

Daniel J. Lawler  
Partner  
(312) 214-4861  
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July 31, 2017

**VIA OVERNIGHT UPS DELIVERY**

Courtney R. Avery  
Administrator  
Illinois Health Facilities and Services  
Review Board  
25 West Jefferson Street  
2nd Floor  
Springfield, IL 62761

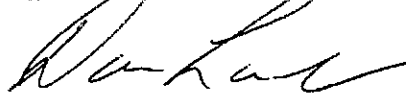
**Re: SwedishAmerican Hospital Northeast Medical Clinic  
Permit Application submission**

Dear Ms. Avery:

I represent the applicants SwedishAmerican Hospital and SwedishAmerican Health System. Please find enclosed an original and a copy of their Certificate of Need Application for a four story medical clinic building adjacent to SwedishAmerican's Regional Cancer Center in Rockford. Also enclosed is a check for \$2,500 as the initial filing fee.

Very truly yours,

BARNES & THORNBURG LLP



Daniel J. Lawler

DJL:dp  
Enclosures

cc: Ms. Jedediah Cantrell, VP of Operations, SwedishAmerican Health System

17-030

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD  
APPLICATION FOR PERMIT

**[ ORIGINAL ]**

**SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION**

**RECEIVED**

This Section must be completed for all projects.

AUG 03 2017

**Facility/Project Identification**

Facility Name: SwedishAmerican Hospital Northeast Medical Clinic
Street Address: Northeast of Intersection of N. Bell School Road & Spring Brook Road
City and Zip Code: Rockford, IL 61114
County: Winnebago      Health Service Area: 1      Health Planning Area: B-01

**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

**Applicant(s)** [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: SwedishAmerican Hospital
Street Address: 1401 East State Street
City and Zip Code: Rockford, IL 61104
Name of Registered Agent: N/A
Registered Agent Street Address: N/A
Registered Agent City and Zip Code: N/A
Name of Chief Executive Officer: Michael J. Born, M.D.
CEO Street Address: 1313 East State Street
CEO City and Zip Code: Rockford, IL 61104
CEO Telephone Number: (815) 489-4003

**Type of Ownership of Applicants**

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

Corporations and limited liability companies must provide an Illinois certificate of good standing.  
 Partnerships must provide the name of the state in which they are 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: Jedediah L. Cantrell, FACHE, MBA, RHIA
Title: Vice President of Operations
Company Name: SwedishAmerican Health System Corporation
Address: 1401 State Street, Rockford, IL 61104
Telephone Number: (779) 696-4005
E-mail Address: jcantrell@swedishamerican.org
Fax Number: (779) 696-2463

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

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

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

**SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION**

**This Section must be completed for all projects.**

**Facility/Project Identification**

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Street Address: Northeast of Intersection of N. Bell School Road & Spring Brook Road		
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<ul style="list-style-type: none"> <li>o Corporations and limited liability companies must provide an Illinois certificate of good standing.</li> <li>o Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.</li> </ul>		
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**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD  
APPLICATION FOR PERMIT**

**SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION**

**This Section must be completed for all projects.**

**Facility/Project Identification**

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Street Address: Northeast of Intersection of N. Bell School Road & Spring Brook Road		
City and Zip Code: Rockford, IL 61114		
County: Winnebago	Health Service Area: 1	Health Planning Area: B-01

**Applicant(s)** [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: University of Wisconsin Hospitals and Clinics Authority		
Street Address: 600 Highland Avenue, H4/828		
City and Zip Code: Madison, WI 53792-8360		
Name of Registered Agent: N/A		
Registered Agent Street Address: N/A		
Registered Agent City and Zip Code: N/A		
Name of Chief Executive Officer: Alan S. Kaplan, M.D.		
CEO Street Address: 600 Highland Avenue, H4/828		
CEO City and Zip Code: Madison, WI 53792-8360		
CEO Telephone Number: (608) 263-8025		

**Type of Ownership of Applicants**

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

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Fax Number: (779) 696-2463

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

Name: Susan M. Ertl, MSN, RN
Title: Vice President, Regional System Integration
Company Name: University of Wisconsin Medical Foundation
Address: 301 South Westfield Road, Suite 320
Telephone Number: (608) 265-5560
E-mail Address: SErtl@UWhealth.org
Fax Number: (608) 263-5393

**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: Jedediah L. Cantrell, FACHE, MBA, RHIA
Title: Vice President of Operations
Company Name: SwedishAmerican Health System Corporation
Address: 1401 State Street, Rockford, IL 61104
Telephone Number: (779) 696-4005
E-mail Address: jcantrell@swedishamerican.org
Fax Number: (779) 696-2463

**Site Ownership**

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: SwedishAmerican Hospital
Address of Site Owner: 1401 East State Street, Rockford, IL 61104
Street Address or Legal Description of the Site: 1401 East State Street, Rockford, IL 61104
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**Operating Identity/Licensee**

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

Exact Legal Name: SwedishAmerican Hospital
Address: 1401 East State Street, Rockford, IL 61104
<input checked="" type="checkbox"/> Non-profit Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> For-profit Corporation <input type="checkbox"/> Governmental <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other
<ul style="list-style-type: none"> <li>o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.</li> <li>o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.</li> <li>o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.</li> </ul>
APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**Organizational Relationships**

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

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

**Flood Plain Requirements**

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 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](http://www.FEMA.gov) or [www.illinoisfloodmaps.org](http://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 #2006-5 (<http://www.hfsrb.illinois.gov>).

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

**Historic Resources Preservation Act Requirements**

[Refer to application instructions.]

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

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

**DESCRIPTION OF PROJECT****1. Project Classification**

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

Part 1110 Classification:

- Substantive  
 Non-substantive

**2. Narrative Description**

In the space below, provide 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 is for a four-story medical clinic building adjacent to SwedishAmerican Hospital's existing Regional Cancer Center (Permit #12-013) at 3535 N. Bell School Road in Rockford. The intended address for the facility is 3333 N. Bell School Road but this has not yet been formalized and a legal description of the site is included with this application. The project size is 67,675 gsf and the project cost is \$23,833,311.

The first floor of the facility will include centralized services, such as registration, laboratory, X-ray, a conference center, employee lounge/lunchroom, employee lockers and a receiving area for supplies. The remaining three floors will house the primary and specialty care medical practices and the space related to clinical operations, including exam rooms, waiting areas, medical stations and physician office space. Clinical services will consist general x-ray (2 units), ultrasound (2 units) and a specimen collection laboratory area.

The proposed project will allow for the consolidation of a number of existing medical practices at a single site.

The project is non-substantive under Section 1110.40 of the Review Board's rules because it does not establish any category of service, or involve an increase or redistribution of beds.

**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 be equal.

<b>Project Costs and Sources of Funds</b>			
<b>USE OF FUNDS</b>	<b>CLINICAL</b>	<b>NONCLINICAL</b>	<b>TOTAL</b>
Preplanning Costs			
Site Survey and Soil Investigation	1,140	17,860	19,000
Site Preparation	104,544	1,637,856	1,742,400
Off Site Work			
New Construction Contracts	961,250	15,957,500	16,918,750
Modernization Contracts			
Contingencies	67,870	1,063,291	1,131,161
Architectural/Engineering Fees	91,920	1,440,080	1,532,000
Consulting and Other Fees	6,000	94,000	100,000
Movable or Other Equipment (not in construction contracts)	350,000	2,040,000	2,390,000
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
<b>TOTAL USES OF FUNDS</b>	<b>1,582,724</b>	<b>22,250,000</b>	<b>23,833,311</b>
<b>SOURCE OF FUNDS</b>	<b>CLINICAL</b>	<b>NONCLINICAL</b>	<b>TOTAL</b>
Cash and Securities	1,582,724	22,250,587	23,833,311
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
<b>TOTAL SOURCES OF FUNDS</b>	<b>1,582,724</b>	<b>22,250,587</b>	<b>23,833,311</b>
<b>NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>			



**Related Project Costs**

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

Land acquisition is related to project	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Purchase Price: \$	_____	
Fair Market Value: \$	_____	
The project involves the establishment of a new facility or a new category of service		
	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If yes, provide the dollar amount of all <b>non-capitalized</b> 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**

<b>For facilities in which prior permits have been issued please provide the permit numbers.</b>	
Indicate the stage of the project's architectural drawings:	
<input type="checkbox"/> None or not applicable	<input type="checkbox"/> Preliminary
<input type="checkbox"/> Schematics	<input checked="" type="checkbox"/> Final Working
Anticipated project completion date (refer to Part 1130.140): <u>October 1, 2018</u>	
Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140):	
<input type="checkbox"/> Purchase orders, leases or contracts pertaining to the project have been executed.	
<input type="checkbox"/> Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies	
<input checked="" type="checkbox"/> Financial Commitment will occur after permit issuance.	
<b>APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>	

**State Agency Submittals [Section 1130.620(c)]**

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 **Departmental Gross Square Feet (DGSF)** or the **Building Gross Square Feet (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
<b>REVIEWABLE</b>							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
<b>NON REVIEWABLE</b>							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
<b>TOTAL</b>							

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

**Facility Bed Capacity and Utilization**

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert the chart after this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which data is 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**.

SwedishAmerican Hospital		CITY: Rockford, Illinois			
<b>FACILITY NAME:</b>					
<b>REPORTING PERIOD DATES:</b>		From: July 1, 2015		to: June 30, 2016	
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical	209	10,342	47,170	0	209
Obstetrics	34	2,520	4,431	0	34
Pediatrics	28	272	1,192	0	28
Intensive Care	30	368	6,048	0	30
Comprehensive Physical Rehabilitation	0	0	0	0	0
Acute/Chronic Mental Illness	32	1,387	8,540	0	32
Neonatal Intensiva Care	10	0	0	0	10
General Long Term Care	0	0	0	0	0
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
<b>TOTALS:</b>	<b>343</b>	<b>14,889</b>	<b>67,352</b>	<b>0</b>	<b>343</b>

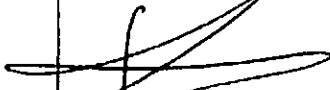
NOTE: This project does not involve the hospital facility or any categories of service. SwedishAmerican has a pending modernization project (#17-019) for the hospital that includes the reduction of 10 med/surg beds and 10 Pediatrics beds, and the addition of 10 AMI beds. SwedishAmerican's exemption application for a 10-bed NICU was approved on June 7, 2017.

**CERTIFICATION**


The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

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

This Application is filed on the behalf of SwedishAmerican Hospital  
 In accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application 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 fee required for this application is sent herewith or will be paid upon request.

  
 \_\_\_\_\_  
 SIGNATURE

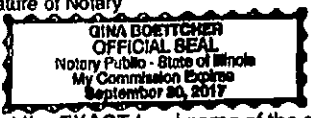
Michael J. Born, M.D.  
 PRINTED NAME  
Chief Executive Officer  
 PRINTED TITLE


  
 \_\_\_\_\_  
 SIGNATURE

Don F. Daniels  
 PRINTED NAME  
Chief Operating Officer  
 PRINTED TITLE

Notarization:  
 Subscribed and sworn to before me  
 this 28<sup>th</sup> day of July 2017

Notarization:  
 Subscribed and sworn to before me  
 this 28<sup>th</sup> day of July 2017

Gina Boettcher  
 Signature of Notary  
 Seal 

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 Signature of Notary  
 Seal 


\*Insert the EXACT legal name of the applicant

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 \_\_\_\_\_  
 SIGNATURE

  
 \_\_\_\_\_  
 SIGNATURE

Michael J. Bom, M.D.  
 \_\_\_\_\_  
 PRINTED NAME

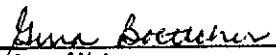
Chief Executive Officer  
 \_\_\_\_\_  
 PRINTED TITLE

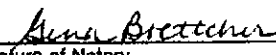
Don F. Daniels  
 \_\_\_\_\_  
 PRINTED NAME

Chief Operating Officer  
 \_\_\_\_\_  
 PRINTED TITLE

Notarization:  
 Subscribed and sworn to before me  
 this 28<sup>th</sup> day of July 2017

Notarization:  
 Subscribed and sworn to before me  
 this 28<sup>th</sup> day of July 2017

  
 \_\_\_\_\_  
 Signature of Notary

  
 \_\_\_\_\_  
 Signature of Notary



\*Insert the EXACT legal name of the applicant

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- o in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of University of Wisconsin Hospitals and Clinics Authority\* 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 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 fee required for this application is sent herewith or will be paid upon request.

[Signature]  
SIGNATURE

Alan S. Kaplan  
PRINTED NAME

Chief Executive Officer  
PRINTED TITLE

[Signature]  
SIGNATURE

Robert W. Flannery  
PRINTED NAME

SVP/Chief Financial Officer  
PRINTED TITLE

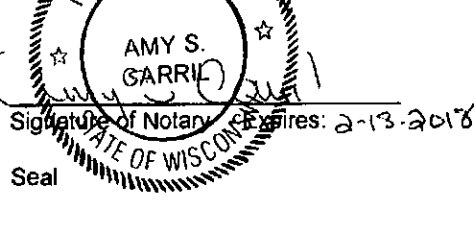
Notarization:  
Subscribed and sworn to before me  
this 28<sup>th</sup> day of February, 2017



Signature of Notary [Signature] Expires: 2-13-2018

Seal

Notarization:  
Subscribed and sworn to before me  
this 28<sup>th</sup> day of February, 2017



Signature of Notary [Signature] Expires: 2-13-2018

Seal

\*Insert the EXACT legal name of the applicant

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

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

#### Background

READ THE REVIEW CRITERION and provide the following required information:

##### BACKGROUND OF APPLICANT

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

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

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

##### PURPOSE OF PROJECT

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

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

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

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

**ALTERNATIVES**

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

Alternative options **must** include:

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

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



**SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE**

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

READ THE REVIEW CRITERION and provide the following information:

**SIZE OF PROJECT:**

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative and it shall include the basis used for determining the space and the methodology applied.**
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:
  - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies and certified by the facility's Medical Director.
  - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.
  - c. The project involves the conversion of existing space that results in excess square footage.
  - d. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

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

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

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

**PROJECT SERVICES UTILIZATION:**

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

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

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

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

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

**UNFINISHED OR SHELL SPACE:**

Provide the following information:

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

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

**ASSURANCES:**

Submit the following:

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

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

**M. Criterion 1110.3030 - Clinical Service Areas Other than Categories of Service**

1. Applicants proposing to establish, expand and/or modernize Clinical Service Areas Other than categories of service must submit the following information:

2. Indicate changes by Service: Indicate # of key room changes by action(s):

Service	# Existing Key Rooms	# Proposed Key Rooms
<input type="checkbox"/> SEE ATTACHMENT 31		
<input type="checkbox"/>		
<input type="checkbox"/>		

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

Project Type	Required Review Criteria
New Services or Facility or Equipment	(c) - Need Determination - Establishment
Service Modernization	(d)(1) - Deteriorated Facilities
	AND/OR
	(d)(2) - Necessary Expansion
	PLUS
	(d)(3)(A) - Utilization - Major Medical Equipment
	OR
	(d)(3)(B) - Utilization - Service or Facility
<b>APPEND DOCUMENTATION AS ATTACHMENT 31, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>	

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

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

#### VII. 1120.120 - AVAILABILITY OF FUNDS NOT APPLICABLE PER FINANCIAL VIABILITY WAIVER

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

	<p>a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:</p> <ol style="list-style-type: none"> <li>1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and</li> <li>2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;</li> </ol>
	<p>b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.</p>
	<p>c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;</p>
	<p>d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:</p> <ol style="list-style-type: none"> <li>1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated;</li> <li>2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;</li> <li>3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;</li> <li>4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;</li> <li>5) For any option to lease, a copy of the option, including all terms and conditions.</li> </ol>

	<p>e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;</p>
	<p>f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;</p>
	<p>g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.</p>
	<b>TOTAL FUNDS AVAILABLE</b>
<p><b>APPEND DOCUMENTATION AS ATTACHMENT 34, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b></p>	

**SECTION VIII. 1120.130 - FINANCIAL VIABILITY**

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

**Financial Viability Waiver**

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

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

See Section 1120.130 Financial Waiver for information to be provided

**APPEND DOCUMENTATION AS ATTACHMENT 35, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

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

	Historical 3 Years			Projected
<b>Enter Historical and/or Projected Years:</b>				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

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

**Variance**

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

**APPEND DOCUMENTATION AS ATTACHMENT 36, IN NUMERIC ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**NOT APPLICABLE PER FINANCIAL VIABILITY WAIVER**

**SECTION IX. 1120.140 - ECONOMIC FEASIBILITY**

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

**A. Reasonableness of Financing Arrangements** NOT APPLICABLE PER FINANCIAL VIABILITY WAIVER

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

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

**B. Conditions of Debt Financing**

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

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

**C. Reasonableness of Project and Related Costs**

Read the criterion and provide the following:

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

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

\* Include the percentage (%) of space for circulation

#### D. Projected Operating Costs

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

#### E. Total Effect of the Project on Capital Costs

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

APPEND DOCUMENTATION AS ATTACHMENT 37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

### SECTION X. SAFETY NET IMPACT STATEMENT

**SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE STATE-OWNED HEALTH CARE FACILITIES [20 ILCS 3960/5.4]:**

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 40.

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

APPEND DOCUMENTATION AS ATTACHMENT 38 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**SECTION XI. CHARITY CARE INFORMATION**

Charity Care information **MUST** be furnished for **ALL** projects [1120.20(c)].

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 41.

CHARITY CARE			
	Year	Year	Year
<b>Net Patient Revenue</b>			
Amount of Charity Care (charges)			
Cost of Charity Care			

APPEND DOCUMENTATION AS **ATTACHMENT 39**, 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 included attachments:

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant Identification including Certificate of Good Standing	027
2	Site Ownership	037
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	041
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	043
5	Flood Plain Requirements	045
6	Historic Preservation Act Requirements	048
7	Project and Sources of Funds Itemization	069
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9	Cost Space Requirements	072
10	Discontinuation	
11	Background of the Applicant	074
12	Purpose of the Project	089
13	Alternatives to the Project	094
14	Size of the Project	095
15	Project Service Utilization	096
16	Unfinished or Shell Space	
17	Assurances for Unfinished/Shell Space	098
18	Master Design Project	
	<b>Service Specific:</b>	
19	Medical Surgical Pediatrics, Obstetrics, ICU	
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	<b>Financial and Economic Feasibility:</b>	
34	Availability of Funds	
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### **Type of Ownership of Applicants**

SwedishAmerican Hospital and SwedishAmerican Health System corporation are Illinois not-for-profit corporations. Their Certificates of Good Standing are attached.

University of Wisconsin Hospitals and Clinics Authority (UWHCA) was originally operated as a unit of the Board of Regents of the University of Wisconsin System, an agency of the State of Wisconsin and the governing body of UW-Madison. In 1995, UWHCA was created as a public body corporate and politic by legislation in the State of Wisconsin, and UWHCA took over the operation of the existing UW Hospital and Clinics on June 29, 1996. UWHCA operates an acute care hospitals with over 640 acute care beds, numerous specialty clinics, and ambulatory facilities, and a home health program for the following purposes: (i) delivering high-quality health care to patients using the hospitals and to those seeking care from its programs, including a commitment to provide such care for the medically indigent; (ii) providing an environment suitable for instructing medical and other health professions students, physicians, nurses and members of other health-related disciplines; (iii) sponsoring and supporting research in the delivery of health care to further the welfare of the patients treated and applying the advances in health knowledge to alleviate human suffering, promote health and prevent disease; and (iv) assisting health programs and personnel throughout the State of Wisconsin and region in the delivery of health care.

The Wisconsin statutes creating UWHCA and describing its powers and duties are included with this Attachment.

File Number

1167-170-5



**To all to whom these Presents Shall Come, Greeting:**

*I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that*

SWEDISHAMERICAN HOSPITAL, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JUNE 06, 1911, 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 #: 1704700670 verifiable until 02/18/2018  
Authentication 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 16TH  
day of FEBRUARY A.D. 2017 ..**

*Jesse White*

SECRETARY OF STATE

Attachment 1

File Number

5269-562-7



**To all to whom these Presents Shall Come, Greeting:**

*I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that*

SWEDISHAMERICAN HEALTH SYSTEM CORPORATION, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON MARCH 31, 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.



**In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 24TH day of FEBRUARY A.D. 2017 .**

Authentic Item #: 1705501904 verifiable until 02/24/2018  
Authenticate at: <http://www.cyberdriveillinois.com>

*Jesse White*

SECRETARY OF STATE

Attachment 1

West's Wisconsin Statutes Annotated
Authorities and Public Corporations (Ch. 231 to 235)
Chapter 233, University of Wisconsin Hospitals and Clinics Authority (Refs & Annots)

W.S.A. 233.02

233.02, University of Wisconsin Hospitals and Clinics Authority: creation; organization of board of directors

(1) There is created a public body corporate and politic to be known as the "University of Wisconsin Hospitals and Clinics Authority". The board of directors shall consist of the following members:

(a) Six members nominated by the governor, and with the advice and consent of the senate appointed, for 5-year terms.

(am) Each cochairperson of the joint committee on finance or a member of the legislature designated by that cochairperson.

(b) Three members of the board of regents appointed by the president of the board of regents.

(c) The chancellor of the University of Wisconsin-Madison or his or her designee.

(d) The dean of the University of Wisconsin-Madison Medical School.

(e) A chairperson of a department at the University of Wisconsin-Madison Medical School, appointed by the chancellor of the University of Wisconsin-Madison.

(f) A faculty member of a University of Wisconsin-Madison health professions school, other than the University of Wisconsin-Madison Medical School, appointed by the chancellor of the University of Wisconsin-Madison.

(g) The secretary of administration or his or her designee.

(2) A vacancy on the board of directors shall be filled in the same manner as the original appointment to the board of directors for the remainder of the unexpired term, if any.

(3) A member of the board of directors may not be compensated for his or her services but shall be reimbursed for actual and necessary expenses, including travel expenses, incurred in the performance of his or her duties.

(4) No cause of action of any nature may arise against and no civil liability may be imposed upon a member of the board of directors for any act or omission in the performance of his or her powers and duties under this chapter, unless the person asserting liability proves that the act or omission constitutes willful misconduct.

(8) The members of the board of directors shall annually elect a chairperson and may elect other officers as they consider appropriate. Eight members of the board of directors constitute a quorum for the purpose of conducting the business and exercising the powers of the authority, notwithstanding the existence of any vacancy. The members of the board of directors specified under sub. (1)(c) and (g) may not be the chairperson of the board of directors for purposes of 1995 Wisconsin Act 27, section 9(5)(2). The board of directors may take action upon a vote of a majority of the members present, unless the bylaws of the authority require a larger number.

(9) The board of directors shall appoint a chief executive officer who shall not be a member of the board of directors and who shall serve at the pleasure of the board of directors. The chief executive officer shall receive such compensation as the board of directors fixes. The chief executive officer or other person designated by resolution of the board of directors shall keep a record of the proceedings of the authority and shall be custodian of all books, documents and papers filed with the authority, the minute book or journal of the authority and its official seal. The chief executive officer or other person may cause copies to be made of all minutes and other records and documents of the authority and may give certificates under the official seal of

**233.02, University of Wisconsin Hospitals and Clinics Authority..., WI ST 233.02**

the authority to the effect that such copies are true copies, and all persons dealing with the authority may rely upon such certificates.

**Credits**

<<For credits, see Historical Note field.>>

**W. S. A. 233.02, WI ST 233.02**  
**Current through 2013 Act 380, published 4/25/2014**

End of Document

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233.03. Powers of authority, WI ST 233.03

West's Wisconsin Statutes Annotated

Authorities and Public Corporations (Ch. 231 to 235)

Chapter 233. University of Wisconsin Hospitals and Clinics Authority (Refs & Anns)

W.S.A. 233.03

233.03. Powers of authority

The authority shall have all the powers necessary or convenient to carry out the purposes and provisions of this chapter. In addition to all other powers granted by this chapter, the authority may:

- (1) Adopt bylaws and policies and procedures for the regulation of its affairs and the conduct of its business.
- (2) Sue and be sued; have a seal and alter the seal at pleasure; have perpetual existence; maintain an office; negotiate and enter into leases; accept gifts or grants, but not including research grants in which the grant investigator is an employee of the board of regents; accept bequests or loans; accept and comply with any lawful conditions attached to federal financial assistance; and make and execute other instruments necessary or convenient to the exercise of the powers of the authority.
- (5) Procure insurance on its debt obligations.
- (7) Subject to s. 233.10 and ch. 40 and 1995 Wisconsin Act 27, section 9159(4), employ any agent, employee or special advisor that the authority finds necessary and fix his or her compensation and provide any employee benefits, including an employee pension plan.
- (8) Appoint any technical or professional advisory committee that the authority finds necessary and define the duties, and provide reimbursement for the expenses, of the committee.
- (9)(a) With any other person, establish, govern and participate in the operation and financing of any corporation or partnership that provides health-related services, if the articles of incorporation of any such corporation conform with par. (b) and if the corporation or partnership provides the secretary of administration, the legislative fiscal bureau and the legislative audit bureau access to examine any books, records or other documents maintained by the corporation or partnership and relating to its expenditures, revenues, operations or structure. The authority may provide administrative and financial services to any such corporation or partnership.
- (b) The articles of incorporation of any corporation under par. (a) shall provide that the secretary of administration, the legislative fiscal bureau and the legislative audit bureau have the access required under par. (a).
- (10) Enter into procurement contracts with the board of regents or joint contracts with the board of regents for procurements from 3rd parties and may enter into other contracts, rental agreements and cooperative agreements and other necessary arrangements with the board of regents which may be necessary and convenient for the missions, purposes, objects and uses of the authority authorized by law.
- (11) Issue bonds in accordance with ss. 233.20 to 233.26.
- (12) Seek financing from, and incur indebtedness to, the Wisconsin Health and Educational Facilities Authority.
- (13) Construct or improve facilities that are on state-owned land, if approval requirements under s. 16.85(14) are met and if the state agency having authority to approve construction or improvement projects on the land approves the project.
- (15) Acquire, design, construct or improve any facility that is not located on state-owned land.
- (16) Buy, sell and lease real estate.

233.03. Powers of authority, WI ST 233.03

**Credits**

<<For credits, see Historical Note field>>

W. S. A. 233.03, WI ST 233.03

Current through 2013 Act 380, published 4/25/2014

End of Document

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WestlawNext © 2014 Thomson Reuters. No claim to original U.S. Government Works.

Attachment 1

233.04. Duties of authority, WI ST 233.04

West's Wisconsin Statutes Annotated
Authorities and Public Corporations (Ch. 231 to 235)
Chapter 233. University of Wisconsin Hospitals and Clinics Authority (Refs & Annos)

W.S.A. 233.04

233.04. Duties of authority

The authority shall do all of the following:

- (1) By October 1, 1997, and annually thereafter, submit to the chief clerk of each house of the legislature under s. 13.172(2), the president of the board of regents, the secretary of administration and the governor a report on the patient care, education, research and community service activities and accomplishments of the authority and an audited financial statement, certified by an independent auditor, of the authority's operations.
- (2) Subject to s. 233.10, develop and implement a personnel structure and other employment policies for employees of the authority.
- (3) Contract for any legal services required for the authority.
- (3b)(a) Except as provided in par. (b), maintain, control and supervise the use of the University of Wisconsin Hospitals and Clinics, for the purposes of:
  1. Delivering high-quality health care to patients using the hospitals and to those seeking care from its programs, including a commitment to provide such care for the medically indigent.
  2. Providing an environment suitable for instructing medical and other health professions students, physicians, nurses and members of other health-related disciplines.
  3. Sponsoring and supporting research in the delivery of health care to further the welfare of the patients treated and applying the advances in health knowledge to alleviate human suffering, promote health and prevent disease.
  4. Assisting health programs and personnel throughout the state and region in the delivery of health care.
- (b) Paragraph (a) does not apply unless a lease agreement under sub. (7) or (7g) and an affiliation agreement under sub. (7m) or (7p) are in effect that comply with all applicable requirements of those provisions. In the event either of these agreements are not in effect, the on-campus facilities and any improvements, modifications or other facilities specified in sub. (7)(c) shall transfer to the board of regents.
- (5) Establish the authority's annual budget and monitor the fiscal management of the authority.
- (6) Procure liability insurance covering its officers, employees and agents and procure insurance against any loss in connection with its property and other assets.
- (7) Subject to s. 233.05(1) and 1995 Wisconsin Act 27, section 9159(2)(k), negotiate and enter into a lease agreement with the board of regents to lease the on-campus facilities beginning on June 29, 1996, for an initial period of not more than 30 years. The lease agreement shall include all of the following:
  - (a) A provision that requires the authority to pay the state an amount determined under this paragraph for the lease of the on-campus facilities that are leased under the agreement. The amount of the rental payment for the on-campus facilities may not be less than the greater of the following:

1. An amount equal to the debt service accruing during the term of the lease agreement on all outstanding bonds issued by the state for the purpose of financing the acquisition, construction or improvement of on-campus facilities that are leased under the agreement, regardless of whether these bonds are issued before or after the lease agreement is entered into. The definition of "bond" under s. 233.01(4) does not apply to this subdivision.
  2. A nominal amount determined by the parties to be necessary to prevent the lease agreement from being unenforceable because of a lack of consideration.
- (D) A provision that requires the authority to conduct its operations in such a way so that it will not adversely affect the exclusion of interest on bonds issued by the state from gross income under 26 USC 103 for federal income tax purposes.
- (c) A provision that gives the state ownership of all of the following:
1. Any improvements or modifications made by the authority to on-campus facilities that are leased to the authority under the lease agreement.
  2. Any facility that the authority constructs on state-owned land.
- (D) A provision that specifies an amount and that exempts any construction or improvement project on state-owned land that costs less than the amount from review and approval under s. 16.85(1a).
- (e) Any provision necessary to ensure that the general management and operation of the on-campus facilities are consistent with the mission and responsibilities of the University of Wisconsin System specified in ss. 36.01 and 36.09.
- (g) A provision that protects the board of regents from all liability associated with the management, operation, use or maintenance of the on-campus facilities. No such provision shall make the authority liable for the acts or omissions of any officer, employee or agent of the board of regents, including any student who is enrolled at an institution within the University of Wisconsin System, unless the officer, employee or agent acts at the direction of the authority.
- (h) A provision on a mechanism for the resolution of disputes.
- (7)(a) Submit any modification, extension or renewal of the lease agreement under sub. (7) to the joint committee on finance. No extension or renewal of the lease agreement may be for a period of more than 30 years. Modification, extension or renewal of the agreement may be made as proposed by the authority and the board of regents only upon approval of the committee.
- (b) If the committee does not approve an extension or renewal of the agreement, the on-campus facilities and any improvements, modifications or other facilities specified in sub. (7)(c) shall transfer to the board of regents.
- (c) This subsection does not apply to an automatic extension of the lease agreement under s. 233.05(1).
- (7m) Subject to 1995 Wisconsin Act 27, section 9139(2)(k), negotiate and enter into an affiliation agreement with the board of regents. The affiliation agreement shall take effect on June 29, 1996. The initial period of the affiliation agreement shall run concurrently with the initial period of the lease agreement under sub. (7), and the affiliation agreement shall include all of the following:
- (a) A provision that ensures the authority retains cash reserves at a level not lower than the level recommended by the independent auditor specified under sub. (1).
  - (b) Provisions that ensure support of the educational, research and clinical activities of the University of Wisconsin-Madison by the authority.
  - (c) A provision that requires the development of standards relating to the selection and financing by the authority of any corporation or partnership that provides health-related services. The standards shall be consistent with the missions of the authority and the board of regents.

**233.04. Duties of authority, WI ST 233.04**

(d) A provision that requires the board of regents to make reasonable charges for any services provided by the board of regents to the authority.

(e) A provision establishing a mechanism for the resolution of disputes.

(7p)(a) Submit any modification, extension or renewal of the affiliation agreement under sub. (7m) to the joint committee on finance. No extension or renewal of the affiliation agreement may be for a period of more than 30 years. Modification, extension or renewal of the agreement may be made as proposed by the authority and the board of regents only upon approval of the committee.

(b) If the committee does not approve an extension or renewal of the agreement, the on-campus facilities and any improvements, modifications or other facilities specified in sub. (7)(c) shall transfer to the board of regents.

(c) This subsection does not apply to an automatic extension of the affiliation agreement under s. 233.05(2).

(9) Provide, on a monthly basis, the secretary of administration with such financial and statistical information as is required by the secretary of administration.

(10) If Children's Hospital and Health System ceases to operate a poison control center under s. 255.35, administer a statewide poison control program.

**Credits**

<<For credits, see Historical Note field.>>

W. S. A. 233.04, WI ST 233.04  
Current through 2013 Act 380, published 4/25/2014

End of Document

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### **Site Ownership**

The applicant's attestation of site ownership and its Certificate of Liability Insurance for the site are included with this Attachment 2.

**Attestation of Site Ownership**

The undersigned representative of SwedishAmerican Hospital attests that SwedishAmerican Hospital owns the real estate on which the proposed project is to be located adjacent to SwedishAmerican's Regional Cancer Center as described in the attached legal description.



A handwritten signature in black ink, appearing to read "Michael J. Born".

Name: Michael J. Born, M.D.  
Title: CEO, SwedishAmerican Hospital

Gina Boettcher  
Subscribed and sworn to  
this 28<sup>th</sup> day of July, 2017

**Attachment 2**

### 10 Acre Parcel - Legal Description

A parcel of land located in Part of Lot 18 as designated upon Plat 5 of Riverside Marketplace, the Plat of which is recorded in Book 49 of Plats on Page 74A in the Recorder's Office of Winnebago County, Illinois, being a Subdivision of part of the Southeast Quarter of Section 2 and part of the Northeast Quarter of Section 11, Township 44 North, Range 2 East of the Third Principal Meridian, more particularly described as follows:

Beginning at the most Southerly corner of said Lot 18; thence North  $21^{\circ}55'19''$  West along the Northeasterly right-of-way line of Bend Trail, a distance of 9.94 feet; thence Northwesterly along the curved Northeasterly right-of-way line of said Bend Trail, said curve to the left having a radius of 330.00 feet and a central angle of  $53^{\circ}11'32''$  [the long chord of which curve bears North  $48^{\circ}31'05''$  West, a chord distance of 295.48 feet] to the Easterly right-of-way line of North Bell School Road; thence Northerly along the curved Easterly right-of-way line of said North Bell School Road, said curve to the left having a radius of 550.00 feet and a central angle of  $2^{\circ}47'12''$  [the long chord of which curve bears North  $0^{\circ}55'45''$  East, a chord distance of 26.75 feet]; thence North  $0^{\circ}27'51''$  West along the Easterly right-of-way line of said North Bell School Road, a distance of 406.64 feet; thence North  $89^{\circ}32'09''$  East, a distance of 586.60 feet; thence South  $56^{\circ}04'13''$  East, a distance of 201.17 feet; thence North  $89^{\circ}52'14''$  East, a distance of 173.15 feet to the Westerly right-of-way line of the Illinois Tollway (Interstate 90); thence South  $0^{\circ}15'06''$  East along the Westerly right-of-way line of said Illinois Tollway (Interstate 90), a distance of 137.04 feet; thence South  $0^{\circ}14'54''$  East along the Westerly right-of-way line of said Illinois Tollway (Interstate 90), a distance of 112.49 feet to the South line of said Lot 3; thence South  $68^{\circ}04'41''$  West along the South line of said Lot 3, a distance of 754.35 feet to the Point of Beginning, containing 435,600 square feet, 10.000 acres, more or less, all being situated in the County of Winnebago and State of Illinois.

Attachment 2





# EVIDENCE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)  
07/28/2017

THIS EVIDENCE OF PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

<b>AGENCY</b> Marsh USA Inc. 411 E. Wisconsin Avenue Suite 1300 Milwaukee, WI 53202 Attn: Healthcare.AccountsCSS@marsh.com Fax:212-948-1307 010684-UWIH-PROP-16-18		<b>PHONE (A/C, No, Ext):</b>  	<b>COMPANY</b> American Home Assurance Company	
<b>FAX (A/C, No):</b>  	<b>E-MAIL ADDRESS:</b>  			
<b>CODE:</b> <b>AGENCY CUSTOMER ID #:</b>		<b>SUB CODE:</b>		
<b>INSURED</b> Swedish American Health System 1401 East State Street Rockford, IL 61104		<b>LOAN NUMBER</b>  		<b>POLICY NUMBER</b> 025030817
		<b>EFFECTIVE DATE</b> 07/01/2016	<b>EXPIRATION DATE</b> 07/01/2018	<input type="checkbox"/> CONTINUED UNTIL TERMINATED IF CHECKED
<b>THIS REPLACES PRIOR EVIDENCE DATED:</b>				

### PROPERTY INFORMATION

<b>LOCATION/DESCRIPTION</b>  
-------------------------------------

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION	PERILS INSURED	BASIC	BROAD	SPECIAL	AMOUNT OF INSURANCE	DEDUCTIBLE
Policy Limit All Risk of direct physical loss or damage to real and personal property on a replacement cost basis, subject to policy terms, conditions and exclusions. Coverage Includes, but is not limited to fire, extended perils such as vandalism, malicious mischief, flood, earthquake and boiler & machinery.  Other deductibles may apply as per policy terms and conditions					32,000,000	25,000

### REMARKS (including Special Conditions)

Evidence of coverage  
------------------------------

### CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

### ADDITIONAL INTEREST

CHI-008555555-01

<b>NAME AND ADDRESS</b>  Swedish American Regional Cancer Center 3535 N. Bell School Road Rockford, IL 61114	<input type="checkbox"/> ADDITIONAL INSURED	<input type="checkbox"/> LENDER'S LOSS PAYABLE	<input type="checkbox"/> LOSS PAYEE
	<input type="checkbox"/> MORTGAGEE	<b>LOAN #</b>  	
<b>AUTHORIZED REPRESENTATIVE</b> of Marsh USA Inc. Manashi Mukherjee <i>Manashi Mukherjee</i>			

### **Operating Entity**

SwedishAmerican Hospital will be the owner of the medical clinic building. Its Certificate of Good Standing is included with this Attachment 3.

File Number

1167-170-5



**To all to whom these Presents Shall Come, Greeting:**

*I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that*

SWEDISHAMERICAN HOSPITAL, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JUNE 06, 1911, 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 #: 1704700670 verifiable until 02/16/2018  
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 16TH day of FEBRUARY A.D. 2017 .*

*Jesse White*

SECRETARY OF STATE

047

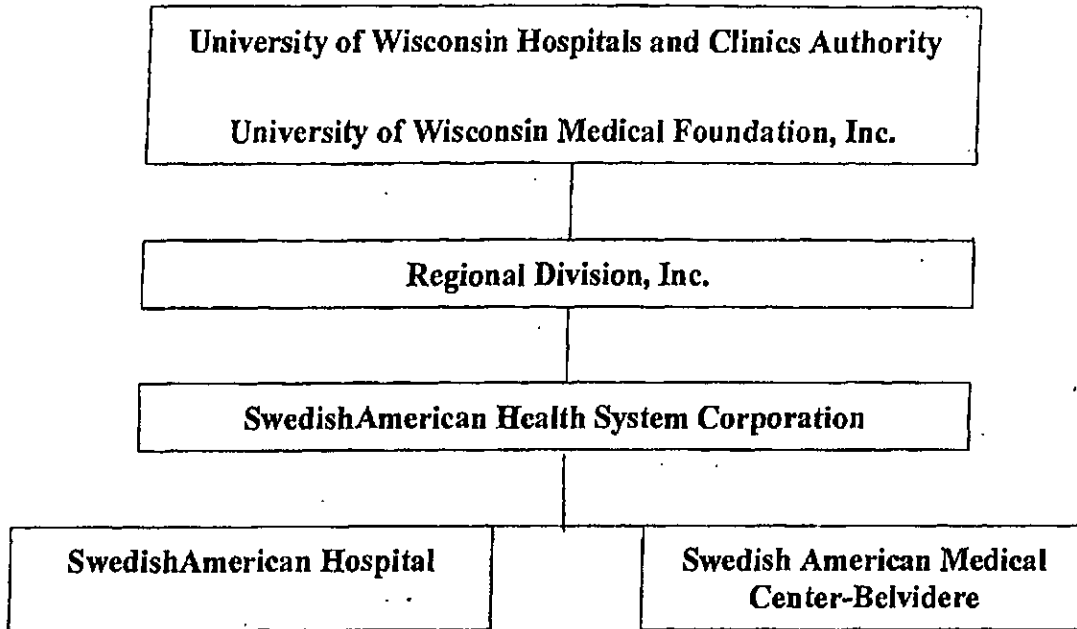
042

Attachment 3

### **Organizational Relationships**

The applicants' organizational chart is attached. No entities other than the applicants are participating in the development or funding of the project.

**Facility Organizational Chart**

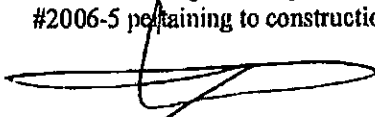


### **Flood Plain Requirements**

Attached is an attestation that the project complies with the requirements of Illinois Executive Order #2006-5, and a map showing that the proposed project location is not in any identified flood plain areas.

Flood Plain Attestation

I, Michael J. Born, M.D., do hereby attest that the proposed site of the project identified in the attached legal description complies with the requirements of the Illinois Executive Order #2006-5 pertaining to construction activities in special flood hazard areas.



---

Michael J. Born, M.D.  
President and CEO, SwedishAmerican Health System

### 10 Acre Parcel - Legal Description

A parcel of land located in Part of Lot 18 as designated upon Plat 5 of Riverside Marketplace, the Plat of which is recorded in Book 49 of Plats on Page 74A in the Recorder's Office of Winnebago County, Illinois, being a Subdivision of part of the Southeast Quarter of Section 2 and part of the Northeast Quarter of Section 11, Township 44 North, Range 2 East of the Third Principal Meridian, more particularly described as follows:

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### **Historic Preservation Act Requirements**

Attached is the letter to Historic Preservation Agency (HPA) on behalf of the applicants regarding impact on historic resources. HPA's response will be submitted upon receipt. Also attached is HPA's prior clearance letter indicating that no historic resources were impacted in connection with SwedishAmerican Hospital's Regional Cancer Center (Permit No. #12-013) which is contiguous to the proposed site.



**Illinois Historic  
Preservation Agency**

1 Old State Capitol Plaza • Springfield, Illinois 62701-1512 • [www.illinois-history.gov](http://www.illinois-history.gov)

Winneshago County  
Rockford

3535 Bell School Road.

New construction, Comprehensive Cancer Care Center

PLEASE REFER TO: IHPA LOG #001011012

January 11, 2012

Michael Copelin  
Copelin Health Care Consulting  
42 Birch Lake Dr.  
Sherman, IL 62684

Dear Mr. Copelin:

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

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

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

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

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

Sincerely,

Anne E. Haaker  
Deputy State Historic  
Preservation Officer

A teletypewriter for the speech/hearing impaired is available at 217-524-7128. It is not a voice or fax line.

Attachment 6

Chaire M. Reed  
(312) 214-4813  
chaire.reed@btlaw.com

www.btlaw.com

July 28, 2017

**Via Overnight Delivery**

Division of Historic Sites  
Illinois Department of Natural Resources  
Attn: Review and Compliance  
One Natural Resources Way  
Springfield, IL 62702

**RE: SwedishAmerican Health System  
Historic Preservation Act Determination Request**

Dear Review and Compliance Staff:

In accordance with the Illinois State Agency Historic Resources Preservation Act, 20 ILCS 3420/1 *et seq.*, SwedishAmerican Health System ("SwedishAmerican") seeks a formal determination from the Division of Historic Sites of the Illinois Department of Natural Resources (the "Division") as to whether SwedishAmerican's proposed project to construct a new medical office building (the "Project") affects historic resources. The Project does not yet have a street address, but the proposed address will be 3333 N. Bell School Road, Rockford, Illinois.

**1. Project Description and Location**

SwedishAmerican is seeking approval from the Illinois Health Facilities and Services Review Board to construct a new four (4) story medical office building in Rockford. It would be located west of I-39 and south of East Riverside Boulevard in Rockford, in close proximity to I-90 and the Riverside exit, with a proposed address at 3333 N. Bell School Road.

**2. Topographical or Metropolitan Map**

A map showing the location of the proposed Project (the Project labeled "Northeast Clinic" on the aerial map) is attached as Exhibit 1.

**3. Buildings/Structures in the Project Area**

The Project will include construction of a new medical office building, to be located at 3333 N. Bell School Road, Rockford, Illinois, and photographs of the building and surrounding

Illinois Department of Natural Resources  
July 28, 2017  
Page 2

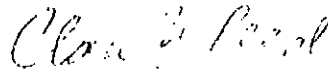
areas are attached as Exhibit 2. Located north of the Project is the SwedishAmerican's Regional Cancer Center, located at 3535 N. Bell School Road, Rockford, Illinois. Parking lots are located to the southwest and west of the Project location. There are residential areas located south of the proposed Project, shown on the attached Exhibit 2.

**4. Address for Building/Structure**

The proposed address of the Project is 3333 N. Bell School Road, Rockford, Illinois. There are no buildings or sites of architectural or historical significance in the Project area.

Thank you for your consideration of our request for a historic preservation determination. If you have any questions or need any additional information, please feel free to contact me at 312-214-4813.

Very truly yours,

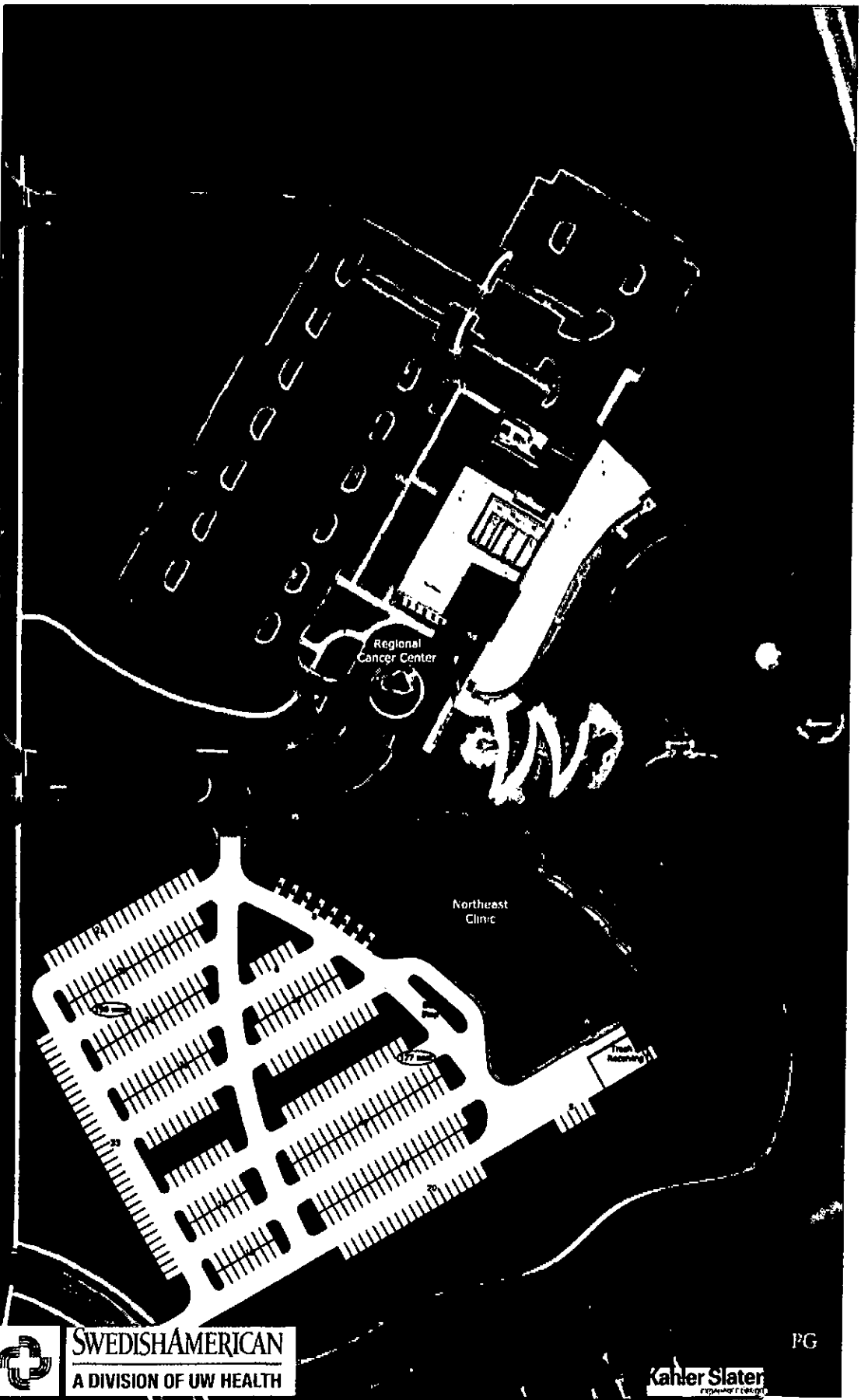


Claire M. Reed

Enclosures

# **EXHIBIT 1**

**Attachment 6**



**SWEDISHAMERICAN**  
A DIVISION OF UW HEALTH

**Kaiser Slater**  
expansion center

PG

### 10 Acre Parcel - Legal Description

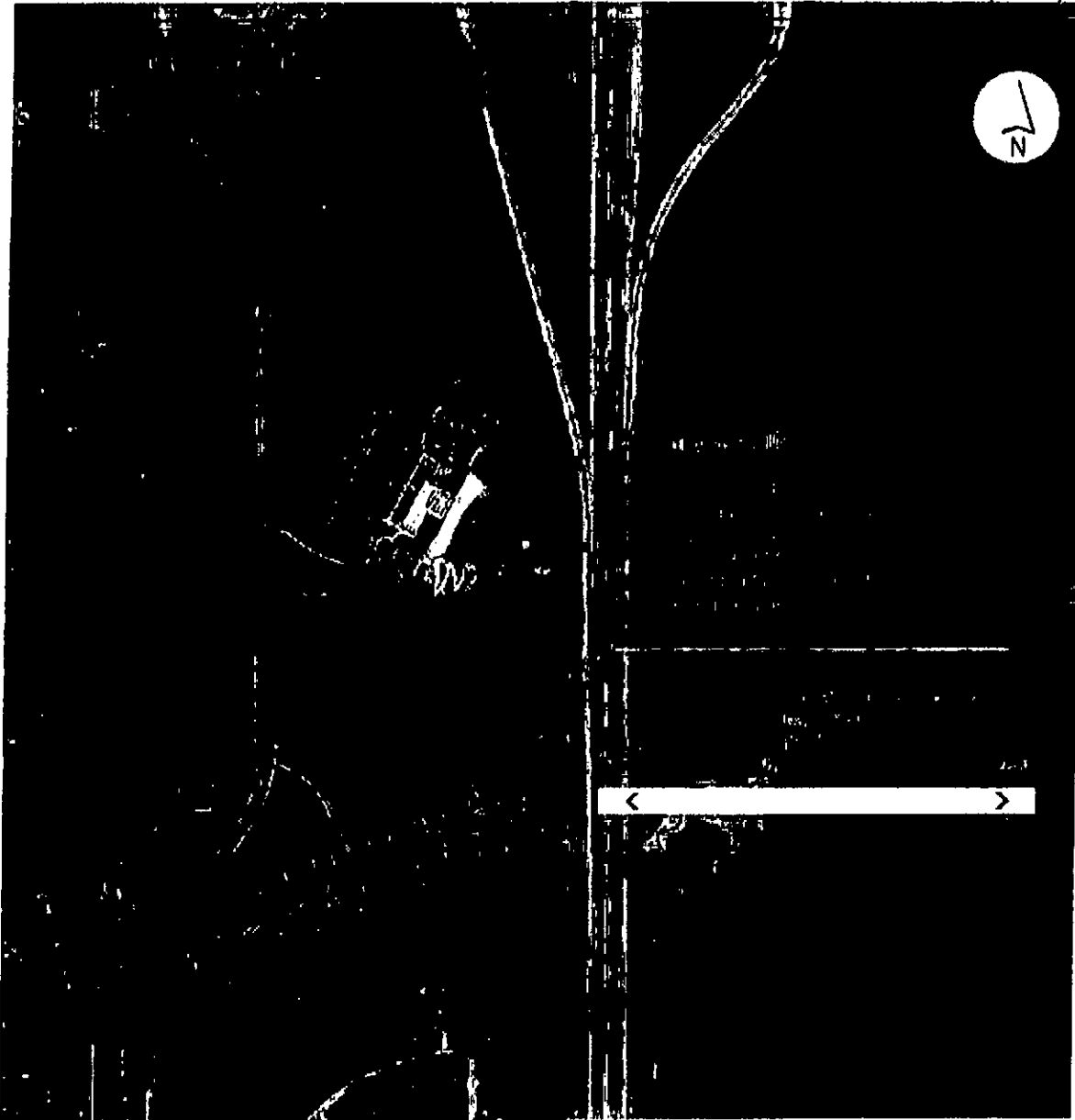
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**EXHIBIT 2**



WinGIS (../Default.aspx)



Search Measure Print

Basemap  
Aerial

Print Parcel Image with Details

Parcel Summary

Close Tab/Window

**Parcel Summary for Pin: 12-02-401-015**

**Alternate Parcel Number**

**Address**

3535 N BELL SCHODL RD

**Property Use**

Commercial Office-Impr (0071)

**Legal Description**

RIVERSIDE MARKETPLACE PLAT NO 5 PT SE1/4 SEC 2 & PT NE1/4 SEC 11-44-2 LOT 18

Select Details to View:

In/Out	Flood Zone Type
OUT	X
OUT	X



3402 – 3406 Bell School Road (Please see below for breakout)



3402 Bell School Road



**3404 Bell School Road**



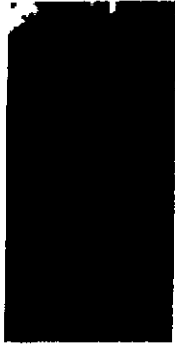
**3406 Bell School Road**



3410 – 3418 Bell School Road (Please see below for breakout)



3410 Bell School Road



**3412 Bell School Road**



**3414 Bell School Road**



**3416 Bell School Road**



**3418 Bell School Road**



7656 Creek Bend – 7720 Creek Bend (Please see below for breakout)



- 7520 Creek Bend
- 7518 Creek Bend
- 7522 Creek Bend
- 7524 Creek Bend



7546 Creek Bend  
7544 Creek Bend  
7548 Creek Bend  
7550 Creek Bend



7558 Creek Bend  
7556 Creek Bend  
7560 Creek Bend  
7562 Creek Bend



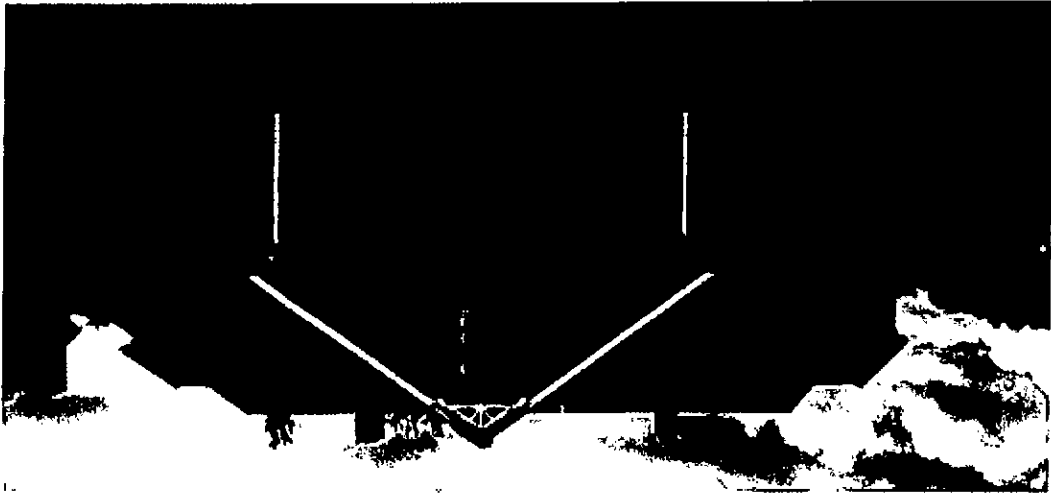


7574 Creek Bend  
7572 Creek Bend  
7576 Creek Bend  
7578 Creek Bend

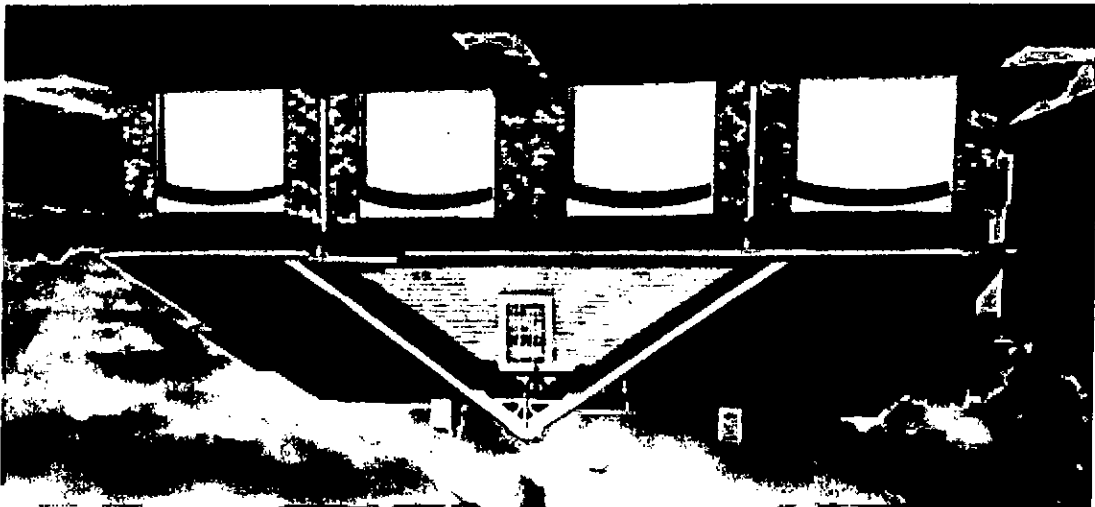


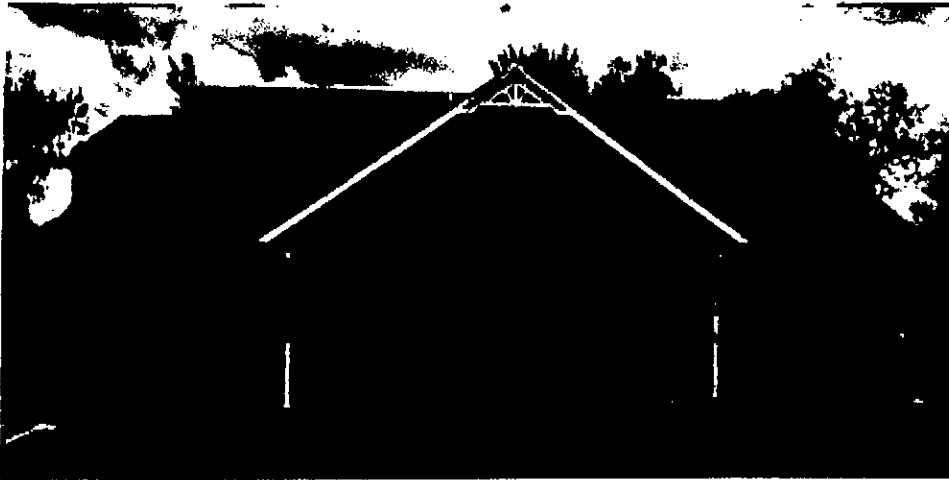
7586 Creek Bend  
7584 Creek Bend  
7588 Creek Bend  
7590 Creek Bend

7638 Creek Bend  
7636 Creek Bend  
7640 Creek Bend  
7642 Creek Bend



7604 Creek Bend  
7602 Creek Bend  
7606 Creek Bend  
7608 Creek Bend

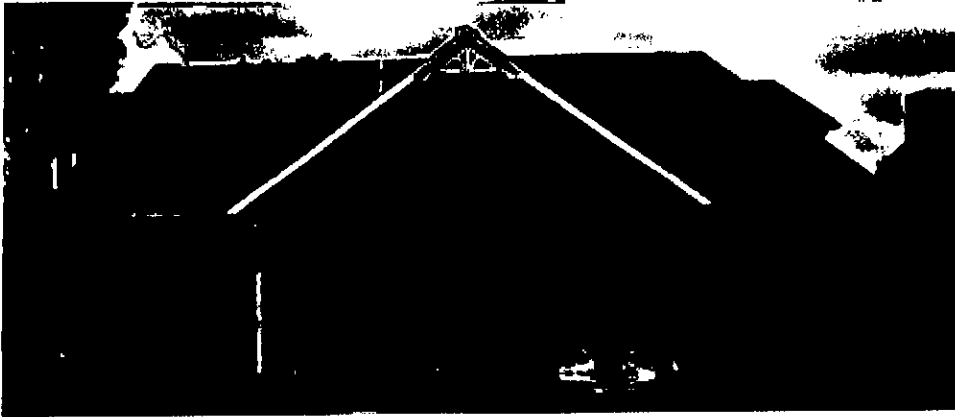




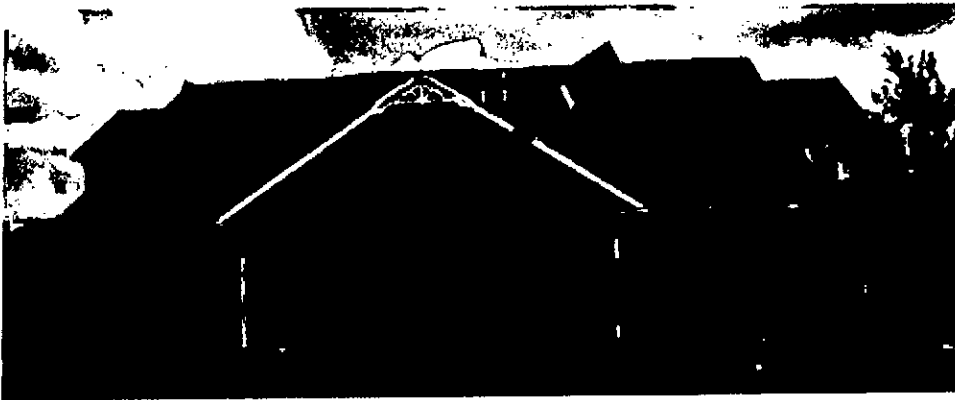
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7654 Creek Bend  
7658 Creek Bend  
7660 Creek Bend



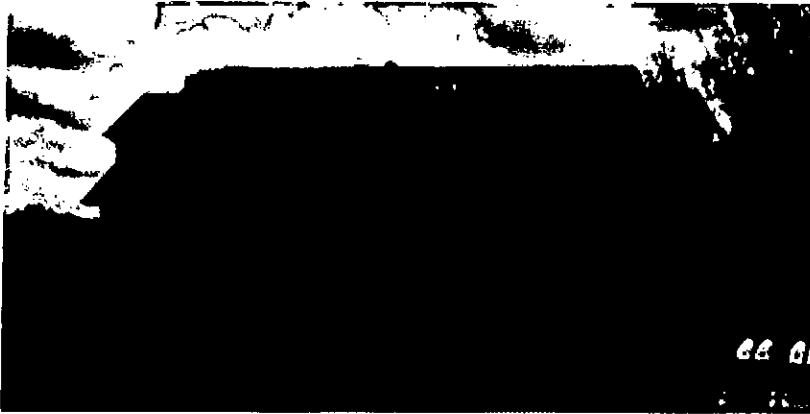
7672 Creek Bend  
7670 Creek Bend  
7674 Creek Bend  
7676 Creek Bend



7690 Creek Bend  
7688 Creek Bend  
7692 Creek Bend  
7694 Creek Bend



7706 Creek Bend  
7704 Creek Bend  
7708 Creek Bend  
7710 Creek Bend



7716 Creek Bend  
7714 Creek Bend  
7718 Creek Bend  
7720 Creek Bend

## **Project Costs Itemization**

The itemization of Project Costs is included with this Attachment 7.

**Descriptions of Line Items  
In Support of Table Project Costs and Sources of Funds**

These costs represent an allocation of capital costs for the development of the proposed new medical clinics building.

**Site Survey and Soil Investigation - \$19,000**

As-built topographic survey of the property with boundary & utility service verification.  
Soil borings and resulting geotechnical report.

**Site Preparation - \$1,742,400**

New improvements to the 10-acre site – excavation, grading, storm water management, utility service connections, pavement, curbs, sidewalks, landscaping, lawn irrigation.

**New Construction Contracts - \$16,918,750**

Construction activities for new 67,675 gsf building – foundations, steel framing, exterior wall systems (masonry/ curtain wall), drop-off canopy construction, roofing system, rooftop mechanical screen system, vertical circulation systems (3 elevators/ 2 stairways), interior wall/ ceiling/ millwork construction, interior finishes, mechanical/ electrical/ plumbing/ fire protection systems, technology systems rough-in/ support, dumpster area construction, general conditions, contractor overhead/ profit/ fee.

**Contingencies - \$1,131,161**

5% contingency based on all cost line items for unforeseen circumstances related to construction.

**Architectural/ Engineering Fees - \$1,532,000**

A/E services include site planning/ engineering, all phases of architectural & interior design, structural engineering, mech/ elec/ plumb/ fire protection engineering, landscape architecture, bidding & construction administration.

**Consulting and Other Fees - \$100,000**

Professional fees for CON application process, legal counsel for consulting contracts & CON process, technology systems planning, commissioning.

**Movable or Other Equipment - \$2,390,000**

Medical equipment/ furniture/ accessories, business/ technology equipment & systems, appliances, furniture, artwork/ messaging systems, signage, window treatments.  
New major medical equipment will be 2 X-ray units for the ground floor radiology area.

**EQUIPMENT LIST FOR NORTHEAST CLINIC**

Medical Equipment

<u>Item</u>	<u>#</u>	<u>Location</u>
EKG	4	1, 2, 3, 4 Floors
AED	4	1, 2, 3, 4
Autoclaves	3	2, 3, 4
Trophon	2	2, 3
Spirometry	3	2, 3, 4
Exam Tables	60	2, 3, 4
Electric Exam Table	29	2, 3, 4
Procedure Tables	5	2, 3, 4
NST Units	4	2
Procedure Light-Ceiling	5	2, 3, 4
Otoscope/ophthal Bars	5	2, 3, 4
Dynamap Vitals	30	2, 3, 4
Medical Refrigerators	10	2, 3, 4
Undercounter Fridges	1	2
Freezer undercounter	9	2, 3, 4
Infant Scales	2	2, 3
Wheelchair Scales	3	2, 3, 4
Scales - Exam Rooms	51	2, 3, 4
Hysteroscope	1	2
Colposcope	2	2, 3
Centrifuges	3	1
General Xray Units	2	1
Kiosks-Checkin	4	1 Lobby
Ultrasound Units	2	2

Other Equipment

<u>Item</u>	<u>#</u>	<u>Location</u>
Exam Gooseneck Light	60	2, 3, 4
Regular Refrigerator	2	1
Microwaves	3	1
Exam Stools	89	2, 3, 4
Glove Dispenser	89	2, 3, 4
Dispenser Towel	89	2, 3, 4
Stand Computer	89	2, 3, 4
Container, Waste	89	2, 3, 4
Sharps Container	91	1, 2, 3, 4
Dispenser Soap	89	2, 3, 4
Artwork		2, 3, 4
Dispenser Purell	91	1, 2, 3, 4
Desks-Offices	6	1, 2, 3, 4
TV	4	1, 2, 3, 4
Waiting Chairs	60	1, 2, 3, 4
Eyewash Stations	4	1, 2, 3, 4
Conference Rm Chairs	130	1
Breakroom Rm Chairs	100	1
Breakroom Tables	25	1
Jeron Communicate Sys.	1	1, 2, 3, 4
Multifuction Devices	15	1, 2, 3, 4
Phones	123	1, 2, 3, 4
Small Printers	6	1, 2, 3, 4
PC/Winframes	233	1, 2, 3, 4

071

Attachment 7



## **Cost Space Requirements**

The Departmental Gross Square Feet and Cost Chart is included with this Attachment 9.

### Cost Space Requirements

Department / Area	Cost	Amount of Proposed Total Square Feet					
		Gross Square Feet		That Is:			
		Existing	Proposed	New Construction	Modernized	As Is	Vacated Space
<b>Reviewable</b>							
Radiology X-ray - 2 (waiting/ circulation)	\$362,500		1,450	1,450			
Ultra-Sound - 2 (adjoining toilet/ circulation)	\$204,250		817	817			
Lab/ Draw Stations (waiting/ circulation)	\$598,750		2,395	2,395			
Total	\$1,165,500		4,662	4,662			
<b>Non-Reviewable</b>							
Provider Work Space/ Offices	\$3,008,750		12035	12035			
Administration/ Conference	\$1,068,250		4265	4265			
Exam/ Patient Space	\$3,734,500		14938	14938			
Staff Support Space	\$1,025,000		4100	4100			
Public Areas/ Labby/ Circulation	\$4,403,750		17615	17615			
Stairs / Elevators	\$785,000		3140	3140			
Bldg Support/ Stor / Mech/ Toilets	\$1,730,000		6920	6920			
Total	\$15,753,250		63013	63013			
<b>Project Total</b>	<b>\$16,918,750</b>		<b>67,675</b>	<b>67,675</b>			

SF unit cost	\$250
--------------	-------

## Background of the Applicants

1. *A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.*

SwedishAmerican Health System owns the following health care facilities in Illinois:

SwedishAmerican Hospital  
1401 East State Street  
Rockford, Illinois  
IDPH License #0002725

SwedishAmerican Medical Center – Belvidere  
1625 South State Street  
Belvidere, Illinois  
IDPH License #0005504

Copies of SwedishAmerican's licenses and Joint Commission certifications are included with this Attachment II.

University of Wisconsin Hospitals and Clinics Authority operates the following hospital facilities in Wisconsin licensed by the Wisconsin Department of Health Services (WDHS):

University Hospital  
600 Highland Ave.  
Madison, WI 53792  
WDHS License #125

American Family Children's Hospital  
1675 Highland Ave.  
Madison, WI 53792  
WDHS License #125

UW Health at the American Center  
4602 Eastpark Blvd.  
Madison, WI 53792  
WDHS License #125

UW Health Rehabilitation Hospital  
5115 N. Biltmore Lane  
Madison, WI 53718  
WDHS License #321

Copies of the WDHS licenses for the above facilities are included with this Attachment II. (The first three facilities are operated under a single license.)

2. *A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.*

Incorporated with this Attachment II are the applicants' certifications of no adverse action.

3. *Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations.*

Included with this Attachment 11 are the applicants' authorizations to access documents.

4. *If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided.*

The applicants have not submitted any applications for permit within the calendar year

**CERTIFICATION AND AUTHORIZATION**  
of  
**SWEDISHAMERICAN HEALTH SYSTEM and SWEDISHAMERICAN HOSPITAL**

The undersigned representative of SwedishAmerican Health System and SwedishAmerican Hospital in connection with the application submitted herewith hereby states as follows:

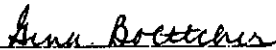
I certify that no adverse action has been taken against SwedishAmerican Health System and SwedishAmerican Hospital by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by SwedishAmerican Health System and SwedishAmerican Hospital, directly or indirectly, within three years preceding the filing of this application.

I authorize the Illinois Health Facilities and Services Review Board and the Illinois Department of Public Health (IDPH) access to any documents pertaining to University of Wisconsin Hospitals and Clinics Authority necessary to verify the information submitted with this application, including, but not limited to official records of IDPH or other Illinois agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations.



A handwritten signature in black ink, appearing to read "Michael J. Born".

Name: Michael J. Born, M.D.  
Title: CEO, SwedishAmerican Hospital and  
SwedishAmerican Health System

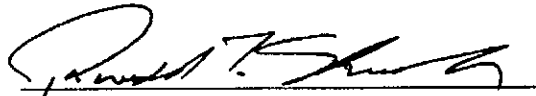
  
Subscribed and sworn to  
this 28<sup>th</sup> day of July, 2017

**CERTIFICATION AND AUTHORIZATION  
OF  
UNIVERSITY OF WISCONSIN HOSPITALS AND CLINICS AUTHORITY**

The undersigned representative of University of Wisconsin Hospitals and Clinics Authority in connection with application submitted herewith hereby states as follows:

I certify that no adverse action has been taken against University of Wisconsin Hospitals and Clinics Authority by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by University of Wisconsin Hospitals and Clinics Authority, directly or indirectly, within three years preceding the filing of this application.

I authorize the Illinois Health Facilities and Services Review Board and the Illinois Department of Public Health (IDPH) access to any documents pertaining to University of Wisconsin Hospitals and Clinics Authority necessary to verify the information submitted with this application, including, but not limited to official records of IDPH or other Illinois agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations.



Name: Ronald T. Sliwinski

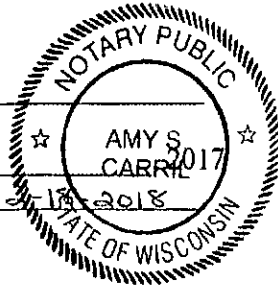
Title: SVP/Chief of Hospital Division

*Amy S. Carril*

Subscribed and sworn to

this 28<sup>th</sup> day of July

My Commission Expires: 7-18-2018





**Illinois Department of  
PUBLIC HEALTH**

HF 112035

**LICENSE, PERMIT, CERTIFICATION, REGISTRATION**

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

**Niray D. Shah, M.D., J.D.**  
Director

Issued under the authority of  
the Illinois Department of  
Public Health

EXPIRATION DATE	CATEGORY	LIC NUMBER
12/31/2017	General Hospital	0002725
Effective: 01/01/2017		

**SwedishAmerican Hospital**  
1401 East State Street  
Rockford, IL 61104

This copy of this license has a colored background. Printed by Authority of the State of Illinois, P.O. #4012329, 10M 3/12

← DISPLAY THIS PART IN A  
CONSPICUOUS PLACE

Exp. Date 12/31/2017

Lic Number 0002725

Date Printed 10/28/2016

**SwedishAmerican Hospital**  
1401 East State Street  
Rockford, IL 61104

FEE RECEIPT NO.

Attachment 11



**Illinois Department of  
PUBLIC HEALTH**

HF112319

**LICENSE, PERMIT, CERTIFICATION, REGISTRATION**

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

**Nirav D. Shah, M.D., J.D.**  
Director

Issued under the authority of  
the Illinois Department of  
Public Health

EXPIRATION DATE	CATEGORY	LD NUMBER
1/13/2018	General Hospital	0005504
Effective: 01/14/2017		

SwedishAmerican Medical Center Belvidere  
1625 South State Street  
Belvidere, IL 61008

This face of this license has a colored background, printed by Authority of the State of Illinois, 2011, 6/16/20 10M 3/12

← DISPLAY THIS PART IN A  
CONSPICUOUS PLACE

Exp. Date 1/13/2018

Lic Number 0005504

Date Printed 12/16/2016

SwedishAmerican Medical Center Belv

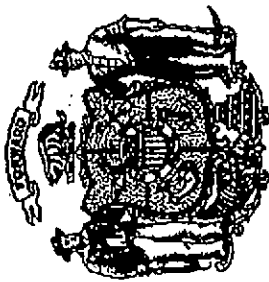
1625 South State Street  
Belvidere, IL 61008

FEE RECEIPT NO.

079

Attachment II





# The State of Wisconsin

## Department of Health Services Division of Quality Assurance

### CERTIFICATE OF APPROVAL

This is to certify that UNIVERSITY OF WI HOSPITALS & CLINICS AUTHORITY  
doing business as UNIVERSITY OF WI HOSPITALS & CLINICS AUTHORITY  
at the location 680 HIGHLAND AVENUE  
MADISON, WI 53792

License Number: 125  
Effective Date: 02/03/2016  
Initial Date: 01/02/1966

is licensed to operate a GENERAL ACUTE HOSPITAL in DANE COUNTY, WISCONSIN  
License Type: REGULAR

This license is granted for a maximum capacity of 648 total beds.

General beds: 628

Alcohol beds: 0

Psychiatric beds: 20

Rehab beds: 0

In further accordance with Wisconsin §50.35 the following locations are listed for reimbursement purposes under Wisconsin §49.25(3)(e)10mz Research Park, University Station, West Clinic, East Clinic, Waisman Center, Adolescent Intervention, Middleton Clinic, Oakwood Village Clinic, UWEC Renal Clinic, Hand & Upper Extremity Rehab Clinic, The American Center, Digestive Health Center, & Yahara Rehab Clinic.

The Facility Profile/Seminal Report is available at this facility for inspection upon request.  
This license will remain in effect unless expired, suspended, revoked or voluntarily surrendered. Any and all exceptions, stipulations, or conditions to this license shall be posted next to the license certificate.

*M.S. Rhoades*

Kitty Rhoades, Secretary DHS

This license is not transferrable or assignable



# The State of Wisconsin

Department of Health Services  
Division of Quality Assurance

## CERTIFICATE OF APPROVAL

This is to certify that **MADISON REHABILITATION HOSPITAL, LLC**  
doing business as **UW HEALTH REHABILITATION HOSPITAL**  
at the location **5115 N BILTMORE LN**  
**MADISON, WI 53718**

License Number: 321  
Effective Date: 09/22/2015  
Initial Date: 09/22/2015

is licensed to operate a **REHABILITATION HOSPITAL** in **DANE COUNTY, WISCONSIN**  
License Type: **REGULAR**

This license is granted for a maximum capacity of **50** total beds.

General beds: 0	Alcohol beds: 0
Psychiatric beds: 0	Rehab beds: 50

The Facility Profile/Biennial Report is available at this facility for inspection upon request.  
This license will remain in effect unless expired, suspended, revoked or voluntarily surrendered. Any and all exceptions, stipulations, or conditions to this license shall be posted next to the license certificate.

*Kitty Rhoades*  
Kitty Rhoades, Secretary DHS

This license is not transferrable or assignable

# SwedishAmerican Health System

Rockford, IL

has been Accredited by



## The Joint Commission


Which has surveyed this organization and found it to meet the requirements for the  
Hospital Accreditation Program

March 15, 2014

Accreditation is customarily valid for up to 36 months.

  
Rebecca J. Palatka, MD  
Chair, Board of Commissioners

Organization ID #7420  
Print/Reprint Date: 06/03/2014

  
Mark R. Charish, MD, FACP, MPP, MPH  
President

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in accredited organizations. Information about accredited organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding accreditation and the accreditation performance of individual organizations can be obtained through The Joint Commission's web site at [www.jointcommission.org](http://www.jointcommission.org).

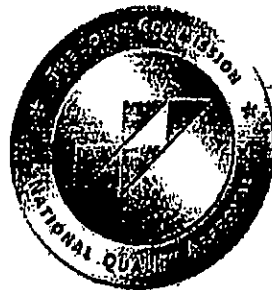


Attachment 11

# SwedishAmerican Health System

Rockford, IL

has been Accredited by



## The Joint Commission

Which has surveyed this organization and found it to meet the requirements for the  
**Ambulatory Health Care Accreditation Program**

March 15, 2014

Accreditation is customarily valid for up to 36 months.

Rebecca J. Fancher, MD  
Chair, Board of Commissioners

Organization ID #7420  
Print/Reprint Date: 06/03/2014

Mark R. Chertoff, MD, FACP, MPP, MPH  
President

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in accredited organizations. Information about accredited organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding accreditation and the accreditation performance of individual organizations can be obtained through The Joint Commission's web site at [www.jointcommission.org](http://www.jointcommission.org).



Attachment 11

# SwedishAmerican Health System

Rockford, IL

has been Accredited by



## The Joint Commission

Which has surveyed this organization and found it to meet the requirements for the  
Home Care Accreditation Program

March 15, 2014

Accreditation is customarily valid for up to 36 months.

  
Rebecca J. Petelin, MD  
Chair, Board of Commissioners

Organization ID #7420  
Print/Reprint Date: 06/03/2014

  
Mark R. Chassin, MD, FACP, MPP, MPH  
President

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in accredited organizations. Information about accredited organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding accreditation and the accreditation performance of individual organizations can be obtained through The Joint Commission's web site at [www.jointcommission.org](http://www.jointcommission.org).



Attachment 11

# CERTIFICATE OF DISTINCTION

*has been awarded to*

SwedishAmerican A Division of UW Health

Rockford, IL

*in the management of*

Joint Replacement - Hip

*by*



The Joint Commission

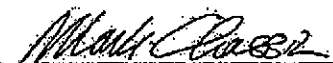
*based on a review of compliance with national standards,  
clinical guidelines and outcomes of care.*

August 23, 2016

*Certification is customarily valid for up to 24 months.*

  
Craig W. Jones, FACHE  
Chair, Board of Commissioners

ID #7420  
Print/Reprint Date: 10/06/2016

  
Mark R. Chassin, MD, FACP, MPP, MPH  
President

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in certified organizations. Information about certified organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding certification and the certification performance of individual organizations can be obtained through The Joint Commission's web site at [www.jointcommission.org](http://www.jointcommission.org).



AMA  
AMERICAN  
MEDICAL  
ASSOCIATION



Attachment 11

# CERTIFICATE OF DISTINCTION

*has been awarded to*

SwedishAmerican Regional Cancer Center

Rockford, IL

*in the management of*

Lung Cancer

*by*




The Joint Commission

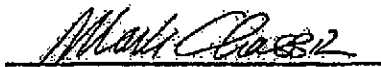
*based on a review of compliance with national standards,  
clinical guidelines and outcomes of care.*

January 14, 2017

*Certification is customarily valid for up to 24 months.*

  
Craig W. Jones, FACHE  
Chair, Board of Commissioners

ID #7420  
Print/Reprint Date: 01/16/2017

  
Mark R. Chassin, MD, FACP, MPP, MPH  
President

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in certified organizations. Information about certified organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding certification and the certification performance of individual organizations can be obtained through The Joint Commission's web site at [www.jointcommission.org](http://www.jointcommission.org).



AMA  
AMERICAN  
MEDICAL  
ASSOCIATION



Attachment 11

# CERTIFICATE OF DISTINCTION

*has been awarded to*

SwedishAmerican A Division of UW Health

Rockford, IL

*for Advanced Certification as a  
Primary Stroke Center  
by*



**The Joint Commission**

*based on a review of compliance with national standards,  
clinical guidelines and outcomes of care.*

**October 28, 2016**

*Certification is customarily valid for up to 24 months.*

  
Craig W. Jones, FACHB  
Chair, Board of Commissioners

ID #7420  
Print/Reprint Date: 12/29/2016

  
Mark R. Chassin, MD, FACP, MPP, MPH  
President

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in certified organizations. Information about certified organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding certification and the certification performance of individual organizations can be obtained through The Joint Commission's web site at [www.jointcommission.org](http://www.jointcommission.org).



**AMA**  
AMERICAN  
MEDICAL  
ASSOCIATION



Attachment 11



**CENTERS FOR MEDICARE & MEDICAID SERVICES  
CLINICAL LABORATORY IMPROVEMENT AMENDMENTS**

**CERTIFICATE OF ACCREDITATION**

**LABORATORY NAME AND ADDRESS**  
SWEDISH AMERICAN HOSPITAL LAB PDC TEST  
1401 E STATE ST  
ROCKFORD, IL 61104

**CLIA ID NUMBER**  
14D0699775

**EFFECTIVE DATE**  
01/03/2017

**LABORATORY DIRECTOR**  
SAMUEL PARK M D

**EXPIRATION DATE**  
01/02/2019

Pursuant to Section 353 of the Public Health Services Act (42 U.S.C. 2634) as revised by the Clinical Laboratory Improvement Amendments (CLIA), the above named laboratory located at the address shown herein (and other approved locations) may accept human specimens for the purpose of performing laboratory examinations or procedures. This certificate shall be valid until the expiration date above, but is subject to revocation, suspension, limitation, or other sanctions for violation of the Act or the regulations promulgated thereunder.



*Karen W. Dyer*  
Karen W. Dyer, Acting Director  
Division of Laboratory Services  
Survey and Certification Group  
Center for Clinical Standards and Quality

602 Cert# 120818

If you currently hold a Certificate of Compliance or Certificate of Accreditation, below is a list of the laboratory specialties/subspecialties you are certified to perform and their effective date:

<u>LAB CERTIFICATION (CODE)</u>	<u>EFFECTIVE DATE</u>	<u>LAB CERTIFICATION (CODE)</u>	<u>EFFECTIVE DATE</u>
MYCOLOGY (120)	03/02/2011		
PARASITOLOGY (130)	03/02/2011		
ROUTINE CHEMISTRY (310)	03/29/2001		
TOXICOLOGY (340)	01/15/2015		
HEMATOLOGY (400)	03/29/2001		

FOR MORE INFORMATION ABOUT CLIA, VISIT OUR WEBSITE AT [WWW.CMS.GOV/CLIA](http://WWW.CMS.GOV/CLIA)  
OR CONTACT YOUR LOCAL STATE AGENCY. PLEASE SEE THE REVERSE FOR  
YOUR STATE AGENCY'S ADDRESS AND PHONE NUMBER.  
PLEASE CONTACT YOUR STATE AGENCY FOR ANY CHANGES TO YOUR CURRENT CERTIFICATE.

### **Criterion 1110.230: Purpose of the Project**

- 1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.*

SwedishAmerican Health System, a Division of University of Wisconsin Health, proposes to construct a new Medical Office Building (MOB) on existing property owned by SwedishAmerican on Bell School Road in Rockford. The MOB will have 89 examination rooms, accommodating 30 physicians/advanced practice providers. The majority of these providers will be primary care (family medicine, pediatrics, internal medicine). Ancillary services will include general X-ray, ultra-sound, bone densitometry and lab.

Currently, SwedishAmerican operates eight primary care clinics and twelve specialty care clinics within the city of Rockford.—SwedishAmerican proposes to consolidate four of these existing clinics into this new facility to allow for physician growth, improved operational efficiencies and provide innovations in practice design to meet today's patient needs and demands. In addition, it will also enhance coordinated patient care across primary care and specialty areas within a single location.

As practices have grown at SwedishAmerican, facilities are at maximum capacity and have aged. These older designed facilities are costly to maintain, not efficient to operate and cannot be adapted to meet new practice innovations to better meet patient needs. A new facility will provide for physician growth and the opportunity to enhance the services offered to patients.

This location was chosen as SwedishAmerican owns this land which is located adjacent to SwedishAmerican's Regional Cancer Center, forming a campus environment as well as offering additional ancillary services. The location is also in close proximity to the four clinics that are being consolidated.

- 2. Define the planning area or market area, or other relevant area, per the applicant's definition.*

SwedishAmerican's primary service area includes Winnebago, Boone and Ogle Counties. Most of our patients live within this area and all of our clinics are located within these three counties. This project seeks to consolidate several clinic operations within Rockford into a new medical office building located in relatively close proximity to the current locations.

SwedishAmerican Hospital is located in Hospital Service Area HSA 1 and in Planning Area B-01. HSA 1 is the service area comprised of the following counties in northern Illinois: Boone, Carroll, DeKalb, Jo Daviess, Lee, Ogle, Stephenson, Whiteside and Winnebago. Planning Area B-01 consists of Boone and Winnebago counties and portions of DeKalb and Ogle counties. Maps of HSA 1 and Planning Area B-01 are included with this Attachment 12.

3. *Identify the existing problems or issues that need to be addressed as applicable and appropriate for the project.*

Consolidation of four practices into one facility will provide for much better provider integration and interaction for coordinating care for patients as well as providing operational efficiencies. The new facility will enable physician growth to meet the needs of the demographic population and will introduce a new improved practice design which will provide enhanced patient privacy, easier delivery of ancillary services and provide a more aesthetic and quiet environment.

Providing both primary care and some specialty care in one facility will benefit patients by in not requiring them to drive to two or three locations for services. As an example, a patient with diabetes will now be able to see their primary care physician, their endocrinologist, their podiatrist and meet with their diabetes educator, case manager and social worker all in the same facility, allowing for much better access for the patient and coordination of care with providers.

Patients' demands continue to change, leading healthcare providers to deliver care closer to home and "on patient demand". A new patient care model of on-stage/off-stage examination rooms, patient pre-registration, patient self-check-in and patient self-rooming will assist in meeting today's patient demands for care to enhance their time utilization. In addition, each of SwedishAmerican's primary care facilities are currently at maximum capacity with no room to add new physicians, advanced practice providers, case managers and social workers. This new facility will allow SwedishAmerican to re-allocate providers across the remaining facilities and allow growth for 4-6 providers.

Over the past several years, SwedishAmerican's visit growth has continued to grow. For the four clinics being consolidated, below is the encounter trend and growth projection

<b>Projected Visit Growth – Northeast Clinic</b>		
<b>YEAR</b>	<b>VISITS</b>	<b>% GROWTH</b>
2014	115,718	
2015	115,517	0%
2016	120,011	3.9%
2017 projected	124,421	3.7%
2018 projected	128,632	3.0%
2019 projected	138,232	7.0%

4. *Cite the sources of the documentation.*

As the healthcare reimbursement system changes, healthcare organizations must find ways to operate more efficiently while continuing to provide quality patient care and meeting increased patient access and aging population needs. SwedishAmerican's parent company, UW Health, has also opted to construct facilities to consolidate clinics and to enhance patient experience utilizing the on-stage/off-stage model with much success, along with managing the needs of hiring enough primary care providers to meet the needs of patients.

Sources of reference include:

CBRE Healthcare Consultants Market Analysis for Swedish American, June, 2015

<http://www.aafp.org/fpm/2013/0300/p20.html>

<http://www.annfamned.org/content/10/6/503.full>

<http://news.aha.org/article/care-coordination-is-the-next-challenge>

*5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.*

Providing enhanced access to care and services for patients is our primary objective of this project, so we can continue to meet the growing demands for patient care. SwedishAmerican's existing facilities are at full capacity. Extended hours (evening and Saturdays) are currently offered at each of our clinics, partly to alleviate the space constraints in existing clinics, but also to allow better patient access. Case coordinators, social workers and certified diabetes educators' schedules are coordinated with what exam space is available throughout the week which may or may not meet the patient's needs or the collaborating physician's needs. This new MOB will allow growth and space for the changing healthcare delivery model providing for social and chronic care issues.

*6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals as appropriate.*

Goals are listed below.

- 1) Construct a new medical office building to be completed by fall, 2018.
- 2) Accommodate patient encounters of 138,232 by end of 2019, one year after opening
- 3) Recruitment of 4-6 additional primary care providers to meet growing patient access needs and improve primary care physician shortage in area
- 4) Improve patient care through new innovations in practice design and new technology, improve coordination of care with primary and specialty care within one facility, and improve patient experience with drive time for coordination of appointments in one facility.

Facilities - Only one of the facilities that will be vacated by consolidating practices is owned by SwedishAmerican. This facility will be repurposed for other organizational purposes. The other three facilities are currently leased.

SwedishAmerican will be relocating the majority of its minor equipment such as exam beds, procedure tables and lights, bone densitometry unit, podiatry scanner, but will upgrade the two x-ray units to be fully digital.



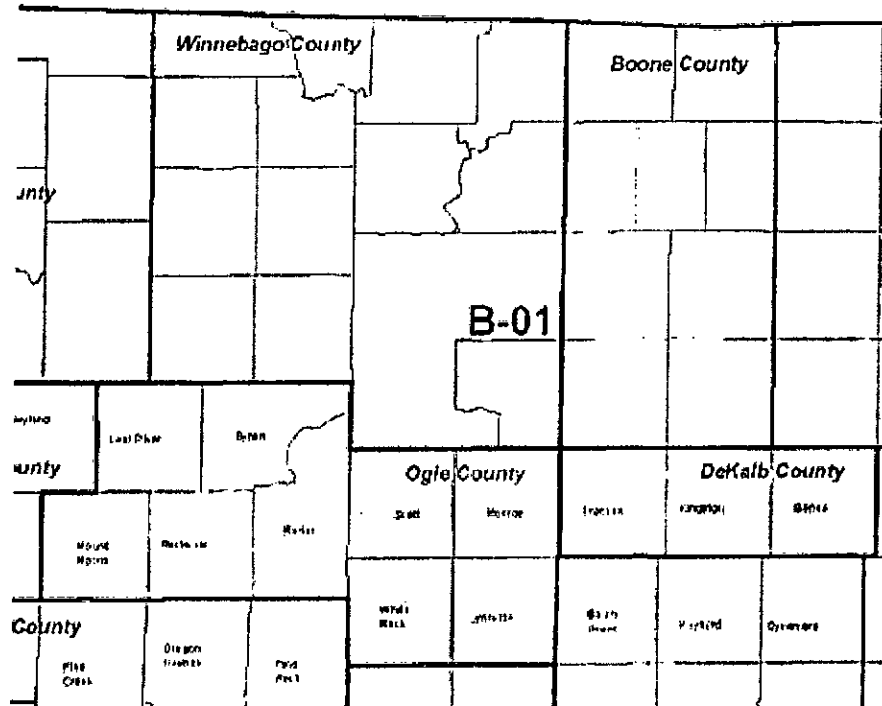
**Inventory of Health Care Facilities and Services  
and Need Determinations**

Illinois Health Facilities and Services Review Board  
Illinois Department of Public Health

5/4/2015  
Page 15

2) **Region B (comprised of Health Service Area 1)**

A) **Planning Area B-1: Boone and Winnebago Counties; DeKalb County Townships of Franklin, Kingston, and Genoa; Ogle County Townships of Monroe, White Rock, Lynrville, Scott, Marion, Byron, Rockvale, Leaf River and Mount Morris.**



### **Criterion 1110.230: Alternatives**

SwedishAmerican considered the following alternatives in evaluating this situation.

- 1) Continue to operate medical practices at diverse locations: This alternative was rejected because by it does not allow for expansion of existing medical practices and the enhancement of patient services. As indicated, our clinic facilities located within the Rockford area are at capacity, do not allow for improved operational efficiency and are physically not conducive to an enhanced patient experience through service innovations and updated workflows.
- 2) Build a smaller facility or lease an existing building: While this option provides for needed growth, it does not result in improved operational efficiency or provide for an enhanced patient service experience through service innovations and updated workflows.

**Criterion 1110.234: Size of Project**

1. *Document that the amount of physical space proposed for the proposed project is necessary and not excessive.*

The proposed medical clinics building will be developed through new construction. Of the total building size of 67,675 square feet, 4,662 dgsf is clinical. The radiology and lab areas will be located on the ground floor. An ultra-sound area will be on the second floor within an OB/GYN clinic.

The following Size of Project Table shows that the clinical areas meet the State standards set for in Part 1110 Appendix B:

Size of Project

Department/ Service	# of Units	Proposed DGSF	Proposed DGSF/Unit	State Standard DGSF	DGSF Difference/ Room	Met Standard?
Radiology X-ray	2	1,450	725	1,300	(575)	Yes
Ultra-sound	2	817	409	1,300	(891)	Yes
Exam Rooms	87	63,013	724	900	(776)	Yes
Lab w/draw stations	1	2,395	2,395	None	N/A	N/A

2. *If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:*
  - a. *Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies and certified by the facility's Medical Director.*
  - b. *The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.*
  - c. *The project involves the conversion of existing space that results in excess square footage.*
  - d. *Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.*

Not applicable as the project satisfies all standards in Appendix B.



**Criterion 1110.234: Project Services Utilization**

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

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

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

The projected utilization of services for which the Review Board has utilization standards is included in the table on the following page. A narrative of the rationale supporting the utilization projections is also with the table.

	DEPT/SERVICE	HISTORICAL UTILIZATION	PROJECTED UTILIZATION (procedures)	STATE STANDARD (procedures)	MEET STANDARD?
Year 1	X-Ray				
Year 2	X-Ray	N/A	8,000	8,000	YES
Year 1	Ultrasound				
Year 2	Ultrasound	N/A	6,500	6,500	YES

As this is a new facility, historical utilization is not available. Projected utilization is based upon procedures currently being performed for physicians at existing clinics that will be utilizing the proposed facility and factoring in both physician recruitment and practice growth. During fiscal year 2016 (July 2015 to June 2016), the number of patient encounters within our primary care practices grew by 4.9% over the previous fiscal year and the number of patient encounters within our specialty care practices grew by 16.8% over the previous fiscal year. We are witnessing continued growth during the current fiscal year. This increase in growth and limited capacity within the market creates service access issues for our patients.


Four of our existing clinics, (all located in close proximity) will be consolidated into this new facility. All of our clinic facilities in the greater Rockford area are being utilized at maximum capacity. Maximum capacity is measured based on a ratio of exam rooms per medical practice. Our medical practice model is for each physician practice to operate out of three exam rooms and each advanced practitioner (Advanced Nurse Practitioner or Physician Assistant) to operate out of two exam rooms. Based on this staffing ratio, additional practices added within the market will result in overutilization of exam rooms resulting in less efficient operations and negatively impacted patient care in terms of wait times. In addition, our patient demand continues to grow.


Current physicians relocating to this facility include 21 physicians and 4 advanced practice providers. In addition, the building is being planned to accommodate an additional 4-6 providers which are currently being recruited to meet projected growth in our patient demand for service. In total, the building is designed to include 89 exam rooms.

**Criterion 1110.234: Assurances**

The undersigned representative of the applicants understands that, by the end of the second year of operation after the project completion, the applicant is to meet or exceed the utilization standards specified in Appendix B. The applicants anticipate that by the second year of operation, utilization targets will be met for the services identified in Attachment 15.



  
Name: Don F. Daniels  
Title: COO, SwedishAmerican Health System

  
Subscribed and sworn to  
this 28<sup>th</sup> day of July, 2017

**Criterion 1110.3030: Clinical Service Area Other than Category of Service**

This project includes the modernization of the following Clinical Service Areas other than Categories of Services:

Service	# Existing Key Rooms	# Proposed Key Rooms
X-Ray	0	2
Ultra-Sound	0	2
Lab	0	1

For establishment of these services, Criterion 1110.3030(a)(2) requires the following criteria to be addressed:

- (b)(1) &(3): Background of the Applicant
- (c): Need Determination

The Background criteria and Need Determination criteria are addressed below.

**Criterion 1110.3030(b)(1)&(3): Clinical Service Areas: Background of the Applicant**

The background of the applicants documentation is provided in Attachment 11 and, per 77 Ill. Adm. Code 1110.3030(b)(5), this documentation "is required one time per application."

**Criterion 1110.3030(c)(2): Clinical Service Areas: Need Determination**

*"The applicant shall describe how the need for the proposed establishment was determined by documenting the following:*

*(i) The primary purpose of the proposed project is to provide care to the residents of the planning area in which the proposed service will be physically located;"*  
77 Ill. Adm. Code 1110.3030(c).

As addressed above, the project will provide care to the residents of the planning area in which the proposed services will be physically located in that the project will consolidate four existing medical practices in the Rockford area into a single location in Rockford. The project will serve Rockford area patients currently being treated at the four other sites.

The proposed project will better serve these existing patients through improved operational efficiencies and modern innovations in practice design to meet today's patient needs and demands. In addition, it will also enhance coordinated patient care across primary care and specialty areas within a single location.

**Criterion 1120.130: Financial Viability Waiver**  
**"A" Bond Rating**

Financing will be obtained by the applicant University of Wisconsin Hospitals and Clinic authority. This applicant has an AA- Bond Rating from S&P Global Ratings as reflected in the attached letter dated February 28, 2017. SwedishAmerican Hospital has an A+ Bond Rating from S&P Global Ratings (ratings letter also attached).

# S&P Global Ratings

130 East Randolph Street  
Suite 2900  
Chicago, IL 60601  
tel 312-273-7000  
reference no.: 40391802

February 28, 2017

Swedish American Hospital  
1313 East State Street  
Rockford, IL 61104  
Attention: Mr. Robert Flannery, Senior Vice President and Chief Financial Officer

**Re: *Illinois Finance Authority (Swedish American Hospital), Illinois, Fixed Rate Bonds***

Dear Mr. Flannery:

S&P Global Ratings has reviewed the rating on the above-listed obligations. Based on our review, we have raised our credit rating from "A" to "A+" and changed the outlook to stable from positive. A copy of the rationale supporting the rating and outlook is enclosed.

This letter constitutes S&P Global Ratings' permission for you to disseminate the above rating to interested parties in accordance with applicable laws and regulations. However, permission for such dissemination (other than to professional advisors bound by appropriate confidentiality arrangements) will become effective only after we have released the rating on [standardandpoors.com](http://standardandpoors.com). Any dissemination on any Website by you or your agents shall include the full analysis for the rating, including any updates, where applicable.

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Please send hard copies to:  
S&P Global Ratings  
Public Finance Department  
55 Water Street

PF Ratings U.S. (4/28/16)

Attachment 35

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New York, NY 10041-0003

The rating is subject to the Terms and Conditions, if any, attached to the Engagement Letter applicable to the rating. In the absence of such Engagement Letter and Terms and Conditions, the rating is subject to the attached Terms and Conditions. The applicable Terms and Conditions are incorporated herein by reference.

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Sincerely yours,

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# S&P Global Ratings

130 East Randolph Street  
Suite 2800  
Chicago, IL 60601  
tel 312-233-7000  
reference no.: 40413747

February 28, 2017

University of Wisconsin Hospital and Clinics  
600 Highland Avenue, Suite H5/803  
Madison, WI 53792  
Attention: Mr. Robert Flannery, Senior Vice President and Chief Financial Officer

Re: *University Of Wisconsin Hospital & Clinics Authority, Wisconsin, Hospital Revenue & Refunding Bonds*

Dear Mr. Flannery:

S&P Global Ratings has reviewed the rating on the above-listed obligations. Based on our review, we have raised our credit rating from "A+" to "AA-" and changed the outlook to stable from positive. A copy of the rationale supporting the rating and outlook is enclosed.

This letter constitutes S&P Global Ratings' permission for you to disseminate the above rating to interested parties in accordance with applicable laws and regulations. However, permission for such dissemination (other than to professional advisors bound by appropriate confidentiality arrangements) will become effective only after we have released the rating on [standardandpoors.com](http://standardandpoors.com). Any dissemination on any Website by you or your agents shall include the full analysis for the rating, including any updates, where applicable.

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Attachment 35

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55 Water Street  
New York, NY 10041-0003

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Attestation of Funds

I hereby attest that the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation.



A handwritten signature in black ink, appearing to read "Michael J. Born, MD".

Name: Michael J. Born, MD  
Title: CEO SwedishAmerican Hospital

Gina Boettcher  
Subscribed and sworn to  
this 28<sup>th</sup> day of July, 2017

### Charity Care Information

<b>SWEDISHAMERICAN HOSPITAL</b>			
	<b>Year 2014</b>	<b>Year 2015</b>	<b>Year 2016</b>
<b>Net Patient Revenue</b>	\$ 384,030,000	\$ 405,907,000	\$ 420,610,000
<b>Amount of Charity Care</b>	\$ 40,891,730	\$ 21,533,725	\$ 14,959,155
<b>Cost of Charity Care</b>	\$ 8,666,418	\$ 4,077,946	\$ 2,486,713

NOTE: 2015 Audit covered 13 months due to change in year end, net patient revenue converted to 12 months.

<b>SWEDISHAMERICAN MEDICAL CENTER/BELVIDERE</b>			
	<b>Year 2014</b>	<b>Year 2015</b>	<b>Year 2016</b>
<b>Net Patient Revenue</b>	\$ 13,681,000	\$ 14,435,000	\$ 13,992,000
<b>Amount of Charity Care</b>	\$ 2,420,156	\$ 1,068,069	\$ 850,050
<b>Cost of Charity Care</b>	\$ 424,991	\$ 178,687	\$ 139,898

NOTE: 2015 Audit covered 13 months due to change in year end, net patient revenue converted to 12 months.

<b>UNIVERSITY OF WISCONSIN HOSPITALS AND CLINICS AUTHORITY</b>			
	<b>Year 2014</b>	<b>Year 2015</b>	<b>Year 2016</b>
<b>Net Patient Revenue</b>	\$ 1,773,816,238	\$ 1,949,553,501	\$ 2,120,527,956
<b>Amount of Charity Care</b>	\$ 87,252,117	\$ 59,772,212	\$ 56,472,261
<b>Cost of Charity Care</b>	\$ 35,570,620	\$ 23,659,531	\$ 21,222,433