b>Intensive Care</b>                                   | 4                                    | 4                                 | 4              | 53         | 126               | 4                   | 2.5                          | 0.4                        | 8.9                        | 8.9                                |
| Direct Admission                                        |                                      |                                   |                | 53         | 126               |                     |                              |                            |                            |                                    |
| Transfers                                               |                                      |                                   |                | 0          | 0                 |                     |                              |                            |                            |                                    |
| <b>Obstetric/Gynecology</b>                             | 6                                    | 6                                 | 6              | 206        | 426               | 16                  | 2.1                          | 1.2                        | 20.2                       | 20.2                               |
| Maternity                                               |                                      |                                   |                | 204        | 422               |                     |                              |                            |                            |                                    |
| Clean Gynecology                                        |                                      |                                   |                | 2          | 4                 |                     |                              |                            |                            |                                    |
| <b>Neonatal</b>                                         | 0                                    | 0                                 | 0              | 0          | 0                 | 0                   | 0.0                          | 0.0                        | 0.0                        | 0.0                                |
| <b>Long Term Care</b>                                   | 0                                    | 0                                 | 0              | 0          | 0                 | 0                   | 0.0                          | 0.0                        | 0.0                        | 0.0                                |
| <b>Swing Beds</b>                                       |                                      |                                   | 0              | 0          | 0                 |                     | 0.0                          | 0.0                        |                            |                                    |
| <b>Acute Mental Illness</b>                             | 0                                    | 0                                 | 0              | 0          | 0                 | 0                   | 0.0                          | 0.0                        | 0.0                        | 0.0                                |
| <b>Rehabilitation</b>                                   | 0                                    | 0                                 | 0              | 0          | 0                 | 0                   | 0.0                          | 0.0                        | 0.0                        | 0.0                                |
| <b>Long-Term Acute Care</b>                             | 0                                    | 0                                 | 0              | 0          | 0                 | 0                   | 0.0                          | 0.0                        | 0.0                        | 0.0                                |
| Dedicated Observation                                   | 0                                    |                                   |                |            |                   | 0                   |                              |                            |                            |                                    |
| <b>Facility Utilization</b>                             | <b>25</b>                            |                                   |                | <b>975</b> | <b>2,476</b>      | <b>526</b>          | <b>3.1</b>                   | <b>8.2</b>                 | <b>32.9</b>                |                                    |

(Includes ICU Direct Admissions Only)

| <u>Inpatients and Outpatients Served by Payor Source</u> |          |          |              |                   |             |              |        |
|----------------------------------------------------------|----------|----------|--------------|-------------------|-------------|--------------|--------|
|                                                          | Medicare | Medicaid | Other Public | Private Insurance | Private Pay | Charity Care | Totals |
| <b>Inpatients</b>                                        | 48.6%    | 9.2%     | 0.6%         | 25.3%             | 7.8%        | 8.4%         |        |
|                                                          | 474      | 90       | 6            | 247               | 76          | 82           | 975    |
| <b>Outpatients</b>                                       | 35.8%    | 22.5%    | 0.2%         | 36.9%             | 2.3%        | 2.4%         |        |
|                                                          | 11738    | 7387     | 76           | 12109             | 741         | 782          | 32,833 |

| <u>Financial Year Reported:</u>      | 5/1/2013 to | 4/30/2014 | <u>Inpatient and Outpatient Net Revenue by Payor Source</u> |                   |             |            |         | <u>Charity<br/>Care<br/>Expense</u> | <u>Total Charity<br/>Care Expense</u>                 |
|--------------------------------------|-------------|-----------|-------------------------------------------------------------|-------------------|-------------|------------|---------|-------------------------------------|-------------------------------------------------------|
|                                      | Medicare    | Medicaid  | Other Public                                                | Private Insurance | Private Pay | Totals     |         |                                     |                                                       |
| <b>Inpatient<br/>Revenue ( \$ )</b>  | 56.3%       | 10.1%     | 0.6%                                                        | 26.2%             | 6.9%        | 100.0%     |         |                                     | 1,189,741                                             |
|                                      | 4,977,617   | 890,978   | 50,273                                                      | 2,316,089         | 608,209     | 8,843,166  | 352,936 |                                     |                                                       |
| <b>Outpatient<br/>Revenue ( \$ )</b> | 22.5%       | 9.8%      | 0.2%                                                        | 60.5%             | 7.0%        | 100.0%     |         |                                     |                                                       |
|                                      | 8,160,635   | 3,549,827 | 87,432                                                      | 21,943,540        | 2,541,715   | 36,283,149 | 836,805 |                                     | <b>Total Charity<br/>Care as % of<br/>Net Revenue</b> |
|                                      |             |           |                                                             |                   |             |            |         |                                     | 2.6%                                                  |

| <u>Birth Data</u>                         |     |  | <u>Newborn Nursery Utilization</u> |          |           | <u>Organ Transplantation</u> |   |
|-------------------------------------------|-----|--|------------------------------------|----------|-----------|------------------------------|---|
| Number of Total Births:                   | 196 |  | Level I                            | Level II | Level II+ | Kidney:                      | 0 |
| Number of Live Births:                    | 196 |  | Beds                               | 6        | 2         | Heart:                       | 0 |
| Birthing Rooms:                           | 0   |  | Patient Days                       | 344      | 24        | Lung:                        | 0 |
| Labor Rooms:                              | 3   |  | Total Newborn Patient Days         |          | 368       | Heart/Lung:                  | 0 |
| Delivery Rooms:                           | 0   |  |                                    |          |           | Pancreas:                    | 0 |
| Labor-Delivery-Recovery Rooms:            | 0   |  |                                    |          |           | Liver:                       | 0 |
| Labor-Delivery-Recovery-Postpartum Rooms: | 5   |  |                                    |          |           | Total:                       | 0 |
| C-Section Rooms:                          | 1   |  | Inpatient Studies                  |          | 24,432    |                              |   |
| CSections Performed:                      | 49  |  | Outpatient Studies                 |          | 86,047    |                              |   |
|                                           |     |  | Studies Performed Under Contract   |          | 7,734     |                              |   |

**Surgery and Operating Room Utilization**

| <b><u>Surgical Specialty</u></b>         | <b><u>Operating Rooms</u></b> |            |                           |          | <b><u>Surgical Cases</u></b> |            | <b><u>Surgical Hours</u></b> |             |             | <b><u>Hours per Case</u></b> |            |
|------------------------------------------|-------------------------------|------------|---------------------------|----------|------------------------------|------------|------------------------------|-------------|-------------|------------------------------|------------|
|                                          | Inpatient                     | Outpatient | Combined                  | Total    | Inpatient                    | Outpatient | Inpatient                    | Outpatient  | Total Hours | Inpatient                    | Outpatient |
| Cardiovascular                           | 0                             | 0          | 0                         | 0        | 0                            | 0          | 0                            | 0           | 0           | 0.0                          | 0.0        |
| Dermatology                              | 0                             | 0          | 0                         | 0        | 0                            | 0          | 0                            | 0           | 0           | 0.0                          | 0.0        |
| General                                  | 0                             | 0          | 4                         | 4        | 88                           | 211        | 281                          | 581         | 862         | 3.2                          | 2.8        |
| Gastroenterology                         | 0                             | 0          | 0                         | 0        | 0                            | 0          | 0                            | 0           | 0           | 0.0                          | 0.0        |
| Neurology                                | 0                             | 0          | 0                         | 0        | 0                            | 0          | 0                            | 0           | 0           | 0.0                          | 0.0        |
| OB/Gynecology                            | 0                             | 0          | 0                         | 0        | 73                           | 73         | 227                          | 186         | 413         | 3.1                          | 2.5        |
| Oral/Maxillofacial                       | 0                             | 0          | 0                         | 0        | 0                            | 0          | 0                            | 0           | 0           | 0.0                          | 0.0        |
| Ophthalmology                            | 0                             | 0          | 0                         | 0        | 0                            | 5          | 0                            | 11          | 11          | 0.0                          | 2.2        |
| Orthopedic                               | 0                             | 0          | 0                         | 0        | 24                           | 96         | 119                          | 385         | 504         | 5.0                          | 4.0        |
| Otolaryngology                           | 0                             | 0          | 0                         | 0        | 0                            | 0          | 0                            | 0           | 0           | 0.0                          | 0.0        |
| Plastic Surgery                          | 0                             | 0          | 0                         | 0        | 0                            | 0          | 0                            | 0           | 0           | 0.0                          | 0.0        |
| Podiatry                                 | 0                             | 0          | 0                         | 0        | 9                            | 129        | 28                           | 382         | 410         | 3.1                          | 3.0        |
| Thoracic                                 | 0                             | 0          | 0                         | 0        | 0                            | 0          | 0                            | 0           | 0           | 0.0                          | 0.0        |
| Urology                                  | 0                             | 0          | 0                         | 0        | 13                           | 205        | 29                           | 461         | 490         | 2.2                          | 2.2        |
| <b>Totals</b>                            | <b>0</b>                      | <b>0</b>   | <b>4</b>                  | <b>4</b> | <b>207</b>                   | <b>719</b> | <b>684</b>                   | <b>2006</b> | <b>2690</b> | <b>3.3</b>                   | <b>2.8</b> |
| <b><u>SURGICAL RECOVERY STATIONS</u></b> |                               |            | Stage 1 Recovery Stations |          | 6                            |            | Stage 2 Recovery Stations    |             | 15          |                              |            |

**Dedicated and Non-Dedicated Procedure Room Utilization**

| <b><u>Procedure Type</u></b>                   | <b><u>Procedure Rooms</u></b> |            |          |       | <b><u>Surgical Cases</u></b> |            | <b><u>Surgical Hours</u></b> |            |             | <b><u>Hours per Case</u></b> |            |
|------------------------------------------------|-------------------------------|------------|----------|-------|------------------------------|------------|------------------------------|------------|-------------|------------------------------|------------|
|                                                | Inpatient                     | Outpatient | Combined | Total | Inpatient                    | Outpatient | Inpatient                    | Outpatient | Total Hours | Inpatient                    | Outpatient |
| Gastrointestinal                               | 0                             | 0          | 1        | 1     | 57                           | 371        | 86                           | 510        | 596         | 1.5                          | 1.4        |
| Laser Eye Procedures                           | 0                             | 0          | 0        | 0     | 0                            | 0          | 0                            | 0          | 0           | 0.0                          | 0.0        |
| Pain Management                                | 0                             | 0          | 0        | 0     | 0                            | 0          | 0                            | 0          | 0           | 0.0                          | 0.0        |
| Cystoscopy                                     | 0                             | 0          | 0        | 0     | 0                            | 0          | 0                            | 0          | 0           | 0.0                          | 0.0        |
| <b><u>Multipurpose Non-Dedicated Rooms</u></b> |                               |            |          |       |                              |            |                              |            |             |                              |            |
|                                                | 0                             | 0          | 0        | 0     | 0                            | 0          | 0                            | 0          | 0           | 0.0                          | 0.0        |
|                                                | 0                             | 0          | 0        | 0     | 0                            | 0          | 0                            | 0          | 0           | 0.0                          | 0.0        |
|                                                | 0                             | 0          | 0        | 0     | 0                            | 0          | 0                            | 0          | 0           | 0.0                          | 0.0        |

**Emergency/Trauma Care**

|                                           |                |
|-------------------------------------------|----------------|
| Certified Trauma Center                   | No             |
| Level of Trauma Service                   | <b>Level 1</b> |
| Operating Rooms Dedicated for Trauma Care | 0              |
| Number of Trauma Visits:                  | 0              |
| Patients Admitted from Trauma             | 0              |
| Emergency Service Type:                   | Comprehensive  |
| Number of Emergency Room Stations         | 7              |
| Persons Treated by Emergency Services:    | 8,909          |
| Patients Admitted from Emergency:         | 650            |
| Total ED Visits (Emergency+Trauma):       | <b>8,909</b>   |

**Free-Standing Emergency Center**

|                                               |  |
|-----------------------------------------------|--|
| Beds in Free-Standing Centers                 |  |
| Patient Visits in Free-Standing Centers       |  |
| Hospital Admissions from Free-Standing Center |  |

**Outpatient Service Data**

|                                            |               |
|--------------------------------------------|---------------|
| Total Outpatient Visits                    | <b>32,833</b> |
| Outpatient Visits at the Hospital/ Campus: | 32,833        |
| Outpatient Visits Offsite/off campus       | 0             |

**Cardiac Catheterization Labs**

|                                                |          |
|------------------------------------------------|----------|
| Total Cath Labs (Dedicated+Nondedicated labs): | <b>0</b> |
| Cath Labs used for Angiography procedures      | 0        |
| Dedicated Diagnostic Catheterization Lab       | 0        |
| Dedicated Interventional Catheterization Labs  | 0        |
| Dedicated EP Catheterization Labs              | 0        |

**Cardiac Catheterization Utilization**

|                                         |          |
|-----------------------------------------|----------|
| Total Cardiac Cath Procedures:          | <b>0</b> |
| Diagnostic Catheterizations (0-14)      | 0        |
| Diagnostic Catheterizations (15+)       | 0        |
| Interventional Catheterizations (0-14): | 0        |
| Interventional Catheterization (15+)    | 0        |
| EP Catheterizations (15+)               | 0        |

**Cardiac Surgery Data**

|                                                                          |          |
|--------------------------------------------------------------------------|----------|
| Total Cardiac Surgery Cases:                                             | <b>0</b> |
| Pediatric (0 - 14 Years):                                                | 0        |
| Adult (15 Years and Older):                                              | 0        |
| Coronary Artery Bypass Grafts (CABGs) performed of total Cardiac Cases : | 0        |

**Diagnostic/Interventional Equipment****Examinations****Therapeutic Equipment****Therapies/****Owned Contract****Inpatient****Outpt****Contract****Owned Contract****Treatments**

|                                     |   |   |       |       |     |                              |   |   |    |
|-------------------------------------|---|---|-------|-------|-----|------------------------------|---|---|----|
| General Radiography/Fluoroscopy     | 2 | 0 | 1,084 | 7,321 | 0   | Lithotripsy                  | 0 | 1 | 84 |
| Nuclear Medicine                    | 0 | 1 | 0     | 0     | 143 | Linear Accelerator           | 0 | 0 | 0  |
| Mammography                         | 1 | 0 | 0     | 2,013 | 0   | Image Guided Rad Therapy     |   |   | 0  |
| Ultrasound                          | 2 | 0 | 349   | 3,346 | 0   | Intensity Modulated Rad Thrp |   |   | 0  |
| Angiography                         | 0 | 0 |       |       |     | High Dose Brachytherapy      | 0 | 0 | 0  |
| Diagnostic Angiography              |   |   | 0     | 0     | 0   | Proton Beam Therapy          | 0 | 0 | 0  |
| Interventional Angiography          |   |   | 0     | 0     | 0   | Gamma Knife                  | 0 | 0 | 0  |
| Positron Emission Tomography (PET)  | 0 | 0 | 0     | 0     | 0   | Cyber knife                  | 0 | 0 | 0  |
| Computerized Axial Tomography (CAT) | 1 | 0 | 522   | 3,429 | 0   |                              |   |   |    |
| Magnetic Resonance Imaging          | 0 | 1 | 0     | 0     | 886 |                              |   |   |    |

**Reference Numbers**  
 Facility Id 7003148  
 Health Service Area 001 Planning Service Area 037  
 Midland Surgical Center LLC  
 2120 Midlands Court  
 Sycamore, IL 60178

Number of Operating Rooms 3  
 Procedure Rooms 0  
 Exam Rooms 0  
 Number of Recovery Stations Stage 1 9  
 Number of Recovery Stations Stage 2 9

**Administrator**  
 Patricia Sulaver  
**Date Complete**  
 3/17/2015

**Contact Person**  
 Patricia Sulaver  
**Telephone**  
 815/748-0393

**Type of Ownership**  
 Limited Liability Company (RA required)

**Registered Agent**  
 Steven Glasgow MD

**Property Owner**  
 TMSCP LLC

**Legal Owner(s)**

Jay Burstein MD  
 Joseph Scianna MD  
 Kishwaukee Hospital  
 Michele Glasgow MD  
 Photine Liakos MD  
 Rajeev Jain MD  
 Regent Surgical Health LLC  
 Robert Swartz MD  
 Russell Bodner MD  
 Sajat Bux MD  
 Shane York DPM  
 Steven Glasgow MD

**HOSPITAL TRANSFER RELATIONSHIPS**

| HOSPITAL NAME                            | NUMBER OF PATIENTS |
|------------------------------------------|--------------------|
| Kishwaukee Community Hospital DeKalb, IL | 1                  |
|                                          | 0                  |
|                                          | 0                  |
|                                          | 0                  |
|                                          | 0                  |

**STAFFING PATTERNS**

| PERSONNEL              | FULL-TIME EQUIVALENTS |
|------------------------|-----------------------|
| Administrator          | 1.00                  |
| Physicians             | 0.00                  |
| Nurse Anesthetists     | 0.00                  |
| Director of Nurses     | 1.00                  |
| Registered Nurses      | 9.60                  |
| Certified Aides        | 0.00                  |
| Other Health Profs.    | 4.50                  |
| Other Non-Health Profs | 5.00                  |
| <b>TOTAL</b>           | <b>21.10</b>          |

**DAYS AND HOURS OF OPERATION**

|           |    |
|-----------|----|
| Monday    | 10 |
| Tuesday   | 10 |
| Wednesday | 10 |
| Thursday  | 10 |
| Friday    | 10 |
| Saturday  | 0  |
| Sunday    | 0  |

**NUMBER OF PATIENTS BY AGE GROUP**

| AGE          | MALE         | FEMALE       | TOTAL        |
|--------------|--------------|--------------|--------------|
| 0-14 years   | 86           | 75           | 161          |
| 15-44 years  | 299          | 235          | 534          |
| 45-64 years  | 340          | 361          | 701          |
| 65-74 years  | 289          | 375          | 664          |
| 75+ years    | 333          | 307          | 640          |
| <b>TOTAL</b> | <b>1,347</b> | <b>1,353</b> | <b>2,700</b> |

**NUMBER OF PATIENTS BY PRIMARY PAYMENT SOURCE**

| PAYMENT SOURCE | MALE         | FEMALE       | TOTAL        |
|----------------|--------------|--------------|--------------|
| Medicaid       | 86           | 123          | 209          |
| Medicare       | 568          | 650          | 1,218        |
| Other Public   | 5            | 3            | 8            |
| Insurance      | 680          | 560          | 1,240        |
| Private Pay    | 8            | 17           | 25           |
| Charity Care   | 0            | 0            | 0            |
| <b>TOTAL</b>   | <b>1,347</b> | <b>1,353</b> | <b>2,700</b> |

**NET REVENUE BY PAYOR SOURCE FOR FISCAL YEAR**

| Medicare  | Medicaid | Other Public | Private Insurance | Private Pay | TOTALS    | Charity Care Expense | Charity Care Expense as % of Total Net Revenue |
|-----------|----------|--------------|-------------------|-------------|-----------|----------------------|------------------------------------------------|
| 23.0%     | 1.7%     | 0.7%         | 73.8%             | 0.8%        | 100.0%    |                      |                                                |
| 1,207,883 | 90,225   | 34,283       | 3,876,736         | 40,720      | 5,249,847 | 0                    | 0%                                             |

OPERATING ROOM UTILIZATION FOR THE REPORTING YEAR

| SURGERY AREA       | TOTAL<br>SURGERIES | SURGERY<br>TIME (HOURS) | SURGERY PREP<br>AND CLEAN-UP<br>TIME (HOURS) | TOTAL<br>SURGERY<br>TIME (HOURS) | AVERAGE<br>CASE TIME<br>(HOURS) |
|--------------------|--------------------|-------------------------|----------------------------------------------|----------------------------------|---------------------------------|
| Cardiovascular     | 0                  | 0.00                    | 0.00                                         | 0.00                             | 0.00                            |
| Dermatology        | 0                  | 0.00                    | 0.00                                         | 0.00                             | 0.00                            |
| Gastroenterology   | 0                  | 0.00                    | 0.00                                         | 0.00                             | 0.00                            |
| General            | 0                  | 0.00                    | 0.00                                         | 0.00                             | 0.00                            |
| Laser Eye          | 0                  | 0.00                    | 0.00                                         | 0.00                             | 0.00                            |
| Neurological       | 0                  | 0.00                    | 0.00                                         | 0.00                             | 0.00                            |
| OB/Gynecology      | 6                  | 4.25                    | 1.50                                         | 5.75                             | 0.96                            |
| Ophthalmology      | 1323               | 617.50                  | 165.50                                       | 783.00                           | 0.59                            |
| Oral/Maxillofacial | 0                  | 0.00                    | 0.00                                         | 0.00                             | 0.00                            |
| Orthopedic         | 690                | 770.50                  | 199.00                                       | 969.50                           | 1.41                            |
| Otolaryngology     | 221                | 129.00                  | 31.75                                        | 160.75                           | 0.73                            |
| Pain Management    | 280                | 112.00                  | 30.00                                        | 142.00                           | 0.51                            |
| Plastic            | 11                 | 12.00                   | 2.90                                         | 14.90                            | 1.35                            |
| Podiatry           | 67                 | 80.50                   | 19.25                                        | 99.75                            | 1.49                            |
| Thoracic           | 0                  | 0.00                    | 0.00                                         | 0.00                             | 0.00                            |
| Urology            | 102                | 71.50                   | 17.00                                        | 88.50                            | 0.87                            |
| TOTAL              | 2700               | 1,797.25                | 466.90                                       | 2264.15                          | 0.84                            |

PROCEDURE ROOM UTILIZATION FOR THE REPORTING YEAR

| SURGERY AREA        | PROCEDURE<br>ROOMS | TOTAL<br>SURGERIES | SURGERY<br>TIME (HOURS) | PREP AND<br>CLEAN-UP<br>TIME (HOURS) | TOTAL<br>SURGERY<br>TIME (HOURS) | AVERAGE<br>CASE TIME<br>(HOURS) |
|---------------------|--------------------|--------------------|-------------------------|--------------------------------------|----------------------------------|---------------------------------|
| Cardiac Catheteriza | 0                  | 0                  | 0                       | 0                                    | 0                                | 0.00                            |
| Gastro-Intestinal   | 0                  | 0                  | 0                       | 0                                    | 0                                | 0.00                            |
| Laser Eye           | 0                  | 0                  | 0                       | 0                                    | 0                                | 0.00                            |
| Pain Management     | 0                  | 0                  | 0                       | 0                                    | 0                                | 0.00                            |
| TOTALS              | 0                  | 0                  | 0                       | 0                                    | 0                                | 0.00                            |

Patients by Location of Residence

| Zip Code | City       | County | Patients |
|----------|------------|--------|----------|
| 60115    | De Kalb    |        | 576      |
| 60178    | Sycamore   |        | 477      |
| 61068    | Rochelle   |        | 189      |
| 60135    | Genoa      |        | 108      |
| 60548    | Sandwich   |        | 108      |
| 60112    | Cortland   |        | 70       |
| 61021    | Dixon      |        | 57       |
| 60145    | Kingston   |        | 49       |
| 60146    | Kirkland   |        | 43       |
| 61061    | Oregon     |        | 38       |
| 60140    | Hampshire  |        | 37       |
| 60151    | Maple Park |        | 36       |
| 60556    | Waterman   |        | 34       |
| 60552    | Somonauk   |        | 34       |
| 60150    | Malta      |        | 33       |
| 60530    | Lee        |        | 29       |
| 61008    | Belvidere  |        | 29       |
| 60520    | Hinckley   |        | 26       |
| 60152    | Marengo    |        | 25       |
| 60545    | Plano      |        | 24       |
| 61081    | Sterling   |        | 24       |
| 61071    | Rock Falls |        | 22       |
| 61350    | Ottawa     |        | 21       |
| 61006    | Ashton     |        | 20       |
| 60142    | Huntley    |        | 20       |



RECEIVED

OCT 16 2015

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

OFFICE OF THE ATTORNEY GENERAL  
STATE OF ILLINOIS

October 13, 2015

Lisa Madigan  
ATTORNEY GENERAL

Kathy Olson, Chairman  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street  
Springfield, Illinois 62761

E-007-15

**Re: Affiliation of KishHealth System and Northwestern Memorial Health Care**

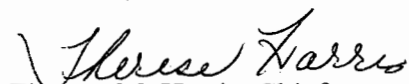
Dear Chairman Olson:

We have reviewed the charitable trust aspects of the proposed affiliation of KishHealth System and Northwestern Memorial Health Care. In conducting our review, we have considered not only the information and documentation provided to us by KishHealth and Northwestern Memorial Health Care but also the parties' agreement to amend the bylaws of Kishwaukee Health Foundation to add a new provision which will state as follows:

"Any unrestricted gifts that are held by Kishwaukee Health Foundation as of the effective date of the affiliation between KishHealth System and Northwestern Memorial Health Care will continue to be used consistent with Kishwaukee Health Foundation's charitable purposes, specifically for the benefit of the populations and communities served by KishHealth System prior to its affiliation with Northwestern Memorial Health Care."

Based upon the parties' representation with respect to the Kishwaukee Health Foundation bylaws and our review of the above-referenced documentation, we have no objection to the proposed affiliation of KishHealth System and Northwestern Memorial Health Care.

Sincerely,

  
Therese M. Harris, Chief  
Charitable Trust Bureau  
100 West Randolph Street, 11<sup>th</sup> Floor  
Chicago, Illinois 60601  
(312) 814-2533