•• Centegra Health System

E-037-17

Centegra Corporate Office 385 Millennium Drive Crystal Lake, IL 60012 815-788-5800

August 15, 2017

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

AUG 1 6 2017

HEALTH FACILITIES & SERVICES REVIEW BOARD

Dear Ms. Avery:

On behalf of Northern Illinois Medical Center d/b/a Centegra Hospital – McHenry, Centegra Health System, Northern Illinois Medical Center d/b/a Centegra Hospital – Huntley and Memorial Medical Center – Woodstock d/b/a Centegra Hospital – Woodstock, I am enclosing one check for \$2,500 and two copies of the Certificate of Exemption (COE) application that is described below.

This exemption application proposes to discontinue the Comprehensive Physical Rehabilitation Category of Service and its authorized bed capacity of a 22-bed Service at Centegra Hospital - McHenry (in Health Service Area 8) in order to relocate this category of service and authorized bed capacity Centegra Hospital – Woodstock, which is in the same health service area for Comprehensive Physical Rehabilitation services.

This application is being submitted simultaneously with a Certificate of Need (CON) application to establish the Comprehensive Physical Rehabilitation Category of Service with an authorized bed capacity of 22 beds at Centegra Hospital - Woodstock.

Implementation of this project is contingent upon receipt of a CON permit by Centegra Hospital - Woodstock for the establishment of the Comprehensive Physical Rehabilitation Category of Service with an authorized bed capacity of 22 beds. Because the two applications are interrelated, please place them on the same review schedule.

Please feel free to contact me, Daniel J. Lawler (312-214-4861, daniel.lawler@btlaw.com), or Andrea R. Rozran (312-266-0466, arozran@diversifiedhealth.net) if you have any questions.

Sincerely,

Hadley Streng

Vice President of Strategy and Development

Centegra Health System

Hadley Streng

815-788-5858

hstreng@centegra.com

Enclosures

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD APPLICATION FOR EXEMPTION PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION

This Section must be comple	eted for all projects.	AUG 1 6 2017	ORIGIN		
Facility/Project Identification		HEALTH FACILITIES &			
Facility Name: Centegra Hospital - M	cHenry	SERVICES REVIEW BOA	RD		
Street Address: 4201 Medical Center	Dr.				
City and Zip Code: McHenry 60050					
County: McHenry	Health Service Area: HS	A 08 Health Plan	ning Area: A-10		
Applicant(s) [Provide for each applicant (refer to Part 1130.220)] Exact Legal Name: Northern Illinois Medical Center d/b/a Centegra Hospital - McHenry					
Street Address: 4201 Medical Center	Dr	gia i loopital itio			
City and Zip Code: McHenry 60050					
Name of Registered Agent: Mr. Micha	and S. Engley FACHE				
Registered Agent Street Address: 38	6 Millannium Dr				
Registered Agent Street Address. 36	Crystal Lake 60012				
Registered Agent City and Zip Code: Name of Chief Executive Officer: Mr.	Michael S. Eesley FACH	<u> </u>			
CEO Street Address: 385 Millennium	DI.				
CEO City and Zip Code: Crystal Lake	50012				
CEO Telephone Number: (815) 788-	0823				
Type of Ownership of Applic	ants				
Non-profit Corporation	☐ Partne	ership			
Non-profit Corporation For-profit Corporation		nmental			
Limited Liability Company	<u> </u>	Proprietorship	☐ Other		
Littlited Liability Company			_		
o Corporations and limited liab	ility companies must provi	de an Illinois certificat	e of good		
etanding.					
o Partnerships must provide the address of each partner spec	e name of the state in whicifying whether each is a g	ch they are organized a eneral or limited partne	nd the name and r.		
APPEND DOCUMENTATION AS ATTACHM APPLICATION FORM	ENTA IN NUMERIC SEQUENTI	ALORDER AFTER THE LA	T PAGE OF THE		
Primary Contact [Person to re					
Name: Ms. Hadley Streng					
Title: Senior Vice President, Strategy					
Company Name: Centegra Health Sy	/stem	<u></u>			
Address: 385 Millennium Dr., Crystal	Lake, IL 60012				
Telephone Number: (815) 788-5858					
E-mail Address: hstreng@centegra.com					
Fax Number: (815) 788-5263					
Additional Contact [Person w	ho is also authorized	to discuss the applic	cation for		
exemption permit]		<u> </u>			
Name: Ms. Andrea R. Rozran					
Title: Principal		<u> </u>			
Company Name: Diversified Health F	Resources, Inc.				

Address: 65 E. Scott Street, #9A, Chicago, IL 60610-5274	
Telephone Number: (312) 266-0466	
E-mail Address: arozran@diversifiedhealth.net	
Fax Number: (312) 266-0715	

Additional Contact [Person who is also authorized to discuss the application for			
exemption permit			
Name: Mr. Daniel J. Lawler			
Title: Partner			
Company Name: Barnes & Thornburg, LLP			
Address: 1 N. Wacker Drive, Suite 4400, Chicago, IL 60606			
Telephone Number: (312) 214-4861			
E-mail Address: daniel.lawler@btlaw.com			
Fax Number: (312) 759-5646			
Applicant(s) [Provide for each applicant (refer to Part 1130.220)]			
Exact Legal Name: Centegra Health System			
Street Address: 385 Millennium Dr.			
City and Zip Code: Crystal Lake 60012			
Name of Registered Agent: Mr. Michael S. Eesley, FACHE			
Registered Agent Street Address: 385 Millennium Dr.	_		
Registered Agent City and Zip Code: Crystal Lake 60012			
Name of Chief Executive Officer: Mr. Michael S. Eesley, FACHE			
CEO Street Address: 385 Millennium Dr.			
CEO City and Zip Code: Crystal Lake 60012			
CEO Telephone Number: (815) 788-5823			
Type of Ownership of Applicants			
Type of ownership or replication	_		
For-profit Corporation Governmental			
Limited Liability Company Sole Proprietorship Other			
o Corporations and limited liability companies must provide an Illinois certificate of good			
standing.			
o Partnerships must provide the name of the state in which 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			
APPEND DOCUMENTATION AS ATTACHMENT 1 IN NOMERIC SEQUENTIAL ORDER AFTER THE EAST FASE OF THE			

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]					
Exact	Legal Name: Northern Illinois Medical Cer	nter d/b	/a Centegra Hospital - Huntl	ey	
Street	Street Address: 10400 Haligus Road				
	City and Zip Code: Huntley 60142				
	of Registered Agent: Mr. Michael S. Eesle		HE		
	ered Agent Street Address: 385 Millenniu				
Regist	ered Agent City and Zip Code: Crystal La	ke 6001	2		
	of Chief Executive Officer: Mr. Michael S.	Eesley	, FACHE		
	Street Address: 385 Millennium Dr.				<u> </u>
CEO	City and Zip Code: Crystal Lake 60012				
CEO T	elephone Number: (815) 788-5823				
Type	of Ownership of Applicants				
	Al Circle walk		Destructed		
	Non-profit Corporation	닐	Partnership		
닏	For-profit Corporation	片	Governmental	П	Other
	Limited Liability Company		Sole Proprietorship	لــا	Other
0	Corporations and limited liability compar	nies mu	st provide an Illinois certific	cate of good	1
	standing.				
0	Partnerships must provide the name of	the state	e in which they are organize	d and the nai	me and
	address of each partner specifying whet	ther eac	h is a general or limited part	tner.	
					_
ADDEN	D DOCUMENTATION AS ATTACHMENT 1 IN NUM	MERIC SE	OUENTIAL ORDER AFTER THE	LAST PAGE OF	THE
	ATION FORM.	ILINIO OL			
<u> </u>		_			
Annli	cant(s) [Provide for each applicant	t (refei	to Part 1130.220)]		
Evact	egal Name: Memorial Medical Center \	Moodst	ock d/b/a Centegra Hospital	-Woodstock	_
	Exact Legal Name: Memorial Medical Center – Woodstock d/b/a Centegra Hospital-Woodstock Street Address: 3701 Doty Road				
	City and Zip Code: Woodstock 60098 Name of Registered Agent: Mr. Michael S. Eesley, FACHE				
Registered Agent Street Address: 385 Millennium Dr. Registered Agent City and Zip Code: Crystal Lake 60012					
Name of Chief Executive Officer: Mr. Michael S. Eesley, FACHE					
	CEO Street Address: 385 Millennium Dr.				
CEO City and Zip Code: Crystal Lake 60012					
	CEO City and 2ip code: Crystar Lake 60012 CEO Telephone Number: (815) 788-5823				
CEO	elephone Number. (613) 700-3023	_			
Type of Ownership of Applicants					
Type	Of Ownership of Applicants	_			
×	Non-profit Corporation		Partnership		
	For-profit Corporation		Governmental		
lfi	Limited Liability Company		Sole Proprietorship		Other
-	• • •				
0	Corporations and limited liability compar	nies mu	st provide an Illinois certifi	cate of good	
	standing.				
0	o Partnerships must provide the name of the state in which they are organized and the name and				
	address of each partner specifying whet	ther eac	n is a general or limited part	iner.	
				· -	
APPEN	D DOCUMENTATION AS ATTACHMENT 1 IN NUM	MERIC SE	QUENTIAL ORDER AFTER THE	LAST PAGE OF	FTHE
	ATION FORM				

Post Exemption Permit Contact

[Person to receive all correspondence subsequent to permit issuance-THIS PERSON

MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960]
Name: Ms. Hadley Streng
Title: Senior Vice President, Strategy and Development
Company Name: Centegra Health System
Address: 385 Millennium Dr., Crystal Lake, IL 60012
Telephone Number: (815) 788-5858
E-mail Address: hstreng@centegra.com
Fax Number: (815) 788-5263
Site Ownership [Provide this information for each applicable site]
Exact Legal Name of Site Owner: Northern Illinois Medical Center d/b/a Centegra Hospital - McHenry
Address of Site Owner: 4201 Medical Center Dr., McHenry, IL 60050
Street Address or Legal Description of the Site: 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 <u>ATTACHMENT 2</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.
Operating Identity/Licensee [Provide this information for each applicable facility and insert after this page.]
Exact Legal Name: Northern Illinois Medical Center d/b/a Centegra Hospital - McHenry
Address: 4201 Medical Center Dr., McHenry, IL 60050
☑ Non-profit Corporation ☐ Partnership ☐ For-profit Corporation ☐ Governmental ☐ Limited Liability Company ☐ Sole Proprietorship ☐ Other
 Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.
APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.
Organizational Relationships
Provide (for each 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 <u>ATTACHMENT 4</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Flood Plain Requirements [Refer to application instructions.]

This requirement is not applicable because this project does not include any construction or modernization

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 or www.illinoisfloodmaps.org. This map must be in a readable format. In addition, please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2006-5 (http://www.illinois.gov/sites/hfsrb).

APPEND DOCUMENTATION AS <u>ATTACHMENT 5</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Historic Resources Preservation Act Requirements [Refer to application instructions.]

This requirement is not applicable because this project does not include any construction or modernization

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

APPEND DOCUMENTATION AS <u>ATTACHMENT 6.</u> IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

DESCRIPTION OF PROJECT

1. Project Classification

ı	Check those app	olicable - refer to	Part 1110.40	and Part	1120.20(b)]
1	Officer allose app	MOGDIO TOTOL C	<i>y</i> . 		

Part 1	110 Classification:
	Change of Ownership
	Discontinuation of an Existing Health Care Facility or of a category of service
	Establishment or expansion of a neonatal intensive care or beds

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 proposes to discontinue the Comprehensive Physical Rehabilitation Category of Service and its authorized bed capacity of 22 beds at Northern Illinois Medical Center d/b/a Centegra Hospital – McHenry in order to relocate this category of service and its authorized bed capacity to Memorial Medical Center – Woodstock d/b/a Centegra Hospital – Woodstock.

This application for a Certificate of Exemption (COE) is being submitted simultaneously with a Certificate of Need (CON) application to establish the Comprehensive Physical Rehabilitation Category of Service with an authorized bed capacity of 22 beds at Centegra Hospital - Woodstock. The Illinois Health Facilities Planning Act (ILCS 3960/5(c) requires submission of a CON application to change the bed capacity of a hospital by relocating beds from one location to another, and a CON application is required to establish a category of service, such as the Comprehensive Physical Rehabilitation Category of Service. A COE is required to discontinue a category of service within an existing healthcare facility (ILCS 3960/12(8)(b)).

Both Centegra Hospital - McHenry and Centegra Hospital - Woodstock, together with Northern Illinois Medical Center d/b/a Centegra Hospital - Huntley, are owned and operated by Centegra Health System, all of which are located in the same county (McHenry) and the same planning area for acute care services (Planning Area A-10). These three hospitals have a unified medical staff, which permits members of their medical staffs to admit and treat patients at each of the three hospitals. These hospitals utilize a common medical record, which permits medical professionals to access and utilize patients' medical records at any of the hospitals.

Both Centegra Hospital - McHenry and Centegra Hospital - Woodstock are located in the same planning area for the Comprehensive Physical Rehabilitation Category of Service (Health Service Area 8). The hospitals are located 9.6 miles apart, and the travel time between them is approximately 16 minutes when adjusted for normal travel times in accordance with the CON Rules (77 III. Adm. Code 1100.510(d)(2)).

This project is "Substantive" in accordance with the Illinois Health Facilities Planning Act (20 ILCS 3960/12(8)(b)(2)) because it proposes to discontinue a category of service within an existing healthcare facility. The project is exempt from obtaining a CON permit and eligible to submit an application for a COE under 77 Ill. Adm. Code 1130.410(b).

Implementation of this project is contingent upon receipt of a CON permit by Centegra Hospital - Woodstock for the establishment of the Comprehensive Physical Rehabilitation Category of Service with an authorized bed capacity of 22 beds.

The discontinuation of Centegra Hospital - McHenry's Comprehensive Physical Rehabilitation Category of Service will occur when Centegra Hospital - Woodstock's Comprehensive Physical Rehabilitation Category of Service becomes operational, which is anticipated to occur by end of calendar year 2018.

There are no capital costs associated with this project.

Project Costs and Sources of Funds (Neonatal Intensive Care Services only)

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.

This page is not applicable because this project is not for the establishment of Neonatal Intensive Care Services

USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	0	0	0
Site Survey and Soil Investigation	0	0	0
Site Preparation	0	0	0
Off Site Work	0	0	0
New Construction Contracts	0	0	0
Modernization Contracts	0	0	0
Contingencies	0	0	0
Architectural/Engineering Fees	0	0	0
Consulting and Other Fees	0	0	0
Movable or Other Equipment (not in construction contracts)	0	0	0
Bond Issuance Expense (project related)	0	0	0
Net Interest Expense During Construction (project related)	0	0	0
Fair Market Value of Leased Space or Equipment	0	0	0
Other Costs To Be Capitalized	0	0	0
Acquisition of Building or Other Property (excluding land)	0	0	0
TOTAL USES OF FUNDS	0	0	0
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	0	0	0
Pledges	0	0	0
Gifts and Bequests	0	0	0
Bond Issues (project related)	0	0	0
Mortgages	0	0	0
Leases (fair market value)	0	0	0
Governmental Appropriations	0	0	0
Grants	0	0	0
Other Funds and Sources	0	0	0
TOTAL SOURCES OF FUNDS	0	0	0

NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Related Project Costs

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

_
Land acquisition is related to project ☐ Yes ☒ No Purchase Price: \$ N/A Fair Market Value: \$ N/A
This is not applicable because this project does not have capital costs.
The project involves the establishment of a new facility or a new category of service Yes No
If yes, provide the dollar amount of all non-capitalized operating start-up costs (including operating deficits through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.
Estimated start-up costs and operating deficit cost is \$ N/A
This is not applicable because this project does not have capital costs.
Project Status and Completion Schedules
For facilities in which prior permits have been issued please provide the permit numbers. Indicate the stage of the project's architectural drawings:
Indicate the stage of the project's architectural Grawings.
Schematics Final Working
Anticipated project completion date (refer to Part 1130.140): September 30, 2019.
Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140): □ Purchase orders, leases or contracts pertaining to the project have been executed. □ 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
Financial Commitment will occur after permit issuance.
This is not applicable because this project does not have cost.
APPEND DOCUMENTATION AS <u>ATTACHMENT 8.</u> IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.
State Agency Submittals [Section 1130.620(c)]
Are the following submittals up to date as applicable: Cancer Registry
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.

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;
- 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 Northern Illinois Medical Center d/b/a Centegra Hospital - McHenry*

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.	λ
	Carlos Carlos
SIGNATURÉ	SIGNATURE
Michael S. Eesley PRINTED NAME	Aaron T. Shepley PRINTED NAME
Chief Executive Officer	General Counsel
PRINTED TITLE	PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this /4/2-day of August, 2017

Signature or Notary

OFFICIAL SEAL

Seal DIANNE R MCLAREN
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES 12/15/19

*insert the EXACT legal name of the applicant

Notarization:

Subscribed and sworn to before me

this 14 day of Lugust

Signature of Notary...

Seal

OFFICIAL SEAL
DIANNE R MCLAREN
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:12/15/19

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;
- 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 <u>Centegra Health System</u>* 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 S. Eesley PRINTED NAME

Chief Executive Officer
PRINTED TITLE

Notarization:

Subscribed and swern to before me

Signature of

ignature of Notary

Seal

DIANNE R MCLAREN
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:12/15/19

*Insert the EXACT legal name of the applicant

SIGNATURE

Aaron T. Shepley PRINTED NAME

General Counsel PRINTED TITLE

Notarization:

Subscribed and swarn to before me this 4 and a of wart, 2

Signature **>**

Seal

OFFICIAL SEAL
DIANNE R MCLAPEN

NOTARY PUBLIC - STATE OF ILLINOIS MY COMMISSION EXPIRES 12/15/19

OFFICIAL SEAL

CERTIFICATION

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- 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 No.	orthern Illinois	Medical Cente	r d/b/a	<u>Centegra</u>	<u> Hospital -</u>
Huntley*					

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.

	(h) head		
SIGNATURE	SIGNATURE		
Michael S. Feeley	Aaron T. Sheplev		

Aaron I. Shepley Michael S. Eesley PRINTED NAME PRINTED NAME

General Counsel Chief Executive Officer PRINTED TITLE PRINTED TITLE

Notarization: Notarization: Subscribed and swern to before me Subscribed and swann to before me this 14th day of Cluques =day of ∕∡

Signature of Notary Signature Metary... OFFICIAL SEAL

*Insert the EXACT legal name of the applicant

Seal

DIANNE R MCLAREN DIANNE R MCLAREN Seal NOTARY PUBLIC - STATE OF ILLINOIS NOTARY PUBLIC - STATE OF ILLINOIS MY COMMISSION EXPIRES:12/15/19 MY COMMISSION EXPIRES 12/15/19

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;
- 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 Memorial Medical Center - Woodstock d/b/a Centegra Hospital - Woodstock*

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.

	(h) hear				
SIGNATURE	SIGNA₹URE				
Michael O. Faeley	Agron T. Shenley				

Aaron T. Shepley Michael S. Eesley PRINTED NAME PRINTED NAME

General Counsel Chief Executive Officer PRINTED TITLE PRINTED TITLE

Notarization: Notarization: Subscribed and sworin to before me

Subscribed and sworn to before me -day of/lu

Signature of Notary OFFICIAL SEAL DIANNE R MCLAREN Seal NOTARY PUBLIC - STATE OF ILLINOIS

DIANNE R MCLAREN Seal NOTARY PUBLIC - STATE OF ILLINOIS MY COMMISSION EXPIRES 12/15/19 MY COMMISSION EXPIRES: 12/15/19 *Insert the EXACT legal name of the applicant

Signature **(PNotary**

OFFICIAL SEAL

SECTION II. DISCONTINUATION

This Section is applicable to the discontinuation of a health care facility maintained by a State agency. **NOTE:** If the project is solely for discontinuation and if there is no project cost, the remaining Sections of the application are not applicable.

Type of Discontinuation

	Discontinuation of an Existing Health Care Facility
×	Discontinuation of a category of service
	•

Criterion 1110.130 - Discontinuation

READ THE REVIEW CRITERION and provide the following information:

GENERAL INFORMATION REQUIREMENTS

- 1. Identify the categories of service and the number of beds, if any, that are to be discontinued.
- 2. Identify all of the other clinical services that are to be discontinued.
- 3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.
- 4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
- 5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued, and the length of time the records will be maintained.
- 6. For applications involving the discontinuation of an entire facility, provide certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 90 days following the date of discontinuation.
- 7. Upon a finding that an application to close a health care facility is complete, the State Board shall publish a legal notice on 3 consecutive days in a newspaper of general circulation in the area or community to be affected and afford the public an opportunity to request a hearing. If the application is for a facility located in a Metropolitan Statistical Area, an additional legal notice shall be published in a newspaper of limited circulation, if one exists, in the area in which the facility is located. If the newspaper of limited circulation is published on a daily basis, the additional legal notice shall be published on 3 consecutive days. The legal notice shall also be posted on the Health Facilities and Services Review Board's web site and sent to the State Representative and State Senator of the district in which the health care facility is located. In addition, the health care facility shall provide notice of closure to the local media that the health care facility would routinely notify about facility events.
- 8. Provide attestation that the facility provided the required notice of the facility or category of service closure to local media that the health care facility would routinely notify about facility events. The supporting documentation shall include a copy of the notice, the name of the local media outlet, the

date the notice was given, and the result of the notice, e.g., number of times broadcasted, written, or published. Only notice that is given to a local television station, local radio station, or local newspaper will be accepted.

REASONS FOR DISCONTINUATION

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

IMPACT ON ACCESS

- 1. Document that the discontinuation of each service or of the entire facility and whether or not it will have an adverse effect upon access to care for residents of the facility's market area.
- 2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within 45 minutes travel time of the applicant facility.

APPEND DOCUMENTATION AS <u>ATTACHMENT 10</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

	COST A	ND GROS	S SQUA	RE FEE	T BY DEF	PARTME	NT OR SEF	RVICE	
	А	В	С	D	E	F	G	н	T-4-1
Department (list below)	Cost/Square Foot New Mod.		Gross Sq. Ft. New Circ.*		Gross Sq. Ft. Mod. Circ.*		Const. \$ (A x C)	Mod. \$ (B x E)	Total Cost (G + H)
Contingency								_	
TOTALS									

This section is not applicable.

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

SECTION IX. SAFETY NET IMPACT STATEMENT (DISCONTINUATION ONLY)

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for <u>ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE STATE-OWNED HEALTH CARE FACILITIES</u> [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	nformation p	er PA 96-0031	
	CHARITY CA	RE	
Charity (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Charity (cost In dollars)			
Inpatient			
Outpatient			
Total			<u>.</u>
	MEDICAID		
Medicaid (# of patients)	Year	Year	Үеаг
Inpatient			
Outpatient			
Total			
Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

APPEND DOCUMENTATION AS $\underline{\text{ATTACHMENT 20}}, \text{IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.}$

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

	INDEX OF ATTACHMENTS	
TTACHMENT	Г	PAGES
1	Applicant Identification including Certificate of Good Standing	19-22
2	Site Ownership	23-42
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	43
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	44-45
5		46
	Historic Preservation Act Requirements	47
7	Project and Sources of Funds Itemization	
8		
9	Cost Space Requirements	
10	Discontinuation	48-64
11	Background of the Applicant	
12	Purpose of the Project	
	Alternatives to the Project	
	Service Specific:	
14	Neonatal Intensive Care Services	
15	Change of Ownership	
	Financial and Economic Feasibility:	
16	Availability of Funds	
17	Financial Waiver	
18	Financial Viability	
19	Economic Feasibility	
20	Safety Net Impact Statement	65-93
21	Charity Care Information	



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

NORTHERN ILLINOIS MEDICAL CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON MARCH 16, 1956, 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 13TH

day of JULY A.D. 2017

Authentication #: 1719402484 verifiable until 07/13/2018
Authenticate at: http://www.cyberdriveillinois.com

Jesse White

SECRETARY OF STATE



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

CENTEGRA HEALTH SYSTEM, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JUNE 01, 1982, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 11TH day of JULY A.D. 2017.

Authentication #: 1719203194 verifiable until 07/11/2018
Authenticate at: http://www.cyberdriveillinois.com

Jesse White

SECRETARY OF STATE



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

NORTHERN ILLINOIS MEDICAL CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON MARCH 16, 1956, 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 #: 1719402484 verifiable until 07/13/2018 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 13TH day of

A.D. JULY 2017

SECRETARY OF STATE

Jesse White



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

MEMORIAL MEDICAL CENTER-WOODSTOCK, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JANUARY 09, 1914, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set

my hand and cause to be affixed the Great Seal of the State of Illinois, this 5TH

day of

JULY

A.D.

2017

Authentication #: 1718602512 verifiable until 07/05/2018
Authenticate at: http://www.cyberdrivelllinois.com

SECRETARY OF STATE



Ticor Title Insurance Company

Commitment for Title Insurance

TICOR TITLE INSURANCE COMPANY ("Company"), for valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest in the Land described or referred to in Schedule A, upon payment of the premiums and charges and compliance with the Requirements; all subject to the provisions of Schedule A and B and to the Conditions of this Commitment.

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

All liability and obligation under this Commitment shall cease and terminate 6 months after the Effective Date or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue the policy or policies is not the fault of the Company.

The Company will provide a sample of the policy form upon request.

IN WITNESS WHEREOF, Ticor Title Insurance Company has caused its corporate name and seal to be affixed by its duly authorized officers on the date shown in Schedule A.

SOUTH SURAL COMPANY

TICOR TITLE INSURANCE COMPANY

Ву

Authorized Signatory

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TICOR TITLE INSURANCE COMPANY

COMMITMENT FOR TITLE INSURANCE SCHEDULE A

YOUR REFERENCE: UNKNOWN

ORDER NO.: 2000 000690924 SM

EFFECTIVE DATE: JULY 1, 2008

PREPARED FOR:

BELL, BOYD & LLOYD/ATTY-CHICAGO 70 WEST MADISON STREET, SUITE 3200

CHICAGO, ILLINOIS 60602-4207 PHONE: (312)807-4207

FAX:

1. POLICY OR POLICIES TO BE ISSUED:

LOAN POLICY: ALTA LOAN 2006

+ 1

AMOUNT:

\$1,000,000.00

PROPOSED INSURED: BANK OF NEW YORK MELLON TRUST COMPANY, ITS SUCCESSORS AND/OR

ASSIGNS, AS THEIR INTERESTS MAY APPEAR

- 2. THE ESTATE OR INTEREST IN THE LAND DESCRIBED OR REFERRED TO IN THIS COMMITMENT IS FEE SIMPLE, UNLESS OTHERWISE NOTED.
- 3. TITLE TO THE ESTATE OR INTEREST IN THE LAND IS AT THE EFFECTIVE DATE VESTED IN: NORTHERN ILLINOIS MEDICAL CENTER, A NOT-FOR-PROFIT CORPORATION, AS TO PARCELS ONE, TWO, THREE, FOUR AND FIVE;

MEMORIAL MEDICAL CENTER-WOODSTOCK, A NOT-FOR-PROFIT CORPORATION, AS TO PARCELS SIX, SEVEN, EIGHT, NINE, TEN, ELEVEN AND TWELVE.

4. MORTGAGE OR TRUST DEED TO BE INSURED: TO COME.

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PAGE A1

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13:00:45

TICOR TITLE INSURANCE COMPANY COMMITMENT FOR TITLE INSURANCE

ORDER NO.: 2000

000690924

SM

SCHEDULE A (CONTINUED)

YOUR REFERENCE: UNKNOWN

EFFECTIVE DATE: July 1, 2008

5. THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED AS FOLLOWS: PARCEL 1:

THAT PART OF THE SOUTHEAST QUARTER OF SECTION 3 AND THE SOUTHWEST QUARTER OF SECTION 2, ALL IN TOWNSHIP 44 NORTH RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING A THE NORTHEAST CORNER OF THE SOUTHEAST OUARTER OF SAID SECTION 3 (THE NORTH LINE OF THE SOUTHEAST OUARTER OF SECTION 3 HAVING AN ASSUMED BEARING OF SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST FOR THIS LEGAL DESCRIPTION); THENCE SOUTH 00 DEGREES 44 MINUTES 48 SECONDS WEST ALONG THE EAST LINE OF THE SOUTHEAST OUARTER OF SAID SECTION 3, 937.11 FEET TO A POINT OF BEGINNING; THENCE SOUTH 70 DEGREES 48 MINUTES 48 SECONDS EAST, 60.09 FEE TO A POINT OF CURVATURE; THENCE SOUTHERLY ALONG A CURVED LINE COVNEX EASTERLY, HAVING A RADIUS OF 25.00 FEET AND BEING TANGENT TO SAID LAST DESCRIBED LINE AS SAID LAST DESCRIBED POINT, AN ARC DISTANCE OF 39.27 FEET TO A POINT OF TANGENCY WITH A LINE 451.00 FEET; AS MEASURED AT RIGHT ANGLES, NORTHWESTERLY OF AND PARALLEL WITH THE CENTER LINE OF STATE ROUTE 31 PER INSTURMENT RECORDED OCTOBER 7, 1927, IN BOOK 12 OF MISCELLANEOUS RECORDS, PAGE 167 (THE CHORD OF SAID LAST DESCRIBED ARC BEARS SOUTH 25 DEGREES 48 MINUTES 48 SECONDS EAST, 35.36 FEET), THENCE SOUTH 19 DEGREES 11 MINUTES 12 SECONDS WEST ALONG SAID LAST DESCRIBED PARALLEL TO A LINE, 455.19 FEET; THENCE SOUTH OO DEGREES OO MINUTES 00 SECONDS WEST, 24.35 FEET TO A LINE 443.00 FEET, AS MEASURED AT RIGHT ANGLES, NORTHWESTERLY OF AND PARALLEL WITH SAID CENTER LINE OF STATE ROUTE 31; THENCE SOUTH 19 DEGREES 11 MINUTES 12 SECONDS WEST ALONG SIAD LAST DESCRIBED PARALLEL LINE, 71.95 FEET TO A POINT OF CURVATURE; THENCE SOUTHWESTERLY ALONG A CURVED LINE CONVEX SOUTHEASTERLY, HAVING A RADUIS OF 120.00 FEET AND BEING TANGENT TO SAID LAST DESCRIBED LINE AT SAID LAST DESCRIBED POINT, AN ARC DISTANCE OF 104.24 FEET TO A LINE 1583.37 FEET, AS MEASURED RIGHT ANGLES, SOUTH OF AND PARALLEL WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 3 (THE CORD OF SAID LAST DESCRIBED ARC BEARS SOUTH 44 DEGREES 04 MINUTES 26 SECONDS WEST, 100.99 FEET); THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST ALONG SAID LAST DESCRIBED PARALLEL LINE, 590.74 FEET; THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST, 247.53 FEET TO AN INTERSECTION WITH A LINE 1335.84 FEET, AS MEASURED AT RIGHT ANGLES, SOUTH OF AND PARALLEL WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 3; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST ALONG SAID LAST DESCRIBED PARALLEL LINE, 60.00 FEET; THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST, 205.00 FEET, THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, 25.00 FEET; THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST, 297.00 FEET TO A POINT 739 30 FEET WEST AND 833.84 FEET SOUTH OF THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 3, AS MEASURED ALONG THE NORTH LINE OF SAID SOUTHEAST OUARTER AND ALONG A LINE AT RIGHT ANGLES THERETO; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST PARALLEL WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 3, 283.00 FEET TO A POINT OF CURVATURE; THENCE EASTERLY ALONG A CURVED LINE CONYEX NORTHERLY, HAVING A RADUIS OF 872.94 FEET AND BEING TANGENT TO SAID LAST DESCRIBED LINE AS SAID LAST DESCRIBED POINT, AN ARC DISTANCE OF 292.32 FEET TO A POINT OF TANGENCY (THE CHORD OF SAID ARC BEARS SOUTH 80 DEGREES 24 MINUTES 24 SECONDS EAST, 290.96 FEFT); THENCE SOUTH 70 DEGREES 48 MINUTES 48 SECONDS EAST ALONG A LINE TANGANT TO SAID LAST DESCRIBED CURVED LINE AT SAID LAST DESCRIBED POINT, 166.44 FEET TO THE POINT OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS.

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ORDER NO.: 2000 000690924 SM

5. THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED AS FOLLOWS (CONTINUED):

PARCEL 2:

THAT PART OF THE SOUTHEAST QUARTER OF SECTION 3 AND THE SOUTHWEST QUARTER OF SECTION 2, ALL IN TOWNSHIP 44 NORTH, RANGE 8 EAST OF THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 3, BEING ALSO THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 2, WITH THE NORTHERLY LINE OF MEDICAL CENTER DRIVE AS DEDICATED PER PLAT RECORDED MARCH 20, 1984 AS DOCUMENT 877386; THENCE NORTH 70 DEGREES 48 MINUTES 48 SECONDS WEST ALONG SAID NORTHERLY LINE OF MEDICAL CENTER DRIVE, 143.78 FEET TO A POINT OF CURVATURE IN SAID LINE; THENCE NORTHWESTERLY ALONG THE NORTHERLY LINE OF SAID MEDICAL CENTER DRIVE, BEING A CURVE LINE CONVEX NORTHEASTERLY, HAVING A RADUIS OF 940.94 FEET AND BEING TANGENT TO SAID LAST DESCRIBED LINE AT SAID LAST DESCRIBED POINT, AN ARC DISTANCE OF 246.18 FEET (THE CHORD OF SAID ARC BEARS NORTH 78 DEGREES 18 MINUTES 30 SECONDS WEST, 245.48 FEET); THENCE NORTH 11 DEGREES 15 MINUTES 42 SECONDS EAST, 158.03 FEET TO A LINE 157.00 FEET, AS MEASURED RAIDIALLY, NORTHERLY OF AND CONCENTRIC WITH THE NORTHERLY LINE OF SAID MEDIAL CENTER DRIVE, THENCE SOUTHEASTERLY ALONG SAID LAST DESCRIBED CONCENTRIC LINE, BEING A CURVED LINE CONVEX NORTHEASTERLY AND HAVING A RADIUS OF 1097.94 FEET, AN ARC DISTANCE OF 267.82 FEET TO A POINT OF TANGENCY (THE CHORD OF SAID ARC BEARS SOUTH 77 DEGREES 48 MINDTES 05 SECONDS EAST, 267.15 FEET); THENCE SOUTH 70 DEGREES 48 MINUTES 48 SECONDS EAST ALONG A LINE 157.00 FEET, AS MEASURD AT RIGHT ANGLES, NORTHEASTERLY OF AND PRALLEL WITH THE NORTHERLY LINE OF SAID MEDICAL CENTER DRIVE, 311.89 FEET; THENCE SOUTH 19 DEGREES 04 MINUTES 14 SECONDS WEST, 175.00 FEET TO THE NORTH LINE OF SAID MEDICAL CENTER DIRVE; THENCE NORTH 70 DEGREES 48 MINUTES 48 SECONDS WEST ALONG THE NORTH LINE OF SAID MEDICAL CENTER DRIVE, 168.43 FEET TO THE POINT OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS.

PARCEL 3:

THAT PART OF THE SOUTHEAST QUARTER OF SECTION 3 AND THE SOUTHWEST QUARTER OF SECTION 2, ALL IN TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 3 (THE NORTH LINEOF THE SOUTHEAST QURTER OF SECTION 3 HAVING A ASSUMED BEARING OF SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST FOR THIS LEGAL DESCRIPTION); THENCE SOUTH OO DEGREES 44 MINUTES 48 SECONDS WEST ALONG THE EAST LINE OF THE SOUTHEAST QARTER OF SAID SECTION 3, 937-11 FEET TO A POINT OF BEGINNING; THENCE SOUTH 70 DEGREES 48 MINUTES 48 SECONDS EAST, 60.09 FEET TO A POINT CURVATURE, THENCE SOUTHERLY ALONG A CURVED LINE CONVEX EASTERLY, HAVING A RADUIS OF 25.00 FEET AND BEING TANGENT TO SAID LAST DESCRIBED LINE AS SAID LAST DESCRIBED POINT, AN ARC DISTANCE OF 39.27 FEET TO A POINT TANGENCY WITH A LINE 451.00 FEBT, AS MEASURED'AT RIGHT ANGLES, NORTHWESTERLY OF AND PARALLEL WITH THE CENTER LINE OF STATE ROUTE 31 PER INSTRUMENT RECORDED OCTOBER 7, 1927, IN BOOK 12 OF MISCELLANEOUS RECORDS, PAGE 167 (THE CORD OF SAID LAST DESCRIBED ARC BEARS SOUTH 25 DEGREES 48 MINUTES 48 SECONDS EAST, 35.36 FEET); THENCE SOUTH 19 DEGREES 11 MINUTES 12 SECONDS WEST ALONG SAID LAST DESVRIBED PARALLEL LINE, 455.19 FEET; THENCE SOUTH 00 DEGREES 00 MINUTES 00 SECONDS WEST, 24.35 FEET TO A LINE 433.00 FEET, AS MEASURED AT RIGHT ANGLES, NORTHWESTERLY OF AND PARALLEL WITH SAID CENTER LINE OF STATE ROUTE 31; THENCE NORTH 19 DEGREES 11 MINUTES 12 SECONDS EAST ALONG

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ORDER NO.: 2000 000690924 SM

5. THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED AS FOLLOWS (CONTINUED):

SAID LAST OESCRIBEO PARALLEL LINE, 478.18 FEET TO A POINT OF CURVATURE; THENCE NORTHERLY ALONG A CURVEO LINE CONVEX EASTERLY, HAVING A RADIUS OF 33.00 FEET AND BEING TANGENT TO SAID LAST DESCRIBED LINE AT SAID LAST DESCRIBED POINT AN ARC DISTANCE OF 51.84 FEET TO A POINT TANGENCY WITH THE SOUTHERLY LINE OF MEDICAL CENTER DRIVE ACCORDING TO THE PLAT OF DEDICATION RECORDED MARCH 20, 1984 AS DOCUMENT 877386 (THE CHORD OF SAID LAST DESCRIBED ARC BEARS NORTH 25 DEGREES 48 MINUTES 48 SECONDS WEST, 46.67 FEET); THE FOLLOWING 3 COURSES ARE ALONG THE SOUTHERLY LINE OF SAID MEDICAL CENTER DRIVE; THENCE NORTH 70 DEGREES 48 MINUTES 48 SECONDS WEST, 226.53 FEET TO A POINT OF CURVATURE IN SAID LINE; THENCE WESTERLY ALONG A CURVED LINE CONVEX NORTHERLY, HAVING A RADIUS OF 880.94 FEET AND BEING TANGENT TO SAID LAST DESCRIBED LINE AT SAID LAST DESCRIBED POINT, AND ARC DISTANCE OF 295.00 FEET TO A POINT OF TANGENCY IN SAID LINE (THE CHORD OF SAID ARC BEARS NORTH 80 DEGREES 24 MINUTES 24 SECONDS WEST, 293.63 FEET); THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, 283.00 FEET; THENCE SOUTH 00 DEGREES 00 MINUTES 00 SEDONDS WEST, 8.00 FEET TO A POINT 739.30 FEET WEST AND 833.84 FEET SOUTH OF THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 3, AS MEASURED ALONG THE NORTH LINE OF SAID SOUTHEAST QUARTER AND ALONG A LINE AT RIGHT ANGLES THERETO; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS WAST PARALLEL WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 3, 283.00 FEET TO A POINT OF CURVATURE; THENCE EASTERLY ALONG A CURVED LINE CONVEX NORTHERLY, HAVING A RADUIS OF 872.94 FEET AND BEING TANGANT TO SAID LAST DESCRIBED LINE AS SAID LAST DESCRIBED POINT, AN ARC DISTANCE OF 292.32 FEET TO A POINT OF TANGANCY (THE CHORD OF SAID ARC BEARS SOUTH 80 DEGREES 24 MINUTES 24 SECONDS EAST 290.96 FEET); THENCE SOUTH 70 DEGREES 48 MINUTES 48 SECONDS EAST ALONG A LINE TANGANT TO SAID LAST DESCRIBED CURVED LINE AT SAID LAST DESCRIBED POINT, 166.44 FEET TO THE POINT OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS.

PARCEL 4:

THAT PART OF THE SOUTHEAST QUARTER OF SECTION 3, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 3. (THE NORTH LINE OF THE SOUTHEAST QUARTER OF SECTION 3 HAVING AN ASSUMED BEARING OF SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST FOR THIS LEGAL DECRIPTION); THENCE SOUTH 00 DEGREES 44 MINUTES 48 SECONDS WEST ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 3, 937.11 FEET; THENCE SOUTH 70 DEGREES 48 MINUTES 48 SECONDS EAST, 60.09 FEET TO A POINT OF CURVATURE; THENCE SOUTHERLY ALONG A CURVED LINE CONVEX EASTERLY, HAVING A RADIUS OF 25.00 FEET AND BEING TANGENT TO SAID LAST DESCRIBED LINE AT SAID LAST DESCRIBED POINT, AN ARC DISTANCE OF 39.27 FEET TO A POINT TANGENCY WITH A LINE 451.00 FEET, AS MEASURED AT RIGHT ANGLES, NORTHWESTERLY OF AND PARALLEL WITH THE CENTER LINE OF STATE ROUTE 31 PER INSTRUMENT RECORDED OCTOBER 7, 1927, IN BOOK 12 OF MISCELLANEOUS RECORDS, PAGE 167 (THE CHORD OF SAID LAST DESCRIBED ARC BEARS SOUTH 25 DEGREES 48 MINUTES 48 SECONDS EAST, 36.36 FEET); THENCE SOUTH 19 DEGREES 11 MINUTES 12 SECONDS WEST ALONG SAID LAST DESCRIBED PARALLEL LINE, 455.19 FEET; THENCE SOUTH 00 DEGREES 00 MINUTES 00 SECONDS WEST, 164.86 FEET TO A LINE 1583.37 FEET, AS MEASURED AT RIGHT ANGLES, SOUTH OF AND PARALLEL WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION, 3; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST ALONG SAIO LAST DESCRIBEO PARALLEL LINE 93.90 FEET TO A POINT OF BEGINNING; THENCE CONTINUING SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST ALONG SAID LAST DESCRIBED PARALLEL

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ORDER NO.: 2000 000690924 SM

5. THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED AS FOLLOWS (CONTINUED):

LINE, 590.74 FEET, THENCE SOUTH 00 DEGREES DO MINUTES OO SECONDS WEST, 8.00 FEET TO A LINE 1591.37 FEET, AS MEASURED AT RIGHT ANGLES, SOUTH OF AND PARALLEL WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 3; THENCE NORTH 90 DEGREES DO MINUTES OO SECONDS EAST ALONG SAID LAST DESCRIBED PARALLEL LINE, 547.65 FEET TO A POINT OF CURVATURE; THENCE NORTHEASTERLY ALONG A CURVED LINE CONVEX SOUTHEASTERLY, HAVING A RADIUS OF 120.00 FEET AND BEING TANGENT TO SAID LAST DESCRIBED LINE AS SAID LAST DESCRIBED POINT, AN ARC DISTANCE OF 44.07 FEET TO THE POINT OF BEGINNING (THE CHORD OF SAID ARC BEARS NORTH 79 DEGREES 28 MINUTES 43 SECONDS EAST, 43.82 FEET), IN MCHENRY COUNTY, ILLINOIS.

PARCEL 5:

THAT PART OF THE SOUTHEAST QUARTER OF SECTION 3, TOWNSHIP 44 NORTH, RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 3, THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST (BEING AN ASSUMED BEARING FOR THIS LEGAL DESCRIPTION) ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 3, 433.82 FEET; THENCE SOUTH OO DEGREES OO MINUTES OO SECONDS WEST AT RIGHT ANGLES TO SAID LAST DESCRIBED LINE, 1651.37 FEET TO A POINT OF BEGINNING; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST, 207.18 FEET TO A POINT OF CURVATURE; THECE NORTHEASTERLY ALONG A CURVED LINE CONVEX SOUTHEASTERLY, HAVING A RADUIS OF 180.00 FEET AND BEING TANGENT TO SAID LAST DESCRIBED LINE AT SAID LAST DESCRIBED POINT, AN ARC DISTANCE OF 120.02 FEET (THE CHORD OF SAID ARC BEARS NORTH 70 DEGREES 53 MINUTES 51 SECONDS EAST, 117.81 FEET); THENCE SOUTH 00 DEGREES 00 MINUTES 00 SECONDS WEST, 254.02 FEET TO THE SOUTH LINE OF THE NORTH 1667 FEET, AS MEASURED ALONG THE EAST LINE THEREOF, OF THE SOUTHEAST QUARTER OF SECTION 3, AFORESAID; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST ALONG SAID LAST DESCRIBED SOUTH LINE, 223,50 FEET; THENCE NORTH DO DEGREES OO MINUTES DO SECONDS EAST, 151.50 FEET; THENCE SOUTH 00 DEGREES 00 MINUTES 00 SECONDS WEST, 95.00 FBET; THENCE NDRTH DO DEGREES OO MINUTES DO SECONDS EAST 63.97 FEET TO THE POINT OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS.

PARCEL SIX:

THAT PART OF THE SOUTHWEST QUARTER OP THE NORTHEAST AND PART OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER AND PART OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER ALL IN SECTION 22 TOWNSHIP 44 NORTH, RANGE 7 EAST OF THE THIRD PRINCIPAL MERIDIAN BEING DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 22; THENCE SOUTH 00 DEGREES 14 MINUTES 59 SECONDS WEST (ASSUMED BEARING) ALONG THE WEST LINE THEREOF, 66.00 FEET; THENCE SOUTH 89 DEGREES 39 MINUTES D8 SECONDS EAST ALONG A LINE PARALLEL WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 22, A DISTANCE OF 811.40 FEET TO THE CENTER LINE OF U.S. ROUTE 14: THENCE SOUTH 40 DEGREES DO MINUTES 33 SECONDS EAST, ALONG SAID CENTER LINE, 77.10 FEET; THENCE SOUTHEASTERLY CONTINUING ALONG SAID CENTER LINE 900.00 FRET ALONG A TANGENT CORVE TO THE LEFT, HAVING A RADIUS OF 8594.40 FRET, THE CHORD OF SAID CURVE BEARS SOUTH 43 DEGREES 00 MINUTES 32 SECONDS EAST, 899.59 FRET TO A POINT OF COMPOUND CURVATURE; THENCE SOUTHEASTERLY 545.70 FEET ALONG SAID CENTER LINE AND SAID COMPOUND CURVE TO THE LEFT, HAVING A RADIUS OF 1014.50 FEET, THE CHORD OF SAID CURVE BEARS SOUTH 61 DEGREES 25 MINUTES 07 SECONDS EAST,

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5. THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED AS FOLLOWS (CONTINUED):

539.14 FEET; THENCE SOUTH 76 DEGREES 49 MINUTES 42 SECONDS EAST ALONG SAID CENTER-LINE, 76.73 FEET TO A LINE 708.47 FEET EAST OF (AS MEASURED AT RIGHT ANGLES) AND PARALLEL WITH THE WEST LINE OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 22 AND THE POINT OR BEGINNING; THENCE SOUTH 76 DEGREES 49 SECONDS 42 SECONDS EAST CONTINUING ALONG SAID CENTER LINE, 628.08 FEET TO THE EAST LINE OF THE SOUTHWEST QUARTER OR THE NORTHEAST QUARTER OF SAID SECTION 22; THENCE SOUTH 00 DEGREES 06 MINUTES 33 SECONDS WEST ALONG SAID EAST LINE, 30.80 FEET, THENCE NORTH 76 DEGREES 49 MINUTES 42 SECONDS WEST, 40.99 FEET TO THE WEST LINE OF DOTY-ROAD AS DEDICATED TO THE CITY OF WOODSTOCK AND RECORDED AUGUST 17, 1994 AS DOCUMENT NO. 94R048603; THENCE SOUTH 00 DEGREES 08 MINUTES 50 SECONDS WEST ALONG THE WEST LINE OF DOTY ROAD PER SAID DOCUMENT NO. 94R048603, A DISTANCE OP 958.32 FEET TO THE NORTH LINE OF MEMORIAL DRIVE AS DEDICATED PER SAID DOCUMENT NO. 94R048603; THENCE NORTH 89 DEGREES 51 MINUTES 10 SECONDS WEST ALONG SAID NORTH LINE OF MEMORIAL DRIVE, 866.24 FEET (RECORD 866.39 FEET); THENCE WESTERLY 49.52 FEET CONTINUING ALONG SAID NORTH LINE OF MEMORIAL DRIVE, BEING A TANGENT CURVE TO THE RIGHT, HAVING A RADIUS OF 480.00 FEET, THE CHORD OF SAID CURVE BEARS NORTH 86 DEGREES 52 MINUTES 46 SECONDS WEST, 49.80 FEET TO THE NORTHWEST CORNER OF SAID DRIVE; THENCE WESTERLY, NORTHWESTERLY AND NORTHERLY 704.73 FEET, CONTINUING ALONG SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 480.00 FEET, THE CHORD OF SAID CURVE BEARS NORTH 41 DEGREES 50 MINUTES 44 SECONDS WEST, 643.12 FEET TO A POINT OF REVERSE CURVATURE; THENCE NORTHERLY 79.99 FEET ALONG SAID REVERSE CURVE TO THE LEFT, HAVING A RADIUS OF 756.93 FEET, THE CHORD OF SAID CURVE BEARS NORTH 02 DEGREES 48 MINUTES 45 SECONDS WEST, 79.95 FEET TO A LINE 300.00 FEET SOUTH OF (AS MEASURED AT RIGHTS ANGLES) AND PARALLEL WITH THE NORTH LINE OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER AND THE NORTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 22; THENCE SOUTH 89 DEGREES 40 MINUTES 08 SECONDS ALONG SAID PARALLEL LINE, 778.07 FEET TO A LINE 708.47 FEET EAST OF (AS MEASURED AT RIGHT ANGLES) AND PARALLEL WITH THE WEST LINE OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER AND THE WEST LINE OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 22; THENCE NORTH 00 DEGREES 10 MINUTES 42 SECONDS EAST ALONG SAID PARALLEL LINE, 563.51 FEET TO THE POINT OF BEGINNING, ALL IN MCHENRY COUNTY, ILLINOIS.

PARCEL SEVEN:

THE EAST 39.00 FEET (AS MEASURED AT RIGHT ANGLES) OF THE FOLLOWING-DESCRIBED PROPERTY HEREINAFTER BEING REFERRED TO AS THE "UNDERLYING PROPERTY"): THE EAST 314.02 FEET (AS MEASURED AT RIGHT ANGLES) OF THE WEST 708.47 FEET (AS MEASURED AT RIGHT ANGLES) OF THE NORTHWEST OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 44 NORTH, RANGE 7, EAST OF THE THIRD PRINCIPAL MERIDIAN; TOGETHER WITH THE EAST 314.02 FEET (AS MEASURED AT RIGHT ANGLES) OF THE WEST 708.47 FEET (AS MEASURED AT RIGHT ANGLES) OF THE WEST 708.47 FEET (AS MEASURED AT RIGHT ANGLES) OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER LYING SOUTH OF THE CENTER LINE OF U.S. ROUTE 14 IN SECTION 22, TOWNSHIP 44 NORTH, RANGE 7, EAST OF THE THIRD PRINCIPAL MERIDIAN, MCHENRY COUNTY, ILLINOIS.

PARCEL EIGHT:

COMMENCING AT THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 22; THENCE SOUTH 00 DEGREES 14 MINUTES 59 SECONDS WEST

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5. THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED AS FOLLOWS (CONTINUED):

(ASSUMED BEARING) ALONG THE WEST LINE THEREOF, 66.00 FEET; THENCE SOUTH 89 DEGREES 39 MINUTES 08 SECONDS EAST ALONG A LINE PARALLEL WITH THE NORTH LINE, OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 22, A DISTANCE OF 811.40 FEET TO THE. CENTER LINE OF U.S. ROUTE 14; THENCE SOUTH 40 DEGREES 00 MINUTES 32 SECONDS EAST, ALONG SAID CENTER LINE, 77.10 FEET; THENCE SOUTHEASTERLY CONTINUING ALONG SAID CENTER LINE, 900.00 FEET ALONG A TANGENT CURVE TO TEE LEFT, HAVING A RADIUS OF 8594.40 FEET, THE CHORD OF SAID CURVE BEARS SOUTH 43 DEGREES 00 MINUTES 32 SECONDS EAST, 899.59 FEET TO A POINT OF COMPOUND CURVATURE; THENCE SOUTHEASTERLY 290.06 FEET ALONG SAID CENTERLINE AND SAID COMPOUND CURVE TO THE LEFT, HAVING A RADIUS OF 1014.50 FEET, THE CHORD OF SAID CURVE BEARS SOUTH 54 DEGREES 11 MINUTES 59 SECONDS EAST, 289.08 FEET TO A LINE 394.45 FEET EAST OF (AS, MEASURED AT RIGHT ANGLES) AND PARALLEL WITH THE WEST LINE OF THE NORTHEAST QUARTER AND THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 22; THENCE SOUTH 00 DEGREES 10 MINUTES 42 SECONDS WEST ALONG SAID PARALLEL LINE, 668.01 FEET TO A LINE 300.00 FEET SOUTH OF (AS MEASURED AT RIGHT ANGLES) AND PARALLEL WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 22, ALSO BEING THE POINT OF BEGINNING; THENCE NORTH 89 DEGREES 40 MINUTES 08 SECONDS WEST, 157.00 FEET; THENCE NORTH 00 DEGREES 10 MINUTES 42 SECONDS EAST, 130.85 FEET; THENCE SOUTH 89 DEGREES 40 MINUTES 08 SECONDS EAST, 157.00 FEET; THENCE SOUTH 00 DEGREES 10 MINUTES 42 SECONDS WEST, 130.85 PEET TO THE POINT OF BEGINNING, ALL IN MCHENRY COUNTY, ILLINOIS.

PARCEL NINE:

THE EAST 39.00 FEET (AS MEASURED AT RIGHT ANGLES) OF THE FOLLOWING DESCRIBED PROPERTY HEREINAFTER BEING REFERRED TO AS THE "UNDERLYING PROPERTY"): EAST 314.02 FEET (AS MEASURED AT RIGHT ANGLES) OF THE WEST 708.47 FEET (AS MEASURED AT RIGHT ANGLES) OF THE NORTH 300.00 FEET (AS MEASURED AT RIGHT ANGLES) OF NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 44 NORTH, RANGE 7, EAST OF THE THIRD PRINCIPAL MERIDIAN; TOGETHER WITH TEE EAST 314.02 FEET (AS MEASURED AT RIGHT ANGLES) OF THAT PART OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER LYING SOUTH OF THE CENTER LINE OF U.S. ROUTE 14 IN SECTION 22, TOWNSHIP 44 NORTH, RANGE 7, EAST OF THE THIRD PRINCIPAL MERIDIAN, MCHENRY COUNTY, ILLINOIS.

PARCEL TEN:

THAT PART OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 7,
TOWNSHIP 44 NORTH. RANGE 7 EAST OF THE THIRD PRINCIPAL MERIDIAN - DESCRIBED AS
FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF THE SAID NORTHEAST QUARTER; THENCE
NORTH 89 DEGREES 17 MINUTES 45 SECONDS WEST ALONG THE NORTH LINE OF SAID
NORTHEAST QUARTER. 895.40 FEET; THENCE SOUTH 0 DEGREES 38 MINUTES 48 SECONDS
EAST, 33.93 FEET TO THE ELACE OF BEGINNING, BEING ALSO THE NORTHEAST CORNER OF
LANDS DESCRIBED IN BOOK 150 OF DEEDS, PAGE 409; THENCE NORTH 89 DEGREES 12
MINUTES 26 SECONDS EAST, 100.00 FEET; THENCE NORTH 0 DEGREES 38 MINUTES 47
SECONDS WEST, 33.78 FEET TO THE NORTH LINE OF SAID NORTHEAST QUARTER; THENCE
SOUTH 89 DEGREES 17 MINUTES 45 SECONDS EAST ALONG THE NORTH LINE OF SAID
NORTHEAST QUARTER, 137.76 FEET; THENCE SOUTH 0 DEGREES 45 MINUTES 05 SECONDS EAST
ALONG A LINE PARALLEL WITH THE EAST LINE OF SAID NORTHEAST QUARTER OF THE
NORTHEAST QUARTER OF SECTION 7, 33.56 FEET; THENCE CONTINUING SOUTH 0 DEGREES 45

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5. THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED AS FOLLOWS (CONTINUED):

MINUTES 05 SECONDS EAST, 339.89 FEET; THENCE SOUTH 89 DEGREES 42 MINUTES 20 SECONDS WEST, 238.44 FEET ALONG THE NORTH LINE OF LANDS DESCRIBED IN BDOK 155 OF DEEDS, PAGE 582, TO THE EAST LINE OF LOT 9 IN WESTMAN'S ADDITION TO THE CITY OF WOODSTOCK BEING A SUBDIVISION OF PART OF THE NORTHEAST QUARTER OF SECTION 7, TOWNSHIP 44 NORTH, RANGE 7 EAST OF THE THIRD PRINCIPAL MERIDIAN ACCORDING TO THE PLAT THEREOF, RECORDED DECEMBER 14, 1949 AS DOCUMENT NO. 226517 IN BOOK 10 OF PLATS, PAGE 122, IN MCHENRY COUNTY, ILLINOIS; THENCE SOUTH 0 DEGREES 38 MINUTES 48 SECONDS EAST ALONG THE EAST LINE OF SAID WESTMAN'S ADDITION BEING ALSO THE WESTERLY LINE OF LANDS DESCRIBED IN BOOK 155 OF DEEDS, PAGE 582, 68.95 FEET TO THE SOUTHEAST CORNER OF LOT 20 OF SAID WESTMAN'S ADDITION; THENCE SOUTH 89 DEGREES 42 MINUTES 11 SECONDS WEST ALONG THE SOUTH LINE OF SAID .LOT 10, 120.14 FEET TO THE SOUTHWEST CORNER OF SAID LOT 10, SAID POINT BEING ALSO ON THE-EAST RIGHT-OF-WAY LINE OF BLAKELY AVENUE; THEN582, 68.95 FEET TO THE SOUTHEAST CORNER OF LUT 20 OF SAID WESTMAN'S ADDITION; THENCE SOUTH 89 DEGREES 42 MINUTES 11 SECONDS WEST ALONG THE SOUTH LINE OF SAID .LOT 10, 120.14 FEET TO THE SOUTHWEST CORNER OF SAID LOT 10, SAID POINT BEING ALSO ON THE-EAST RIGHT-OF-WAY LINE OF BLAKELY AVENUE; THENCE NORTH 0 DEGREES 39 MINUTES 46 SECONDS WEST ALONG SAID EAST RIGHT-OF-WAY LINE, 405.47 FEET; THENCE NORTH 89 DEGREES 12 MINUTES 26 SECONDS EAST, FOR A DISTANCE OF 120.25 FEET ALONG THE NORTH LINE OF LANDS DESCRIBED IN BOOK 150 OF DEEDS, PAGE 409, TO THE PLACE OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS.

PARCEL ELEVEN:

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PART OF LOT 125 OF THE ASSESSOR'S PLAT OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 44 NORTH, RANGE 7 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS: EEGINNING AT A POINT ON THE SOUTH LINE OF SAID LOT, 2 RODS WEST FROM THE SOUTHEAST CORNER THEREOF (SAID POINT BEING 34 RODS WEST OF THE EAST LINE OF SAID SECTION); AND RUNNING THENCE WEST ALONG SAID SOUTH LINE, 7 RODS; THENCE NORTH PARALLEL WITH THE EAST LINE OF SAID LOT, 18 RODS TO THE NORTH LINE OF SAID LOT; THENCE EAST ALONG SAID NORTH LINE, 7 RODS; THENCE SOUTH 18 RODS TO THE PLACE OF BEGINNING, AND THE WEST 7 RODS IN WIDTH OF LOT 125 OF THE ASSESSOR'S PLAT OF SECTION 6 (AND OTHER SECTIONS) IN TOWNSHIP 44 NORTH, RANGE 7, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 13, 1862 IN BOOK 1 OF PLATS, PAGE 1, AND RE-RECORDED IN BOOK 3 OF PLATS, PAGE 17, DESCRIBEU AS FOLLOWS: BEGINNING AT A POST ON THE SECTION LINE, 41 RODS WEST OF THE SOUTHEAST CORNER OF SAID SECTION 6 AND RUNNING THENCE NORTH ON A LINE PARAILEL WITH THE WEST LINE OF SAID LOT 125, 330 FEET TO THE NORTH LINE OF SAID LOT; THENCE WEST ON THE NORTH LINE OF SAID LOT, 7 RODS TO THE NORTHWEST CORNER OF SAIU LOT; THENCE SOUTH ON WEST LINE OF SAID LOT, 330 FEET TO THE SOUTH LINE OF SAID LOT: THENCE EAST ON THE SOUTH LINE OF SAID LOT AND ON THE SECTION LINE, 7 RODS TO THE PLACE OF BEGINNING; SAID LOT BEING A PART OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 6; AND ALSO PART OF THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 44 NORTH, RANGE 7 EAST OF THE THIRD PRINCIPAL. MERIDIAN DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTH LINE OF SAID SECTION, 32 RODS EAST OF THE SOUTHWEST CORNER OF SAID SOUTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER AND IN THE CENTER OF THE HIGHWAY, AND RUNNING THENCE WEST ALONG THE SECTION LINE, 60 FEET; THENCE NORTH PARALLEL WITH THE 40 LINE, 20 1/2 RODS; THENCE EAST PARALLEL WITH SAID SECTION LINE, 60 FEET; THENCE SOUTH 20 1/2 RODS TO THE POINT OF BEGINNING,

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5. THE LAND REFERRED TO INTHIS COMMITMENT IS DESCRIBED AS FOLLOWS (CONTINUED):

(EXCEPTING THEREFROM THAT PART DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTH LINE OF SAID SECTION, 32 RODS (524.64 FEET AS MEASURED) EAST OF THE SOUTHWEST CORNER OF SAID SOUTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER AND IN THE CENTER CT THE HIGHWAY, AND RUNNING THENCE WEST ALONG THE SECTION LINE, 60 FEET; THENCE NORTH PARALLEL WITH THE 40 LINE, 192.44 FEET; THENCE EAST PARALLEL WITH SAID SECTION LINE, 60 FEET; THENCE SOUTH 192.44 FEET TO THE PLACE OF BEGINNING), IN THE CITY OF WOODSTOCK, IN MCHENRY COUNTY, ILLINOIS.

PARCEL TWELVE:

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

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TICOR TITLE INSURANCE COMPANY

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B

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SCHEDULE B OF THE POLICY OR POLICIES TO BE ISSUED WILL CONTAIN EXCEPTIONS TO THE FOLLOWING MATTERS UNLESS THE SAME ARE DISPOSED OF TO THE SATISFACTION OF THE COMPANY.

GENERAL EXCEPTIONS

- 1. RIGHTS OR CLAIMS OF PARTIES IN POSSESSION NOT SHOWN BY PUBLIC RECORDS.
- 2. ANY ENCROACHMENT, ENCUMBRANCE, VIOLATION, VARIATION, OR ADVERSE CIRCUMSTANCE AFFECTING THE TITLE THAT WOULD BE DISCLOSED BY AN ACCURATE AND COMPLETE LAND SURVEY OF THE LAND.
- 3. EASEMENTS, OR CLAIMS OF EASEMENTS, NOT SHOWN BY PUBLIC RECORDS.
- 4. ANY LIEN, OR RIGHT TO A LIEN, FOR SERVICES, LABOR OR MATERIAL HERETOFORE OR HEREAFTER FURNISHED, IMPOSED BY LAW AND NOT SHOWN BY THE PUBLIC RECORDS.
- 5. TAXES OR SPECIAL ASSESSMENTS WHICH ARE NOT SHOWN AS EXISTING LIENS BY THE PUBLIC RECORDS.
- 6. WE SHOULD BE FURNISHED A PROPERLY EXECUTED ALTA STATEMENT.
- 7. NOTE FOR INFORMATION: THE COVERAGE AFFORDED BY THIS COMMITMENT AND ANY POLICY ISSUED PURSUANT HERETO SHALL NOT COMMENCE PRIOR TO THE DATE ON WHICH ALL CHARGES PROPERLY BILLED BY THE COMPANY HAVE BEEN FULLY PAID.

7. TAXES FOR THE YEAR(S) 2007 AND 2008

NOTE: 2008 TAXES NOT YET DUE AND PAYABLE.

PERMANENT INDEX NUMBER(S): 14-03-400-035 (AFFECTS PARCELS THREE AND FOUR)

NOTE: 2007 FIRST INSTALLMENT OF \$0.00 HAS BEEN PAID.

NOTE: 2007 FINAL INSTALLMENT OF \$0.00 NOT DELINQUENT BEFORE SEPTEMBER 3, 2008.

NOTE: ASSESSED VALUE OF \$0.00; MARKED AS EXEMPT LAND.

NOTE FOR INFORMATION ONLY: ACCORDING TO NOTES ON THE MCHENRY COUNTY TREASURER'S RECORDS, THIS PARCEL HAS BEEN RETIRED TO CREATE 14-03-400-038 AND ROAD PARCEL PER DOCUMENTS 2007R033599 AND 2007R033306.

B 8. TAXES FOR THE YEAR(S) 2007 AND 2008

NOTE: 2008 TAXES NOT YET DUE AND PAYABLE.

PERMANENT INDEX NUMBER(S): 14-03-400-036 (AFFECTS PART OF PARCEL ONE)

NOTE: 2007 FIRST INSTALLMENT OF \$0.00 HAS BEEN PAID.

NOTE: 2007 FINAL INSTALLMENT OF \$0.00 NOT DELINQUENT BEFORE SEPTEMBER 3, 2008.

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NOTE FOR INFORMATION: ASSESSED VALUE OF \$0.00; MARKED EXEMPT.

9. TAXES FOR THE YEAR(S) 2007 AND 2008

NOTE: 2008 TAXES NOT YET DUE AND PAYABLE.

PERMANENT INDEX NUMBER(S): 14-03-400-038 (AFFECTS PARCELS TWO AND FIVE)

NOTE: 2007 FIRST INSTALLMENT OF \$17,832.84 HAS BEEN PAID.
NOTE: 2007 FINAL INSTALLMENT OF \$17,832.84 NOT DELINQUENT BEFORE SEPTEMBER 3,

D 10. TAXES FOR THE YEAR(S) 2007 AND 2008

NOTE: 2008 TAXES NOT YET DUE AND FAYABLE.

PERMANENT INDEX NUMBER(S): 14-03-400-039 (AFFECTS PART OF PARCEL ONE)

NOTE: 2007 FIRST INSTALLMENT OF \$2,078.11 HAS BEEN PAID.
NOTE: 2007 FINAL INSTALLMENT OF \$2,078.11 NOT DELINQUENT BEFORE SEPTEMBER 3,
2008.

Q 11. EASEMENT IN FAVOR OF NIMED CORP FOR PURPOSE OF INGRESS AND EGRESS RECORDED OCTOBER 7, 1982 AS DOCUMENT 842653 AFFECTING THEREIN DESCRIBED LAND, AND THE TERMS AND PROVISIONS AS CONTAINED THEREIN.

AMENDMENT TO EASEMENT AGREEMENT FOR INGRESS AND EGRESS RECORDED DECEMBER 20, 1984 AS DOCUMENT 897621.

- R 12. TERMS AND PROVISIONS AS CONTAINED IN AGREEMENT RECORDED SEPTEMBER 7, 1984 AS DOCUMENT 889914 BY AND AMONG NORTHERN ILLINOIS MEDICAL CENTER, NIMED CORP, AND THE CITY OF MCHENRY.
- 13. TERMS, PROVISIONS AND CONDITIONS AS CONTAINED IN THE WATER LINE RECAPTURE
 AGRESMENT RECORDED SEPTEMBER 7, 1984 AS DOCUMENT 889915 BY AND BETWEEN THE
 CITY OF MCHENRY AND NIMED CORP REGARDING EXTENSION OF CITY WATER LINES AND
 PROVIDING FOR COLLECTION OF PROPORTIONATE SHARE OF COSTS OF EXTENSION OF SAID
 WATER LINES TO THE LAND FROM THE OWNERS OF THE LAND BENEFITTED BY SAID WATER
 LINE SYSTEM.

NOTE: THE LAND DESCRIBED IN SCHBDULB A HEREOF SHALL BE EXEMPT FROM PAYMENT OF ANY RECAPTURE FEES.

1 14. TERMS, PROVISIONS AND CONDITIONS CONTAINED IN THE SEWER LINE RECAPTURE

AGREEMENT RECORDED SEPTEMBER 7, 1984 AS DOCUMENT 889916 BETWEEN THE CITY OF

MCHENRY AND NIMED CORP REGARDING THE EXTENSION OF CITY SEWER LINES AND

PROVIDING FOR COLLECTION OF PROPORTIONATE SHARE OF COSTS OF EXTENSION OF SAID

SEWER LINE TO THE LAND FROM THE OWNER OF THE LAND BENEFITTED BY SAID SEWER

LINE SYSTEM.

NOTE: THE LAND DESCRIBED IN SCHEDULE A HEREOF SHALL BE EXEMPT FROM PAYMENT OF

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ANY RECAPTURE FEE.

- 15. SANITARY LINE AND WATERMAIN EASEMENT IN FAVOR OF THE CITY OF MCHENRY, SUCCESSORS AND ASSIGNS, TO INSTALL, OPERATE AND MAINTAIN ALL EQUIPMENT NECESSARY FOR PURPOSE OF SERVING THE LAND AND OTHER LAND, AND INCLUDING ACCESS THERETO, AND THE TERMS AND PROVISIONS CONTAINED IN SAID EASEMENT AND PLAT OF EASEMENT RECORDED AS DOCUMENT 93R019961.
- V 16. TERMS AND PROVISIONS OF A PUBLIC UTILITY EASEMENT IN FAVOR OF ILLINOIS BELL TELEPHONE CO, NORTHEREN ILLINOIS GAS CO, COMMONWEALTH EDISON CO, TCI, AND SUCCESSORS AND ASSIGNS, TO INSTALL, OPERATE, AND MAINTAIN ALL EQUIPMENT NECESSARY FOR PURPOSE OF SERVING THE LAND AND OTHER LAND, INCLUDING ACCESS THERETO, AS CONTAINED IN THE EASEMENT AND PLAT OF EASEMENT RECORDED AS DOCUMENT 93R019961.
- W 17. TERMS AND PROVISIONS OF CROSS EASEMENT AGREEMENT FOR INGRESS AND EGRESS IN FAVOR OF NORTHERN ILLINOIS MEDICAL CENTER AND NIMED CORP FOR PURPOSE OF CONSTRUCTING AN ENCLOSED, GROUND-LEVEL, ALL-WEATHER WALKWAY RECORDED DECEMBER 20, 1984 AS DOCUMENT 897622 AFFECTING THE LAND AND OTHER LAND.
- X 18. TERMS AND PROVISIONS OF CITY OF MCHENRY ORDINANCE # O-01-1003 GRANTING A CONDITIONAL USE PERMIT FOR A HELIPORT ON THE NIMC CAMPUS DATED JANUARY 16, 2001 AND RECORDED JANUARY 24, 2001 AS DOCUMENT 01004961.
- Y 19. TERMS AND PROVISIONS OF CITY OF MCHENRY ORDINANCE # 0-01-1004 AMENDING THE CIRCULATION AND LAND USE PLAN FOR THE NIMC CAMPUS (PRIOR ORDINANCE # 0-97-818) DATED JANUARY 16, 2001 AND RECORDED JANUARY 24, 2001 AS DOCUMENT 01004962.
- AN 20. ***ADDED PARCELS SIX, SEVEN, EIGHT, AND NINE***

TAXES FOR THE YEAR(S) 2007 AND 2008

NOTE: 2008 TAXES NOT YET DUE AND PAYABLE.

PERMANENT INDEX NUMBER(S): 13-22-401-004

NOTE: 2007 FIRST INSTALLMENT OF \$0.00 HAS BEEN PAID.

NOTE: 2007 FINAL INSTALLMENT OF \$0.00 NOT DELINQUENT BEFORE SEPTEMBER 3, 2008.

NOTE FOR INFORMATION: LAND IS ASSESSED AS EXEMPT; \$0.00 ASSESSED VALUE.

AO 21. TAXES FOR THE YEAR(S) 2007 AND 2008

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NOTE: 2008 TAXES NOT YET DUE AND PAYABLE.

PERMANENT INDEX NUMBER(S): 13-22-401-010

NOTE: 2007 FIRST INSTALLMENT OF \$0.00 HAS BEEN PAID.

NOTE: 2007 FINAL INSTALLMENT OF \$0.00 NOT DELINQUENT BEFORE SEPTEMBER 3, 2008.

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COMMITMENT FOR TITLE INSURANCE SCHEDULE B (CONTINUED)

ORDER NO.: 2000 000690924 SM

NOTE: MARKED EXEMPT; ASSESSED VALUE OF \$0.00.

AP 22. TAXES FOR THE YEAR(S) 2007 AND 2008

NOTE: 2008 TAXES NOT YET DUE AND PAYABLE.

PERMANENT INDEX NUMBER(S): 13-22-401-011

NOTE: 2007 FIRST INSTALLMENT OF \$0.00 HAS BEEN PAID.

NOTE: 2007 FINAL INSTALLMENT OF \$0.00 NOT DELINQUENT BEFORE SEPTEMBER 3, 2008.

NOTE: MARKED EXEMPT; ASSESSED VALUE OF \$0.00.

- AQ 23. TERMS AND PROVISIONS OF GAS LINE EASEMENT GRNTED TO NORTHERN ILL GAS CO BY INSTRUMENT AUGUST 28, 1961 AS DOCUMENT 390632 OVER NORTHWEST QUARTER OF SOUTHEAST QUARTER SECTION 22.
- AR 24. RIGHTS OF THE PUBLIC, THE STATE OF ILLINOIS AND THE MUNICIPALITY IN AND TO THAT PART OF THE LAND TAKEN OR USED FOR ROAD PURPOSES BY INSTRUMENT RECORDED APRIL 18, 1924 IN BOOK 8 MISC RECORDS PAGE 103.
- AS 25. RIGHTS DF THE PUBLIC, THE STATE OF ILLINOIS AND THE MUNICIPALITY IN AND TO THAT PART OF THE LAND TAKEN OR USED FOR ROAD PURPOSES AFFECTING THAT PART OF THE LAND FALLING WITHIN U.S. ROUTE 14 AND DOTY ROAD.
- AI 26. COVENANTS AND RESTRICTIONS (BUT OMITTING ANY COVENANTS OR RESTRICTIONS, IF
 ANY, BASED UPON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, FAMILIAL
 STATUS, MARITAL STATUS, DISABILITY, HANDICAP, NATIONAL ORIGIN, ANCESTRY, OR
 SOURCE OF INCOME, AS SET FORTH IN APPLICABLE STATE OR FEDERAL LAWS, EXCEPT TO
 THE EXTENT THAT SAID COVENANT OR RESTRICTION IS PERMITTED BY APPLICABLE LAW),
 AS CONTAINED IN THE INSTRUMENT RECORDED SEPTEMBER 7, 1990 AS DOCUMENT NO.
 90R033347, WHICH DOES NOT CONTAIN A REVERSIONARY OR FORFEITURE CLAUSE.
- AU 27. EASEMENT IN FAVOR OF THE CITY OF WOODSTOCK FOR CONSTRUCTING, LAYING, AND MAINTAINING SANITARY SEWERAGE FACILITIES AND WATER MAINS, AND ITS/THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, TO INSTALL, OPERATE AND MAINTAIN ALL EQUIPMENT NECESSARY FOR THE PURPOSE OF SERVING THE LAND AND OTHER PROPERTY, TOGETHER WITH THE RIGHT OF ACCESS TO SAID EQUIPMENT, AND THE PROVISIONS RELATING THERETO CONTAINED IN THE GRANT RECORDED/FILED AS DOCUMENT NO. 94R024650 RECORDED APRIL 14, 1994, AFFECTING THE THEREIN DESCRIBED PARTS OF THE LAND.
- AV 28. RIGHTS OF THE PUBLIC, THE STATE OF ILLINOIS AND THE MUNICIPALITY IN AND TO THAT PART OF THE LAND TAKEN OR USED FOR ROAD PURPOSES BY INSTRUMENT RECORDED AUGUST 17, 1994 AS DOCUMENT 94R048603.
- 4W 29. TERMS AND PROVISIONS OF AN EASEMENT AGREEMENT BY AND EETWEEN MEMORIAL MEDICAL
 CENTER-WOODSTOCK NOT-FOR-PROF CORP, AND NIMED CORP AS CONTAINED IN INSTRUMENT
 RECORDED MARCH 6, 2002 AS DOCUMENT 2002R0021542 AND AS AMENDED AND RESTATED BY
 DOCUMENT DATED MARCH 15, 2002 AND RECORDED MARCH 19, 2082 AS DOCUMENT

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COMMITMENT FOR TITLE INSURANCE SCHEDULE B (CONTINUED)

ORDER NO.: 2000 000690924 SM

2002R0025730.

AX 30. ***ADDED PARCELS TEN, BLEVEN AND TWELVE***

TAXES FOR THE YEAR(S) 2007 AND 2008

NOTE: 2008 TAXES NOT YET DUE AND PAYABLE.

PERMANENT INDEX NUMBER(S): 13-07-227-001

NOTE: 2007 FIRST INSTALLMENT OF \$0.00 HAS BEEN PAID.

NOTE: 2007 FINAL INSTALLMENT OF \$0.00 NOT DELINQUENT BEFORE SEPTEMBER 3, 2008.

NOTE: MARKED AS EXEMPT; ASSESSED VALUE OF \$0.00.

AY 31. TAXES FOR THE YEAR(S) 2007 AND 2008

NOTE: 2008 TAXES NOT YET DUE AND PAYABLE.

PERMANENT INDEX NUMBER (S): 13-07-227-038

NOTE: 2007 FIRST INSTALLMENT OF \$0.00 HAS BEEN PAID.

NOTE: 2007 FINAL INSTALLMENT OF \$0.00 NOT DELINQUENT BEFORE SEPTEMBER 3, 2008.

NOTE: MARKED AS EXEMPT; ASSESSED VALUE OF \$0.00.

AZ 32. TAXES FOR THE YEAR(S) 2007 AND 2008

NOTE: 2008 TAXES NOT YET DUE AND PAYABLE.

PERMANENT INDEX NUMBER(S): 13-07-227-039

NOTE: 2007 FIRST INSTALLMENT OF \$0.00 HAS BEEN PAID.

NOTE: 2007 FINAL INSTALLMENT OF \$0.00 NOT DELINQUENT BEFORE SEPTEMBER 3, 2008.

NOTE: MARKED EXEMPT; ASSESSED VALUE OF \$0.00.

BA 33. TAXES FOR THE YEAR(S) 2007 AND 2008

NOTE: 2008 TAXES NOT YET DUE AND PAYABLE.

PERMANENT INDEX NUMBER(S): 13-06-480-047

NOTE: 2007 FIRST INSTALLMENT OF \$0.00 HAS BEEN PAID.

NOTE: 2007 FINAL INSTALLMENT OF \$0.00 NOT DELINQUENT BEFORE SEPTEMBER 3, 2008.

NOTE: MARKED AS EXEMPT; ASSESSED VALUE OF \$0.00.

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PAGE B

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07/17/08

COMMITMENT FOR TITLE INSURANCE SCHEDULE B (CONTINUED)

ORDER ND.: 2000 000690924 SM

- BB 34. PERMIT AND EASEMENT IN FAVOR OF CHICAGO TELEPHONE CO, AND ITS/THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, TO INSTALL, OPERATE AND MAINTAIN ALL EQUIPMENT NECESSARY FOR THE PURPOSE OF SERVING THE LAND AND OTHER PROPERTY, TOGETHER WITH THE RIGHT OF ACCESS TO SAID EQUIPMENT, AND THE PROVISIONS RELATING THERETO CONTAINED IN THE GRANT RECORDED/FILED AS DOCUMENT NO. BOOK 2 PAGE 454 RECORDED SEPTEMBER 23, 1914, AFFECTING THE THE LAND FOR PHONE AND TELEGRAPH, TRIM TREES AND OTHER MATTERS AS CONTAINED THEREIN AFFECTING PARCELS TEN AND TWELVE.
- 35. COVENANTS AND RESTRICTIONS (BUT OMITTING ANY COVENANTS OR RESTRICTIONS, IF
 ANY, BASED UPON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, FAMILIAL
 STATUS, MARITAL STATUS, DISABILITY, HANDICAP, NATIONAL ORIGIN, ANCESTRY, OR
 SOURCE OF INCOME, AS SET FORTH IN APPLICABLE STATE OR FEDERAL LAWS, EXCEPT TO
 THE EXTENT THAT SAID COVENANT OR RESTRICTION IS PERMITTED BY APPLICABLE LAW),
 RELATING TO CONNECTION TO SANITARY SEWER CONTAINED IN THE DEED RECORDED JULY
 13, 1940 AS DOCUMENT BOOK 239 PAGE 536 AND NOVEMBER 28, 1945 IN BOOK 279 PAGE
 255. WHICH DOES NOT CONTAIN A REVERSIONARY OR FORFEITURE CLAUSE.
- BD 36. UNRECORDED EASEMENT IN FAVOR OF ILLINOIS BELL TELEPHONE CO , AND ITS/THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, TO INSTALL, OPERATE AND MAINTAIN ALL EQUIPMENT NECESSARY FOR THE PURPOSE DF SERVING THE LAND AND OTHER PROPERTY, TOGETHER WITH THE RIGHT OF ACCESS TO SAID EQUIPMENT, AND THE PROVISIONS RELATING THERETO AS DISCLOSED BY SURVEY FOR UNDERGROUND CABLE ALONG THE SOUTHERLY LINE OF PARCEL ELEVEN.
- Z 37. WE SHOULD BE FURNISHED A CERTIFIED COPY OF THE DIRECTORS' RESDLUTIONS AUTHORIZING THE CONVEYANCE OR MORTGAGE TO BE INSURED. SAID RESOLUTIONS SHDULD EVIDENCE THE AUTHORITY OF THE PERSONS EXECUTING THE CONVEYANCE OR MORTGAGE. IF THEY DO NOT, A CERTIFIED COPY OF THE CORPORATE BY-LAWS ALSO SHOULD BE FURNISHED.

IF SAID CONVEYANCE OR MORTGAGE COMPRISES ALL OR SUBSTANTIALLY ALL THE CORPORATION'S ASSETS, WE ALSO SHOULD BE FURNISHED A CERTIFIED COPY OF THE SHAREHOLDER/MEMBER RESOLUTIONS WHICH AUTHORIZE SAID CONVEYANCE OR MORTGAGE. THIS COMMITMENT IS SUBJECT TO SUCH FURTHER EXCEPTIONS, IF ANY, AS MAY BE DEEMED NECESSARY AFTER OUR REVIEW OF THESE MATERIALS.

- AA 38. WE SHOULD BE FURNISHED A CURRENT CERTIFICATE OF GOOD STANDING FROM THE ILLINOIS SECRETARY OF STATE. IF SUCH A CERTIFICATE IS NOT FURNISHED, OUR POLICY WILL BE SUBJECT TO THE FOLLOWING EXCEPTION:
 - "CONSEQUENCES OF THE FAILURE OF THE PARTY IN TITLE TO THE ESTATE OR INTEREST IN THE LAND DESCRIBED IN SCHEDULE A TO COMPLY WITH THE APPLICABLE "DOING BUSINESS" LAWS OF THE STATE OF ILLINOIS."
- AB 39. EXISTING UNRECORDED LEASES AND ALL RIGHTS THEREUNDER OF THE LESSEES AND OF ANY PERSON OR PARTY CLAIMING BY, THROUGH OR UNDER THE LESSEES.
- AC 40 WE SHOULD BE FURNISHED A STÄTEMENT THAT THERE IS NO PROPERTY MANAGER EMPLOYED TO MANAGE THE LAND, OR, IN THE ALTERNATIVE, A FINAL LIEN WAIVER FROM ANY SUCH PROPERTY MANAGER.

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COMMITMENT FOR TITLE INSURANCE SCHEDULE B (CONTINUED)

ORDER NO.: 2000 000690924 SM

- 41. TO CONSIDER PROVIDING EXTENDED COVERAGE OVER GENERAL EXCEPTION 5 ("TAXES AND SPECIAL ASSESSMENTS NOT OF RECORD"), THE COMPANY SHOULD BE FURNISHED A STATEMENT FROM THE MUNICIPALITY IN WHICH THE LAND IS LOCATED WHICH INDICATES WHETHER THE LAND LIES WITHIN THE BOUNDARIES OF ANY PROPOSED OR EXISTING BUT UNRECORDED SPECIAL SERVICE AREA, PURSUANT TO 35 ILCS 200/27-5 ET SEQ. IF NO STATEMENT IS FURNISHED, THE POLICY WILL BE SUBJECT TO THE FOLLOWING EXCEPTION: LIENS ARISING BY REASON OF ANY UNRECORDED ORDINANCE WHICH ESTABLISHES A SPECIAL SERVICE AREA.
- AF 42. ANY LIEN, OR RIGHT TO A LIEN, FOR SERVICES, LABOR OR MATERIAL, HERETOFORE OR HEREAFTER FURNISHED, IMPOSED BY LAW AND NOT SHOWN BY THE PUBLIC RECORDS.
- AF 43. RIGHTS, IF ANY, OF PUBLIC AND QUASI-PUBLIC UTILITIES IN THE LAND.
- AG 44. RIGHTS OF THE PUBLIC, THE STATE OF ILLINOIS AND THE MUNICIPALITY IN AND TO THAT PART OF THE LAND, IF ANY, TAKEN OR USED FOR ROAD PURPOSES.
- AH 45. ENCROACHMENTS, GAPS, GORES, OVERLAPS, BOUNDARY LINE DISPUTES, SHORTAGES IN AREA, OR ANY OTHER MATTERS WHICH WOULD BE DISCLOSED BY AN ACCURATE SURVEY AND INSPECTION OF THE LAND.

IF IT IS DESIRED THAT THE GENERAL EXCEPTIONS BE DELETED FOR THE POLICY TO BE ISSUED, WE SHOULD BE FURNISHED IN ADDITION TO (1) ABOVE WITH A CURRENT SURVEY CERTIFIED TO TICOR TITLE INSURANCE COMPANY.

- AJ 46. RIGHTS OF WAY FOR DRAINAGE TILES, DITCHES, FEEDERS AND LATERALS, IF ANY.
- 47. RIGHTS OF THE UNITED STATES OF AMERICA TO RECOVER ANY PUBLIC FUNDS ADVANCED UNDER THE PROVISIONS OF ONE OR MORE OF THE VARIOUS FEDERAL STATUTES RELATING TO HEALTH CARE.

END

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TICOR TITLE INSURANCE COMPANY COMMITMENT FOR TITLE INSURANCE

ORDER NO.: 2000 000690924 SM

CONDITIONS

- 1. The term mortgage, when used herein, shall include deed of trust, trust deed, or other security instrument.
- 2. If the proposed Insured has or acquired actual knowledge of any defect, lien, encumbrance, adverse claim or other multer affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extect the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 or these Conditions.
- 3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss iocurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions and Conditions and the Exclusions from Coverage of the firm of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
- 4. This Commitment is a contract to issue one or more title insurance policies and is not an abstract of title or a report of the condition of title. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.
- 5. The policy to be issued contains an arbitration clause. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. You may review a copy of the arbitration rules at < http://www.alta.org/>.

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07/17/08

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Effective Date: May 1, 2008

Fidelity National Financial, Inc. **Privacy Statement**

Fidelity National Financial, Inc and its subsidiaries ("FNP") respect the privacy and security of your non-public personal information ("Personal Information") and protecting your Personal Information is one of our top priorities. This Privacy Statement explain FNF's privacy practices, including how we use the Personal Information we receive from you and from other specified sources, and to whom it may be disclosed. FNF follows the privacy practices described in the Privacy Statement and, depending on the husiness performed, FNF companies may share information as described

Personal Information Collected

We may collect Personal Information about you from the following sources:

Information we receive from you on applications or other forms, such as your name, address, social security number, tax identification number, asset information and lacome information;

asset mormation and factors information.
Information we receive from you through our Internet websites, such its your name, address, Internet Protocol address, the website lloks you used it get to our websites, and your activity while using or reviewing our websites.
Information about your transactions with its services performed by us, our infiliates, or others, such as information concerning your policy, premiums, payment history, information about your home or other real property, information from lenders and other third parties involved in such transactions, account balances, and credit card information; and

Information we receive from consumer or rither reporting agencies and publicly recorded

Disclosure of Personal Information

- We may provide your Personal Information (excluding information we receive from our consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your print nuthorization. Such laws do not allow consumers to restrict these disclosures may include, without limitation, the following:
- To insurance agents, brokers, representatives, support organizations, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connections with an insurance transactions.

 To third-party contractors or service providers for the purpose of determining your eligibility for an insurance benefit or payment and/or
- providing you with services you have requested

 To an insurance regulatory, or law enforcement or other governmental authority, in a civil action, in connection with a subpoena or a
- governmental investigation. To companies that perform marketing services on our hebalf or the other financial institutions with which we have had joint marketing agreements.
- To lenders, lien holders, judgement creditors, or other parties ctalming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing

We may also disclose your Personal Information to others when we believe, in good faith, that such disclosure is reasonably necessary to comply with the law or to protect the safety of rur customers, employees, or property and/or to comply with a judicial proceeding, court order or legal process

Disclosure to Affiliated Companies - We are permitted by law to share your name, address and facts about your transaction with other FNF companies, such as insurance companies, agents, and other real estate service providers to provide you with services you have requested, for marketing or product development research, or to market products or services to you. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affillates or others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law

Disclosure to Nunal litiated Third Parties - We do not disclose Personal Information about our customers or former custamers to nonaffiliated third parties, except as autlines herein or as otherwise permitted by law

Confidentiality and Security of Personal Information

We restrict access to Personal Information about you to those employees who need to know that information to provide products or services to you. We maintain physical electronic, and procedural safeguards that comply with federal regulation to guard Personal Information.

Access to Personal Information/

Requests for Correction, Amendment, or Deletion of Personal Information

As required by applicable law, we will afford you the right to access your Personal Information, under certain circumstances to find out to whom your Personal Information has been disclosed, and request correction or deletion of your Personal Information However, INF's current policy is to maintain customers' Personal Information for no less than your stute's renuired record retention requirements for the purpose of handling future coverage claims.

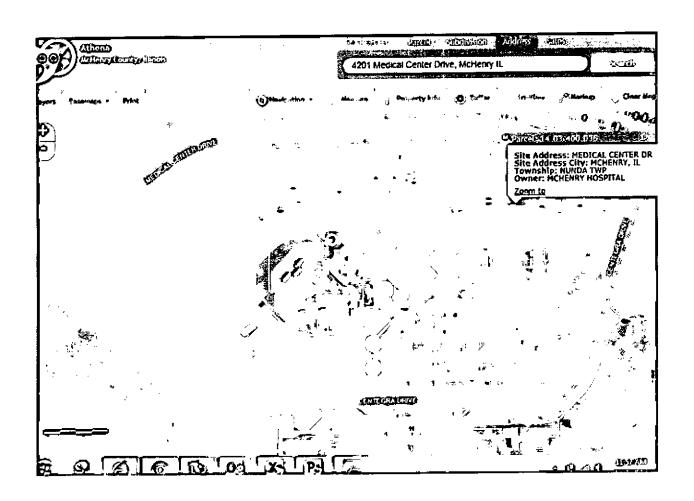
For your protection, all requests made under this section must be in writing and must include your notarized signature to establish your identity. Where permitted by law we may charge a reasonable fee to cover the costs incurred in responding to such requests. Please send requests to:

> Chief Privacy Officer Fidelity National Financial, Inc. 601 Riverside Avenue Jacksonville, Fl. 32204

Changes to this Privacy Stotement

This Privacy Statement may be amended from time to time consistent with applicable privacy laws. When we amend this Privacy Statement, we will post a notice of such changes on our website. The effective date of this Privacy Statement, as stated above, indicates the last time this Privacy Statement was revised or materially changed.

PRIVACY 5/08 Wo





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

NORTHERN ILLINOIS MEDICAL CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON MARCH 16, 1956, 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 $^\circ$ 13TH day of JULY A.D. 2017 .

Authentication #: 1719402484 verifiable until 07/13/2018
Authenticate at: http://www.cyberdriveillinois.com

Desse White

SECRETARY OF STATE

Organizational Relationships

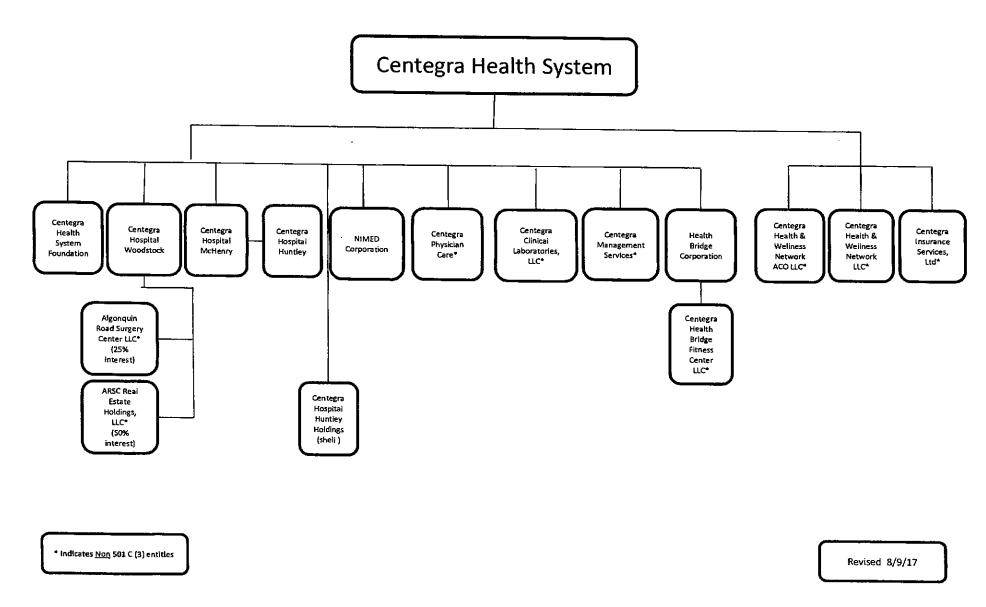
This project has 4 co-applicants: Centegra Hospital – McHenry, Centegra Health System, Centegra Hospital – Huntley and Centegra Hospital – Woodstock.

As will be seen on the Organizational Chart that appears on the following page, Centegra Health System is the sole corporate member of Centegra Hospital - McHenry.

Centegra Health System currently operates 3 hospitals: Centegra Hospital – Huntley, Centegra Hospital - McHenry and Centegra Hospital - Woodstock.

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

Centegra Health System and its Affiliates



Flood Plain Requirements

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

I. Historic Resources Preservation Act Requirements

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

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

DISCONTINUATION

GENERAL INFORMATION REQUIREMENTS

1. Identify the categories of service and the number of beds, if any, that are to be discontinued.

This project proposes to discontinue the Comprehensive Physical Rehabilitation Category of Service and its authorized bed capacity of 22 beds at Centegra Hospital - McHenry in order to relocate this category of service and its authorized bed capacity to Centegra Hospital – Woodstock.

This application for a Certificate of Exemption (COE) is being submitted simultaneously with a Certificate of Need (CON) application to establish the Comprehensive Physical Rehabilitation Category of Service with an authorized bed capacity of 22 beds at Centegra Hospital - Woodstock.

The Illinois Health Facilities Planning Act (ILCS 3960/5(c)) requires submission of a CON application to change the bed capacity of a hospital by relocating beds from one location to another, while a COE is required to discontinue a category of service within an existing healthcare facility. A CON application is required to establish a category of service (ILCS 3960/12(8)(b)).

Both Centegra Hospital – McHenry and Centegra Hospital – Woodstock, together with Centegra Hospital – Huntley, are owned and operated by Centegra Health System. The three hospitals are located in the same county (McHenry), the same planning area for acute care services (Planning Area A-10), and the same planning area for the Comprehensive Physical Rehabilitation Category of Service (Health Service Area 8).

These three hospitals have a unified medical staff, which permits members of their medical staffs to admit and treat patients at each of the three hospitals. The hospitals utilize a common medical record, which permits medical professionals to access and utilize patients' medical records at any of the hospitals.

Centegra Hospital – McHenry and Centegra Hospital – Woodstock are located 9.6 miles apart, and the travel time between them is approximately 16 minutes when adjusted for normal travel times in accordance with the CON Rules (77 III. Adm. Code 1100.510(d)(2)).

2. Identify all of the other clinical services that are to be discontinued.

No other clinical services will be discontinued as part of this project.

3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.

The Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital - McHenry will be discontinued when the Comprehensive Physical Rehabilitation Category of

Service becomes operational at Centegra Hospital - Woodstock, which is anticipated to occur by the end of calendar year 2018.

4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.

The reuse of the vacated space will be accomplished in a separate project that is not part of this COE.

The Comprehensive Physical Rehabilitation Nursing Unit will be modernized into a 23-bed Medical/Surgical (M/S) Unit, which will include the relocation of 14 existing M/S beds from another nursing unit in the hospital and the addition of 9 additional M/S beds. The 9 additional M/S beds will be added to the hospital using the '10%/20-bed Rule' in both the Illinois Health Facilities Planning Act and the Rules of the Illinois Health Facilities and Services Review Board, which state the conditions under which a CON permit is not required to increase a hospital's bed capacity (20 ILC 3960/5, 20 ILCS 3960/8(c), 77 III. Adm. Code 1130.240(f)(1), and 77 III. Adm. Code 1130.240(f)(3)).

On July 10, 2017, Centegra Hospital - McHenry informed the Illinois Department of Public Health and the Illinois Health Facilities and Services Review Board in writing of these proposed changes in the hospital's authorized bed capacity. This will be a separate project that will not require a CON permit because the modernization costs are under the CON threshold.

5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued, and the length of time the records will be maintained.

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

All medical records pertaining to the Comprehensive Physical Rehabilitation Category of Service are and will continue to be stored with the hospital's medical records for all Centegra Health System hospitals. Medical records from prior to April 2012 are housed offsite at a HIPAA-compliant storage company. Medical records created since April 2012 are maintained in an electronic format and the electronic health records are kept on secure HIPAA-compliant computer servers located off-site.

6. For applications involving the discontinuation of an entire facility, provide certification by an authorized representative that all questionnaires and data required by HFSRB of DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 90 days following the date of discontinuation.

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

7. Upon a finding that an application to close a health care facility is complete, the State Board shall publish a legal notice on 3 consecutive days in a newspaper of general circulation in the area or community to be affected and afford the public an opportunity to request a hearing. If the application is for a facility located in a Metropolitan Statistical Area, an additional legal notice shall be published in a newspaper of limited circulation, if one exists, in the area in which the facility is located. If the newspaper of limited circulation is published on a daily basis, the additional legal notice shall be published on 3 consecutive days. The legal notice shall also be posted on the Health Facilities and Services Review Board's web site and sent to the State Representative and State Senator of the district tin which the health care facility is located. In addition, the health care facility shall provide notice of closure to the local media that the health care facility would routinely notify about facility events.

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

8. Provide attestation that the facility provided the required notice of the facility or category of service closure to local media that the health care facility would routinely notify about facility events. The supporting documentation shall include a copy of the notice, the name of the local media outlet, the date the notice was given, and the result of the notice, e.g., number of times broadcasted, written, or published. Only notice that is given to a local television station, local radio station, or local newspaper will be accepted.

Centegra Health System provided public notice to the Northwest Herald on August 4, 2017. A copy of the notice and proof of delivery can be found on the following pages.



press release

385 Millennium Drive Crystal Lake, IL 60012 Centegra Hospital-Woodstock Centegra Hospital-McHenry Centegra Hospital-Huntley Centegra Health Bridge Fitness Centers Centegra Health System Foundation

FOR IMMEDIATE RELEASE

Aug. 4, 2017

CONTACT:

Michelle Green, Manager, Public Relations & Communications

815-788-5865 or cell 847-341-0274

Centegra to file applications with state board

CRYSTAL LAKE – In mid-August Centegra Health System will submit applications for approval from the Illinois Health Facilities and Services Review Board.

The first application will be to discontinue the 22-bed comprehensive physical rehabilitation category of service at Centegra Hospital-McHenry. At the same time, Centegra will file a certificate of need application to establish the same service at Centegra Hospital-Woodstock. The Woodstock unit will include 22 beds and offer patients private rooms.

The third application will be to discontinue the medical-surgical and intensive care categories of service at Centegra Hospital-Woodstock. The hospital has an authorized bed capacity of 60 beds in the medical-surgical category of service and 12 beds in the intensive care category of service.

Centegra Health System also will expand services at Centegra Hospital-Huntley and Centegra Hospital-McHenry to provide medical-surgical and intensive care inpatient services that are needed within the community. At Centegra Hospital-McHenry, beds will be added according to board rules and will not require state board approval. The health system will apply for a certificate of need to expand the intensive care service at Centegra Hospital-Huntley by four beds.

Centegra Hospital-Huntley is 7.7 miles from Centegra Hospital-Woodstock, an estimated 16 minutes by car. Centegra Hospital-McHenry is 9.6 miles from Centegra Hospital-Woodstock, an estimated 16 minutes by car.

Centegra Health System is committed to meeting the health care needs of the residents of greater McHenry, Kane and Lake counties and to making services available in multiple and convenient locations. These include hospitals in Huntley, McHenry and Woodstock; immediate and physician care centers; Centegra Sage Cancer Center; and Centegra Health Bridge Fitness Centers in Crystal Lake and Huntley.

As the region's leading health care provider, Centegra Health System continues to bring the latest treatments and technology, along with the skills of more than 4,000 associates, to meet the changing needs of the community. For more information visit centegra org, search Centegra Health System on Facebook and Twitter or call 877-CENTEGRA (877-236-8347).

###

Subject: Centegra to file applications with state board

Date: Thursday, August 3, 2017 at 4:57:38 PM Central Daylight Time

From: Green, Michelle

To: bkeeperman@shawmedia.com

Hi Brittany,

Per our conversations today, please see the attached press release regarding the applications Centegra will soon file with the Illinois Health Facilities and Services Review Board. Thanks in advance for confirming receipt of this email/the press release.

Please let me know if you have additional questions.

Thank you,
Michelle Green
Manager, PR and Communications
Centegra Health System
Office: 815.788.5865
Cell: 847.341.0274

Subject: Re: Centegra to file applications with state board

Date: Thursday, August 3, 2017 at 5:02:44 PM Central Daylight Time

From: Brittany Keeperman - Crystal Lake

To: Green, Michelle

Thanks!

Brittany Keeperman I Northwest Herald Reporter bkeeperman@shawmedia.com

Office: 815-526-4419 Cell: 847-770-7519 Twitter: @BKeeperman Snapchat: BrittanyK217

REASONS FOR DISCONTINUATION

This project proposes to discontinue the Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital – McHenry in order to relocate this category of service and its authorized bed capacity to Centegra Hospital - Woodstock. This application is being submitted simultaneously with a CON application to establish the Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital - Woodstock as a relocation of this category of service and its authorized bed capacity from Centegra Hospital - McHenry.

The proposed relocation of the Comprehensive Physical Rehabilitation Category of Service from Centegra Hospital – McHenry to Centegra Hospital - Woodstock is being proposed as part of the implementation of a comprehensive Facilities Plan for Centegra Health System.

Centegra Health System has continuously evaluated where and how it provides services to patients. The recent Facilities Plan reflects the impact of changing reimbursement rates, increasing bad debt at Centegra's facilities, and today's uncertain health care climate.

After careful consideration, Centegra Health System has made the decision to shift all acute inpatient care at Centegra Hospital – Woodstock to Centegra Hospital – McHenry and Centegra Hospital – Huntley. An application for a COE at Centegra Hospital – Woodstock that proposes to discontinue its M/S and Intensive Care Categories of Service is being submitted simultaneously with this application for a COE and the CON application to establish the Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital – Woodstock.

As a result of the discontinuation of Centegra Hospital – Woodstock's M/S and Intensive Care Categories of Service, Centegra Hospital – McHenry and Centegra Hospital – Huntley will need to accommodate additional M/S and ICU patients.

As stated above, Centegra Hospital – McHenry notified the Illinois Health Facilities and Services Review Board and Illinois Department of Public Health on July 10, 2017, that it will be increasing its authorized bed capacity by nine M/S beds and nine Intensive Care beds. The Comprehensive Physical Rehabilitation Nursing Unit will be modernized into a 23-bed Medical/Surgical Unit, which will include the relocation of 14 existing Medical/Surgical beds from another nursing unit in the hospital and the addition of 9 additional Medical/Surgical beds.

Centegra Hospital - McHenry and Centegra Hospital - Woodstock are located 9.6 miles apart, and the travel time between them is approximately 16 minutes when adjusted for normal travel times in accordance with the CON Rules (77 III. Adm. Code 510(d)(2)).

Both hospitals, as well as Centegra Hospital – Huntley, are owned and operated by Centegra Health System, and the three hospitals have a unified medical staff with physicians holding privileges at all hospitals. Physicians in all specialties who currently admit and treat patients at either Centegra Hospital – McHenry, Centegra Hospital – Woodstock, or Centegra Hospital – Huntley will continue to be able to admit and treat their patients at any of the other Centegra hospitals once these projects are approved and operational.

IMPACT ON ACCESS

1. Document that the discontinuation of each service or for the entire facility and whether or not it will have an adverse effect upon access to care for residents of the facility's market area.

The discontinuation of the Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital - McHenry will not have an adverse effect upon access to care for residents of HSA-8, including McHenry County, for the following reasons.

- a. This project is proposing to relocate Centegra Hospital McHenry's Comprehensive Physical Rehabilitation Category of Service, including its authorized bed capacity of 22 beds to Centegra Hospital Woodstock.
- b. At the same time as this COE is being submitted, Centegra Hospital Woodstock is submitting a CON application to establish the Comprehensive Physical Rehabilitation Category of Service with an authorized bed capacity of 22 beds, which will enable it to accommodate Centegra Hospital – McHenry's entire caseload for this category of service.
 - Centegra Hospital Woodstock has indicated that it is willing and able to assume the entire Comprehensive Physical Rehabilitation Service's caseload from Centegra Hospital McHenry. That letter is appended to this attachment on Page 10.
- c. The planning area for the Comprehensive Physical Rehabilitation Category of Service is HSA-8, which consists of McHenry, Lake and Kane Counties. Centegra Hospital - McHenry is currently the only provider of the Comprehensive Physical Rehabilitation Category of Service in McHenry County, and its geographic service area is McHenry County.
 - Centegra Hospital Woodstock proposes to meet Centegra Hospital McHenry's entire Comprehensive Physical Rehabilitation caseload for this geographic service area, as a result of which this project will have no effect upon residents' access to Comprehensive Physical Rehabilitation services.
- d. Centegra Hospital McHenry surveyed the only facility that currently provides the Comprehensive Physical Rehabilitation Category of Service that is located within 45 minutes travel time and did not receive a response to the request that it assess the impact of this discontinuation on its facility.
- 2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within 45 minutes travel time to of the applicant facility.

The following table shows all facilities within 45 minutes travel time of Centegra Hospital – McHenry:

Facility and Town Planning Area Adjusted Travel Time*

Presence Saint Joseph Hospital, Elgin

40 minutes

HSA-8

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

A copy of the written request for an impact statement that was sent to this facility is appended to this Attachment on Page 12, followed by documentation that the request was received at the facility. Documentation of travel times starts on Page 15.

+- **Centegra** Health System

Centegra Hospital - Woodstock 3701 Doty Road Woodstock, IL 60098 815-338-2500

August 10, 2017

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

Dear Ms. Avery:

Centegra Health System, Centegra Hospital - McHenry, Centegra Hospital - Huntley and Centegra Hospital - Woodstock have submitted an application for a Certificate of Exemption (COE) to discontinue the Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital - McHenry in order to relocate this Category of Service with its same authorized bed capacity of 22 beds to Centegra Hospital - Woodstock.

Centegra Hospital - Woodstock is simultaneously submitting a Certificate of Need (CON) application to establish a Comprehensive Physical Rehabilitation Category of Service with an authorized bed capacity of 22 beds.

Centegra Hospital - Woodstock and Centegra Hospital – McHenry are both located in the same planning area for the Comprehensive Physical Rehabilitation Category of Service, Health Service Area 8 (HSA-8), and the two hospitals are located 9.6 miles apart, with a travel time between them of approximately 16 minutes when adjusted for normal travel times in accordance with the CON Rules (77 III. Adm. Code 1100.510(d)(2)).

Both Centegra Hospital - McHenry and Centegra Hospital - Woodstock are owned and operated by Centegra Health System. The hospitals have a unified medical staff, which permits members of their medical staffs to admit and treat patients at both hospitals. These hospitals utilize a common medical record, which permits medical professionals to access and utilize patients' medical records at any of the hospitals.

The purpose of this letter is to certify that, once Centegra Hospital - Woodstock's Comprehensive Physical Rehabilitation Category of Service becomes operational, it will continue to provide care to the same patients as currently receive care in this category of service at Centegra Hospital - McHenry. The discontinuation of Centegra Hospital - McHenry's Comprehensive Physical Rehabilitation Category of Service and the establishment of this category of service at Centegra Hospital - Woodstock will constitute a relocation of Comprehensive Physical Rehabilitation Services and will not result in the discontinuation of this category of service to patients currently receiving this level of care in HSA-8.

This letter is being written to document and affirm the commitment of Centegra Health System and Centegra Hospital - Woodstock that, in accordance with 77 III. Adm. Code 1110.130(c), once the Comprehensive Physical Rehabilitation Category of Service becomes operational at Centegra Hospital - Woodstock, we will willingly continue to provide service to all of our patients, thereby assuming Centegra Hospital - McHenry's workload for this category of service without conditions, limitations, or discrimination. The proposed relocation of Centegra Hospital - McHenry's Comprehensive Physical Rehabilitation Category of Service will not limit the ability of

low income persons, racial and ethnic minorities, women, handicapped persons, the elderly, and other underserved groups to obtain needed health care.

Centegra Hospital - Woodstock attests to our ability and willingness to continue to accommodate Centegra Hospital - McHenry's Comprehensive Physical Rehabilitation patient caseload in our Comprehensive Physical Rehabilitation Unit.

The relocation of Centegra Hospital - McHenry's Comprehensive Physical Rehabilitation Category of Service to Centegra Hospital-Woodstock will not have an adverse effect on the healthcare delivery system because it will not cause residents of HSA-8, the health service area for the Comprehensive Physical Rehabilitation Category of Service in which both of these hospitals are located, or residents of McHenry County, the geographic service area for these hospitals, unnecessary hardship by the limitation of access to needed services or create a demand for services that cannot be met at Centegra Hospital - Woodstock. All of Centegra Hospital - McHenry's Comprehensive Physical Rehabilitation patients will be able to continue to receive care at Centegra Hospital - Woodstock.

Sincerely

Matt Carlen

Senior Vice President, Ambulatory Services & Centegra Hospital - Woodstock

CentegraHealthSystem

Centegra Corporate Office 385 Millennium Drive Crystal Lake, IL 60012 815-788-5800

July 27, 2017

Michael L. Brown Regional President and CEO Presence Saint Joseph Hospital 77 North Airlite Street Elgin, IL 60123

Dear Mr. Brown:

This letter is to notify you that Centegra Health System will be seeking approval to relocate its Comprehensive Physical Rehabilitation Category of Service and its 22-bed authorized bed capacity from Centegra Hospital - McHenry, located at 4201 W. Medical Center Drive in McHenry, to Centegra Hospital - Woodstock, located at 3701 Doty Road in Woodstock.

For this purpose, we will be submitting an exemption application to the Illinois Health Facilities and Services Review Board ("Review Board") to discontinue the 22-bed Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital - McHenry and a CON application to establish a 22-bed Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital - Woodstock.

Both hospitals are located in the same planning area for the Comprehensive Physical Rehabilitation Category of Service, Health Service Area 8, and the two hospitals are located 9.6 miles apart, with a travel time between them of approximately 16 minutes when adjusted for normal travel times in accordance with the CON Rules (77 Ill. Adm. Code 1100.510(d)(2)). Both hospitals are owned and operated by Centegra Health System.

The Comprehensive Physical Rehabilitation Service at Centegra Hospital - McHenry will be discontinued when the Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital - Woodstock becomes operational.

Inpatient utilization of the Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital - McHenry for the past 2 complete years is shown below.

507	(01)	1 10 4
507	6,716	18.4
479	6,556	17.9

^{*}CY2016 was a leap year

The discontinuation of the existing Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital - McHenry will not cause residents of the planning area unnecessary hardship by limiting access to needed services because all residents of the planning area, as well as residents of nearby planning areas served by Centegra Hospital - McHenry, will be able to receive care at our proposed relocated Comprehensive Physical Rehabilitation Unit at Centegra

Hospital - Woodstock. In addition, all patients currently receiving inpatient rehabilitation care in the Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital - McHenry will continue to receive care in the Comprehensive Physical Rehabilitation Unit that we are proposing to establish at Centegra Hospital - Woodstock.

This proposed relocation of the Comprehensive Physical Rehabilitation Category of Service, which will be accomplished by applying for a Certificate of Exemption to discontinue this category of service at Centegra Hospital – McHenry and a Certificate of Need permit to establish this category of service at Centegra Hospital - Woodstock will not limit the ability of low-income persons, racial and ethnic minorities, women, handicapped persons, the elderly, and other underserved groups to obtain needed health care services.

The discontinuation of the Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital – McHenry will not have any impact on your hospital's caseload because the caseload will be accommodated at the newly established Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital - Woodstock.

We are sending this notice to you because the Review Board's rules require that we do so, and I invite your written response to me as to whether your facility has capacity available to absorb a portion or all of Centegra Hospital – McHenry's Comprehensive Physical Rehabilitation workload and whether you would be willing to accommodate any patient who wishes to use your hospital rather than Centegra Hospital – Woodstock for this service without conditions, limitations, or discrimination.

Please note that the Review Board's rules provide that the failure to respond to this request for an impact statement within 15 days following your receipt of this letter constitutes a non-rebuttable assumption that the discontinuation will not have an adverse impact upon your facility.

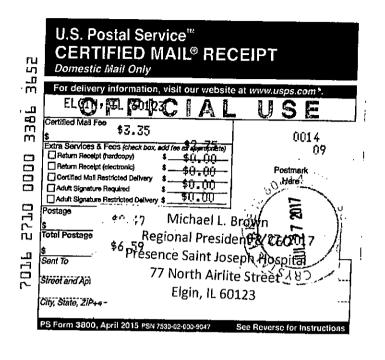
If you have any questions relating to this project, please do not hesitate to contact me.

Sincerely

Michael S. Eesley

Chief Executive Officer

Centegra Health System



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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature X
1. Article Addressed to: Michael L. Brown Regional President & CEO Presence Saint Joseph Hospital 77 North Airlite Street	D. Is delivery address different from Item 1? ☐ Yes If YES, enter delivery address below: ☐ No
Elgin, IL 60123	
9590 9402 2999 7124 6B67 04 2. Article Number (Transfer from service label)	3. Service Type □ Priority Mail Express® □ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail Restricted Delivery □ Certified Mail Restricted Delivery □ Collect on Delivery □ Collect on Delivery Restricted Delivery □ Collect on Delivery Restricted Delivery □ Signature Confirmation™ □ Signature Confirmation □ Signature Confirmation
339F 3F25, 0000 339F 3F25,	☐ Insured Mail ☐ Insured Mail Restricted Delivery ☐ Insured Mail Restricted Delivery ☐ (over \$500)
PS Form 3811, July 2015 PSN 7530-02-000-9053	Domestic Return Receipt

YOUR TRIP TO:

Presence Saint Joseph Hospitai

Presence Saint Joseph Hospital

35 MIN | 22.5 MI 🛱 x1.15 = 40 minutes

Est. fuel cost: \$1.49

Trip time based on traffic conditions as of 9:13 PM on July 24, 2017. Current Traffic: Moderate

1. Start out going east on W Medical Center Dr toward Centegra Dr. Then 0.20 miles	0.20 total miles
2. Turn right onto S State Route 31/IL-31. Continue to follow IL-31. Then 11.48 miles	11.68 total miles
3. Turn right onto Edgewood Dr. Edgewood Dr is just past Filip St. If you reach Beach Dr you've gone a little too far.	
Then 0.98 miles	12.66 total miles
4. Turn left onto Hanson Rd. Hanson Rd is 0.1 miles past Kingston Ln. If you reach Interloch Ct you've gone about 0.1 miles too far.	
Then 0.24 miles	12.90 total miles
5. Take the 1st right onto E County Line Rd. If you are on Spring Hill Dr and reach Gaslight Dr you've gone a little too far.	
Then 1.00 miles	13.91 total miles
6. Turn left onto S Randall Rd. S Randall Rd is just past Commerce Dr. If you are on N County Line Rd and reach Millbrook Dr you've gone about 0.3 mlles too far.	
Then 7.37 miles	21.28 total miles
7. Turn left onto Highland Ave/County Hwy-47. Highland Ave is 0.3 miles past Brinckman Way. If you are on Randall Rd and reach Almora Ter you've gone about 0.2 miles too far.	
Then 0.76 miles	22.04 total miles



8. Turn right onto N Airlite St.

N Airlite St is 0.1 miles past Sienna Dr.

If you are on County Hwy-47 and reach Presidential Ln you've gone about 0.1 miles too rar.

Then 0.44 miles 22.48 total miles

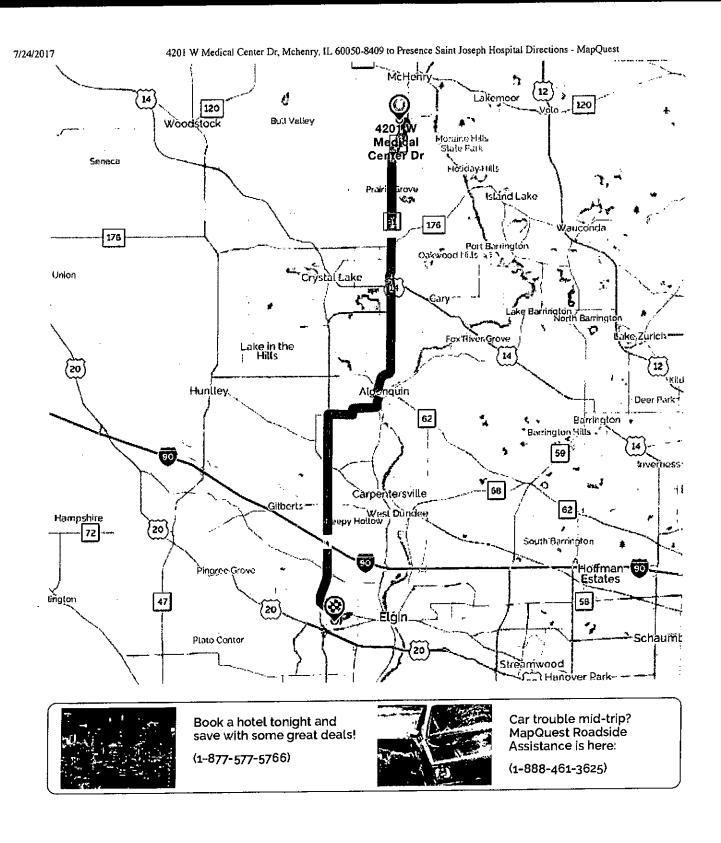


9. Presence Saint Joseph Hospital, 77 N Airlite St, Elgin, IL, 77 N AIRLITE ST is on the left.

Your destination is just past Lin Lor Ln.

If you reach Provena Dr you've gone a little too far.

Use of directions and maps is subject to our Terms of Use. We don't guarantee accuracy, route conditions or usability. You assume all risk of use.



IX. Safety Net Impact Statement

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.

This project to discontinue the 22-bed Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital-McHenry will have no negative impact on essential safety net services in the community or in the planning area because Centegra is contemporaneously seeking to establish a 22-bed Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital-Woodstock, which is in the same planning area. The projects will improve safety net services in the area by providing a more modern and efficient Comprehensive Physical Rehabilitation service to the community.

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

Both Centegra Hospital - McHenry and Centegra Hospital - Woodstock are owned and operated by Centegra Health System and are located in the same planning area for the Comprehensive Physical Rehabilitation Category of Service (Health Service Area 8), the same geographic service area for this category of service, and the same planning area for acute care services (Planning Area A-10).

The hospitals are located 9.6 miles apart, and the travel time between them is approximately 16 minutes when adjusted for normal travel times in accordance with the CON Rules (77 III. Adm. Code 1100.510(d)(2)).

These hospitals, as well as Centegra Hospital – Huntley, are owned and operated by Centegra Health System. These three hospitals have a unified medical staff, which permits members of their medical staffs to admit and treat patients at each of the three hospitals. The hospitals utilize a common medical record, which permits medical professionals to access and utilize patients' medical records at any of the hospitals.

After the Comprehensive Rehabilitation Category of Service is relocated to Centegra Hospital – Woodstock, it will serve the same patient population and continue to provide the same Health Safety Net Services within Health Service Area (HSA-8) as those currently provided by Centegra Hospital - McHenry for this category of service.

The CON application to establish a Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital – Woodstock includes patient origin for CY16, which indicates that 97.5% of the current Comprehensive Physical Rehabilitation patients at Centegra Hospital - McHenry resided in ZIP codes that are located entirely or in part within HSA-8 and that 86.4% of these Comprehensive Physical Rehabilitation patients resided in ZIP codes that are located either entirely or in part within McHenry County.

There are residents of HSA-8 who are low-income and otherwise vulnerable, as documented by their residing in Medically Underserved Areas and/or Populations and by Centegra Hospital - McHenry's payor mix. The payor mix for Comprehensive Physical Rehabilitation patients is anticipated to remain the same when this category of service is relocated to Centegra Hospital-Woodstock.

Patient origin for Centegra Hospital-McHenry's Comprehensive Physical Rehabilitation Category of Service, which is expected to remain the same when this category of service is relocated to Centegra Hospital – Woodstock, indicates that the geographical service area for this category of service is McHenry County, which is entirely within HSA-8.

The charity care and Medicaid information is found on Pages 8 and 9 of this attachment.

Medically Underserved Areas and Medically Underserved Populations are designated by the federal government (Health Resources and Services Administration of the U.S. Department of Health and Human Services) based on the Index of Medical Underservice. Designated Medically Underserved Areas (MUAs) and Medically Underserved Populations (MUPs) are eligible for certification and funding under federal programs such as Community Health Center (CHC) grant funds, Federally Qualified Health Centers (FQHCs), and Rural Health Clinics (https://bhw.hrsa.gov/shortage-designation/muap) (Health Resources and Services Administration, U.S. Department of Health and Human Services).

A number of census tracts in HSA-8 have been designated by the Governor as having a federally designated Medically Underserved Population, a designation that is made to document unusual local conditions and barriers to accessing personal health services. Within HSA-8, there are 43 census tracts that have this designation. A map identifying these census tracts can be found on Page 10 of this attachment, followed by the list of 43 census tracts on Pages 11 and 12.

This project will not impact essential safety net services in HSA-8 for those patients requiring inpatient care in the Comprehensive Physical Rehabilitation Category of Service because the relocation of this category of service to Centegra Hospital - Woodstock, which is in the same planning area and same geographic service area, will not result in any change in providing the much needed services to patients residing in these areas and to those living elsewhere who require safety net services.

2. The project's impact on the ability of another provider or health care system to crosssubsidize safety net services, if reasonably known to the applicant.

Centegra Hospital – McHenry is one of four providers of the Comprehensive Physical Rehabilitation Category of Service in HSA-8 and the sole provider of this category of service in McHenry County.

This project will not have an impact on the ability of another provider or health system to cross-subsidize safety net services because it proposes to relocate the Comprehensive Physical Rehabilitation Service, and all 22 of its beds, from Centegra Hospital – McHenry to Centegra Hospital-Woodstock.

As noted above in the response to Question 1, both Centegra Hospital – McHenry and Centegra Hospital – Woodstock are owned and operated by Centegra Health System. The hospitals, as well as Centegra Hospital – Huntley, have a unified medical staff, which permits members of their medical staffs to admit and treat patients at each of the three hospitals. These hospitals utilize a common medical record, which permits medical professionals to access and utilize patients' medical records at any of the hospitals.

After this category of service is relocated to Centegra Hospital – Woodstock, the same safety net services will continue to be provided for Comprehensive Physical Rehabilitation patients as are currently provided at Centegra Hospital – McHenry. This project will not have any impact on the calculated bed need for this category of service that has been determined by the Illinois Health Facilities and Services Review Board and Illinois Department of Public Health in the "Inventory of Health Care Facilities and Services and Need Determinations" because it proposes to relocate the Comprehensive Physical Rehabilitation Category of Service and all 22 of its beds that are being discontinued at Centegra Hospital – McHenry to Centegra Hospital - Woodstock.

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.

This application seeks approval to discontinue the Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital – McHenry in order to relocate this category of service to Centegra Hospital – Woodstock.

This project will have no impact on safety net providers in the community. Centegra Hospital – McHenry is the only provider of the Comprehensive Physical Rehabilitation Category of Service in McHenry County, and the relocation of this category of service to Centegra Hospital – Woodstock will result in that hospital being the only provider of this category of service in McHenry County.

Both hospitals are located in the same health service area for the Comprehensive Physical Rehabilitation Category of Service, and the two hospitals are located approximately 9.6 miles apart with a travel time between them of approximately 16 minutes when adjusted for normal travel times in accordance with 77 III. Adm. Code 1100.510(d)(2).

Both hospitals are owned and operated by Centegra Health System, and the two hospitals have a unified medical staff with physicians holding privileges at both hospitals, so the physiatrists who currently admit and treat Comprehensive Physical Rehabilitation patients in the Comprehensive Physical Rehabilitation Unit at Centegra Hospital - McHenry will continue to admit and treat their patients in the Comprehensive Physical Rehabilitation Unit at Centegra Hospital - Woodstock.

Documentation that the physiatrists will transfer their caseloads to the proposed Comprehensive Physical Rehabilitation Category of Service at Centegra Hospital - Woodstock will be found in Centegra Hospital - Woodstock's CON application to establish the Comprehensive Physical Rehabilitation Category of Service, which is being submitted at

the same time as this application and is undergoing CON review at the same time.

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.

A notarized certification describing the amount of charity care provided in 2014 through 2016 by each of the hospitals that are members of Centegra Health System is found on Page 6 of this Attachment.

2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.

A notarized certification describing the amount of care provided to Medicaid patients in 2014 through 2016 by each hospital that are members of Centegra Health System is found on Page 7 of this Attachment.

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

A Safety Net information Table per PA 96-0031 in the specified format must be provided as part of Attachment 20 [sic "40"].

The Table is found on Pages 8 and 9 of this attachment. Centegra Hospital-Huntley opened August 9, 2016, which is in the fiscal year that ends June 30, 2017.

- a. A copy of Centegra Health System's 2016 Report to the Community is appended to this attachment starting on Page 13.
- b. During FY16, Centegra Health System provided more than \$5,000,000 in community benefits (excluding charity care, government sponsored indigent health care and bad debt), an increase from FY15.
- c. Examples of community benefits that will continue to be provided by Centegra Health System are:
 - Support groups (e.g. for stroke patients)
 - Concussion education for local schools and sports teams
 - Clinical education for occupational physical therapy students

- Free physician lectures
- Free screenings
- Free education events and materials
- d. Centegra Health System was a core team member of the 2017 McHenry County Healthy Community Study, which is a collaborative effort with the McHenry County Department of Health and in which many community organizations participated. Centegra has also participated in the prior studies.
- e. Centegra Health System has been an active participant in the McHenry County Health Department's MAPP (Mobilizing for Action through Planning and Partnerships), an ongoing effort that is currently in its action phase.

CentegraHealthSystem

Centegra Corporate Office 385 Millennium Drive Crystal Lake, IL 60012 815-788-5800

August 14, 2017

Ms. Courtney Avery Administrator Illinois Health Facilities and Services Review Board 525 W. Jefferson, Second Floor Springfield, Illinois 62761

Dear Ms. Avery:

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

CHARITY CARE					
	FY2014	FY2015	FY2016		
Centegra Hospital- McHenry					
Inpatient	\$2,651,844	\$1,798,111	\$1,327,002		
Outpatient	\$2,165,904	\$1,482,709	\$1,073,943		
Total	\$4,817,748	\$3,280,820	\$2,400,945		
Centegra Hospital- Woodstock					
Inpatient	\$1,309,064	\$1,072,987	\$778,987		
Outpatient	\$1,457,928	\$1,093,184	\$867,571		
Total	\$2,766,992	\$2,166,171	\$1,646,558		

Centegra Hospital-Huntley opened August 9, 2016, which is in the fiscal year that ends June 30, 2017.

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

Sincerely,

Michael S. Eesley Chief Executive Officer Centegra Health System SUBSCRIBED and SWORN to before me

14 day of august

Notary Public

OFFICIAL SEAL
DIANNE R MCLAREN
NOTARY PUBLIC - STATE OF ILLINOIS

NOTARY PUBLIC - STATE OF ILLINOIS MY COMMISSION EXPIRES:12/15/19

•• Centegra Health System

Centegra Corporate Office 385 Millennium Drive Crystal Lake, IL 60012 815-788-5800

August 14, 2017

Ms. Courtney Avery Administrator Illinois Health Facilities and Services Review Board 525 W. Jefferson, Second Floor Springfield, Illinois 62761

Dear Ms. Avery:

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

MEDICAID NET REVENUE					
	FY2014	FY2015	FY2016		
Centegra Hospital- McHenry					
Inpatient	\$12,673,813	\$9,043,877	\$8,392,044		
Outpatient	\$6,567,812	\$5,269,774	\$6,747,810		
Total	\$19,241,625	\$14,313,651	\$15, <u>13</u> 9,854		
Centegra Hospital- Woodstock					
Inpatient	\$5,527,251	\$4,065,703	\$8,082,053		
Outpatient	\$4,313,244	\$1,661,784	\$4,536,983		
Total	\$9,840,495	\$5,727,487	\$12,619,036		

Centegra Hospital-Huntley opened August 9, 2016, which is in the fiscal year that ends June 30, 2017.

This information is provided in a manner consistent with information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source," as required by the Illinois Health Facilities and Services Review Board under Section13 of the Illinois Health Facilities Planning Act and published in the Annual Hospital Profile.

Sincerely,

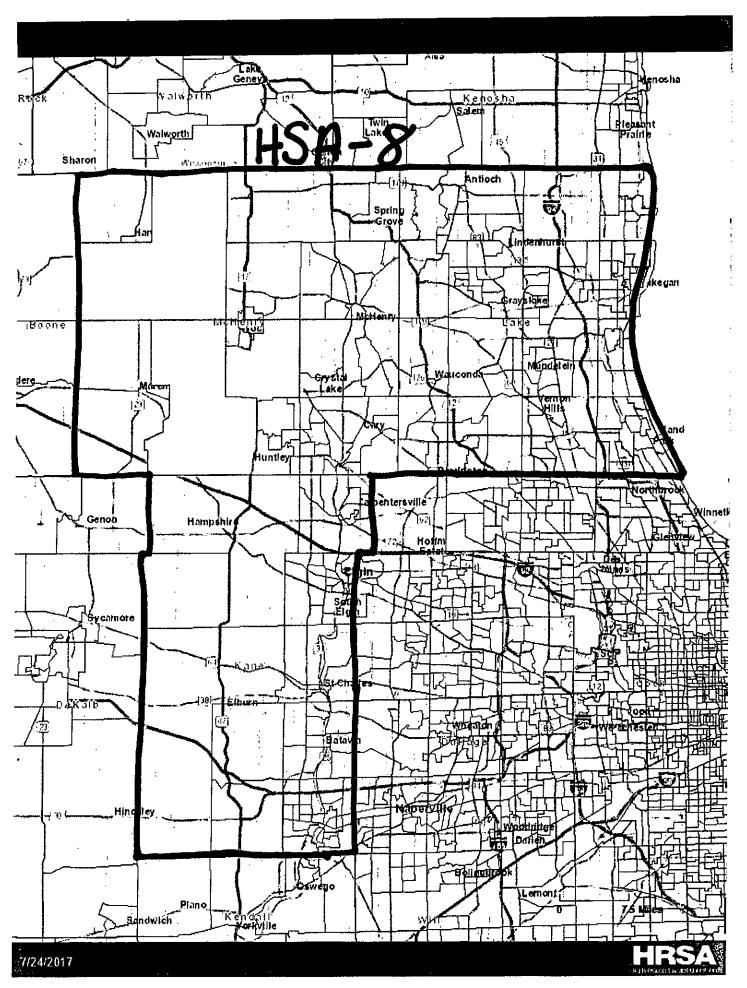
Michael S. Eesley Chief Executive Officer Centegra Health System SUBSCRIBED and SWORN to before me this / 4/2 day of ..., 2017.

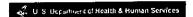
No ary Public Fricial SEAL

DIANNE R MCLAREN NOTARY PUBLIC - STATE OF ILLINOIS MY COMMISSION EXPIRES:12/15/19

		pital-McHenry	
		tion per PA 96-0031	<u> </u>
	<u>CHARIT</u>	Y CARE	
Charity (# of patients)	Year FY14	Year FY15	Year FY16
Inpatient	307	200	237
Outpatient	2,308	1,946	2,312
Total	2,615	2,146	2,549
Charity (cost in dollars)			
Inpatient	\$2,651,844	\$1,798,111	\$1,327,002
Outpatient	\$2,165,904	\$1,482,709	\$1,073,943
Total	\$4,817,748	\$3,280,820	\$2,400,945
	MED	CAID	
Medicaid (# of patients)	· · · · · · · · · · · · · · · · · · ·		
Inpatient	996	357	317
Outpatient	11,587	4,598	3,993
Total	12,583	4,955	4,310
Medicaid (revenue)	* .		
Inpatient	\$12,673,813	\$9,043,877	\$8,392,044
Outpatient	\$6,567,812	\$5,269,774	\$6,747,810
Total	\$19,241,625	\$14,313,651	\$15,139,854

	Centegra Hosp		
<u></u>	afety Net Information CHARIT	tion per PA 96-0031 Y CARE	
Charity (# of patients)	Year FY14	Year FY15	Year FY16
Inpatient	155	132	166
Outpatient	2,329	1,608	1,317
Total	2,484	1,740	1,483
Charity (cost in dollars)		· · · · · · · · · · · · · · · · · · ·	
Inpatient	\$1,309,064	\$1,072,987	\$778,987
Outpatient	\$1,457,928	\$1,093,184	\$867,571
Total	\$2,766,992	\$2,166,171	\$1,646,558
	MEDI	CAID	
Medicaid (# of patients)			
Inpatient	655	206	310
Outpatient	8,952	2,368	2,053
Total	9,607	2,574	2,363
Medicaid (revenue)	· · · · · · · · · · · · · · · · · · ·		
Inpatient	\$5,527,251	\$4,065,703	\$8,082,053
Outpatient	\$4,313,244	\$1,661,784	\$4,536,983
Total	\$9,840,495	\$5,727,487	\$12,619,036





HRSA Data Warehouse

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CENTEGRA Annual Report ENDING OUR REACH

••**Centegra** HealthSystem

ATTACHMENT-20, PAGE 14



For the first time, patients in southern McHenry County and northern Kane County had close-to-home access to hospital care when Centegra Hospital-Huntley opened Aug. 9, 2016. As Illinois' newest hospital and just the third new hospital in the state in more than 35 years, Centegra Hospital-Huntley represents a decade-long effort to bring our patients and their families the services they need, close to home.

This achievement was a result of the tremendous vision of the Centegra Health System Board of Governors. These selfless leaders give their time and talent to support high-quality health care in the community we serve. We are grateful to each of them for laying the groundwork that made Centegra Hospital-Huntley possible.

Centegra Hospital-McHenry and Centegra Hospital-Woodstock achieved national recognition in 2016 for quality, ranking among the best for providing safe, effective care. To ensure that same level of care is provided at Centegra Hospital-Huntley, the team staffed the new hospital with 50 percent current Centegra nurses and Associates.

This year the health system also extended services into communities like West Dundee, where a new immediate care center provided care to many first-time Centegra patients. We welcomed McHenry County Orthopaedics to Centegra Physician Care, and opened Centegra Aesthetica Plastic & Reconstructive Surgery Institute in Crystal Lake as well as Parabolic Sports Performance Lab at Centegra.

As we look ahead, the future of health and wellness in our community is brighter than ever. The Medical Staff, leaders and Associates of Centegra Health System are prepared to care for our community for generations to come.

Sincerely,

Michael S. Eesley Chief Executive Officer Centegra Health System

FROM THE BOARD OF GOVERNORS

As community members, Centegra Health System's Board of Governors, Medical Staff and Associates take great pride in providing health care to our families, friends and neighbors. We understand our region's needs and thoughtfully consider ways to help you improve your health and wellness.

In the past year you've watched us grow to reach new patients and communities while maintaining our dedication to the communities we've always served. The opening of Centegra Hospital-Huntley is a remarkable achievement, the newest entry on a list of accomplishments that dates back to the 1914 formation of the Woodstock Public Hospital Association, the region's first hospital.

Since then, our leaders have developed new services to meet our community's needs. We have recruited expert physicians, encouraged the professional development of our Associates and partnered with other health care leaders including Ann & Robert H. Lurie Children's Hospital and the Chicago Medical School at Rosalind Franklin University of Medicine and Science to bring the best care to our region.

As we look ahead to our potential partnership with Northwestern Medicine, we also take a moment to reflect on our accomplishments of 2016 as well as on Centegra Health System's rich history. That history is the foundation for Centegra Health System's future growth, our success and our commitment to high-quality care for our friends and neighbors.

Sincerely,

Mike Curran Chairman

Centegra Board of Governors



In FY16, Centegra sponsored more than

206
COMMUNITY
EVENTS

that touched more than

191,702 INDIVIDUALS.

COMMUNITY BENEFITS

- Free Blood Pressure and Diabetes Screenings once every month during food distributions with the Northern Illinois Food Bank
- Chamber of Commerce Memberships
- Big Brothers Big Sisters
- United Way
- Northern Illinois Special Recreation Association
- Raue Center for the Arts Corporate Sponsorship
- 10 Physician Lectures
- 7 Community Parades
- 7 Community Expos
- 10th Annual Centegra Health Strong Woman Event
- United Way Human Race
- March of Dimes March for Babies
- 4 American Cancer Society Relay For Life Events
- Sun City Community Events
- Bob Blazier Run for the Arts
- Girls on the Run
- Tours of Centegra Hospital-Huntley
- Centegra Family Health Fest

- McHenry County Children's Health & Safety Fair
- McHenry County Fair
- Senior Fair
- Huntley Fall Fest
- Family Health Partnership Care Breast Cancer 5K Run/Walk



ACCOMPLISHMENTS AND ACCREDITATIONS

Centegra Hospital-Huntley Opens

After more than a decade of planning, Centegra Hospital-Huntley opened Aug. 9, 2016. The new hospital ensures patients can receive expert care right in their own community. See page 7 for the complete story.

Internal Medicine Residency - Rosalind Franklin University

Centegra Health System and the Chicago Medical School at Rosalind Franklin University of Medicine and Science worked throughout the year to offer an Internal Medicine Residency Program, which began with eight residents in July 2016. The residents are splitting their time between Centegra Hospital-McHenry, Centegra's outpatient facilities and with independent physicians and specialists.

Emergency Department LEAN – Rapid Improvement Initiative

The Centegra Hospital-McHenry Emergency Department (ED) worked on a health system Lean Value Stream, defined as a sequence of connected monthly improvement events over 12 to 18 months. These four-day Rapid Improvement Events (RIEs) provide a facilitated structured approach for ED Associates, Physicians and other providers to give input and develop solutions to improve workflow and patient care processes.

Centegra Hip & Knee Replacement Center

The Centegra Hip & Knee Replacement Center is in its third year of operation. In its inaugural year, the center performed 721 cases, an increase from 667 prior to the inception of the program. FY16 proved to be another successful year with 825 cases and a 91 percent patient satisfaction rate. The Centegra Hip & Knee Replacement Center opened the Total Joint Pre-Operative Clearance Clinic in July 2016 to provide patients a comprehensive evaluation in one convenient location, helping to reduce the surgical cancellation rate for patients who are unable to receive clearance in a timely manner.

Top 20 Hospital in Illinois

U.S. News & World Report ranked Centegra Hospital-McHenry as No. 14 in the Best Hospitals in Chicago issue and No. 16 in Illinois. The hospital was high performing in the orthopedics and pulmonary disease categories. Centegra Hospital-Woodstock received the highest rating for its treatment of chronic obstructive pulmonary disease.

Truven Top Health System

The Truven Top Health System compares health systems' levels of quality achievement and five-year rates of improvement in an effort to compare performance improvement strategies relative to other health systems across the nation. In the 2016 report, Centegra Health System ranked among the top in the nation, scoring an 80th percentile in quality performance and a 92nd percentile in rate of improvement.

Leapfrog Safety Recognition

Centegra hospitals received "A" ratings in the Fall 2015 Hospital Safety Scores. The scores were announced by the Leapfrog Group, an independent nonprofit organization that drives quality, safety and transparency in U.S. health systems. The Hospital Safety Scores are released biannually and rate how well hospitals protect patients from preventable medical errors, injuries and infections within the hospital. In Spring 2016, McHenry received an "A" rating and Woodstock received a "B."

Emergency Department Information System Award

Centegra was chosen by T-System as the recipient of its Client

Excellence Award for 2015. Months of dedicated team collaboration
and effort by many departments, most specifically the Emergency

Department, Pharmacy, Nursing, Lab, Medical Imaging, Registration and
IT went into ensuring a successful launch of the T-System July 14, 2015.

ACCOMPLISHMENTS AND ACCREDITATIONS

Healogics Center of Distinction

Centegra Wound and Hyperbaric Center was named a Healogics Center of Distinction, achieving or exceeding outstanding clinical and operational results in 2015 and 2016.

3-Star Rating

Centegra Hospital-McHenry achieved the **Society of Thoracic Surgeons 3-Star Rating** for the 2016 Fiscal Year. This was Centegra's fourth consecutive time to achieve a 3-Star Rating for the quality of coronary artery bypass surgery among hospitals across the country.

ACC GWTG Platinum Performance Achievement Award

Centegra Hospital-McHenry again received the American College of Cardiology Foundation's NCDR ACTION Registry-Get With the Guidelines Platinum Performance Achievement Award. The award recognizes the hospital's success at providing a higher standard of care for heart attack patients. It shows Centegra Hospital-McHenry has reached an aggressive goal of providing the best-available cardiac care.

Centegra Health System Foundation

The Centegra Foundation received increased participation and financial support through the annual Associate Giving Campaign. The Centegra System Leadership team supported the Associate Giving Campaign through 100 percent participation. In the past fiscal year, the Centegra Health System Foundation honored 68 requests for funding totaling \$2.25M toward various health system needs, including enhancement of patient services, new technology and numerous community screenings.

Community Honors

Centegra Health System was honored at a special event that recognized organizations that have made our community a better place to live and work. The Commitment to McHenry County Awards Dinner, sponsored by the Northwest Herald, highlighted the ways our health system has improved the health and wellness of the community we serve. Centegra Health System received the Commitment to McHenry County Award for its dedication to innovative growth and exceptional quality.



FINANCIALS & STATISTICS FY 2016

COMMUNITY BENEFITS	
Charity care \$4	1,461,000
Government-sponsored	
indigent health care \$43	3,506,000
Other community benefits \$5	5,379,000
Community benefit hours	88,941
VISITS & WELLNESS	
Behavioral health outpatient sessions	6,746
Centegra Health Bridge	
Fitness Center members	16,247
Centegra Primary Care (CPC) visits	239,600
Companies served by occupational medicine	1,455
Emergency department visits	59,724
Flight for Life flights	401
Home health visits	29,695
Immediate care center visits	40,749
Wellness program attendees	13,184
Wellness screenings	16,846

INPATIENT CARE	8	PROCEDU	JRES
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Babies born	1,586
Cardiac cath procedures	2,100
Hip and knee replacements	825
Hospital beds	285
Open heart surgeries	182
Outpatient imaging procedures	151,318
Outpatient laboratory procedures	272,942
Patients admitted to hospitals	14,977
Sleep lab procedures	1,880
Surgeries	11,941
_	

TEAM MEMBERS

Associates	3,948
Centegra Primary Care (CPC) Providers	208
Physicians on staff	563
CPC hours volunteered at	
Family Health Partnership Clinic	285
Volunteer hours (to Centegra)	48,034
	Centegra Primary Care (CPC) Providers Physicians on staff CPC hours volunteered at Family Health Partnership Clinic

CONSOLIDATED EXPENSES

0	Labor	54%
0	Purchased Services & Other	22%
0	Supplies & Drugs	15%
0	Capital Costs	4%
0	Interest	2%
0	Repairs & Maintenance	2%

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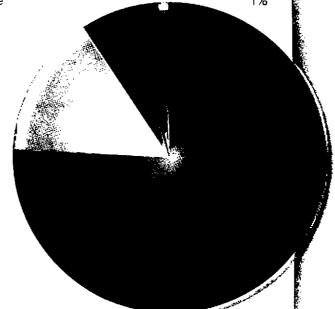


Calls to 877-CENTEGRA

16,313

Visits to centegra.org

983,972



ANNUAL REPORT 2016

CENTEGRA HOSPITAL-HUNTLEY OPENS

After a decade of planning, Centegra Hospital-Huntley welcomed its first patients Aug. 9, 2016. As just the third new hospital in Illinois in more than 35 years, the facility completed Centegra's goal to provide community members access to a full range of health care services all on one campus.

"Patients want the best care right here close to home," said Michael S. Eesley, chief executive officer of Centegra Health System. "Our team lives here, works here and takes great pride in serving our friends and neighbors."

Centegra Hospital-Huntley is a 128-bed all-private room hospital that includes a Level II Trauma Center, 100 medical-surgical beds, eight intensive care unit beds and a 20-bed Family Birth Center. Pediatric inpatient specialists from Ann & Robert H. Lurie Children's Hospital of Chicago are on site around the clock to provide children access to the highest level of inpatient and emergency care. Patients receive care in state-of-the-art operating suites, and emergency and diagnostic care is provided in the cardiac catheterization laboratory.

The hospital's campus is also home to Centegra Health Bridge Fitness Center and a medical office building that offers Centegra Immediate Care, the Centegra Back & Spine Center, physician offices and outpatient services. A second medical office building is currently under construction and is expected to open in spring 2017.

"This unique campus now provides patients and families everything from wellness and preventive care to the highest level of acute medical treatment," Eesley said. "It is the culmination of years of careful planning to provide our patients and their families the care they need right in their own backyards."

More than 800 construction jobs were created in the two years it took to build the facility and over 50 percent of the subcontractors were from McHenry, Kane and Lake Counties in Illinois. Eesley said more than half of the new hospital's employees came from other Centegra locations, and at the time of the opening about 400 new jobs had been created. He expected that number to double as the hospital volumes increase.

Thousands of community members toured Centegra Hospital-Huntley in the months prior to its opening, taking advantage of events that welcomed them to look inside the Emergency Department, the Centegra Hip & Knee Replacement Center, the retail pharmacy and the made-to-order café. Eesley said the community's enthusiasm excited the entire Centegra team as they completed final preparations to open the hospital.

"OUR VISION HAS BECOME REALITY.

AND WE LOOK FORWARD

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QUALITY RESULTS, ENHANCED SERVICES

At Centegra Health System, quality is defined by the patient's experience.

From the first phone call to the last appointment, patients expect to receive excellent care. In 2016

Centegra achieved top honors for quality results and enhanced services to address patients' needs.

The Truven Top Health System evaluates system's level of quality achievement and five-year rate of improvement in an effort to compare performance improvement strategies relative to other health systems across the nation. In the 2016 report, Centegra Health System ranked among the top in the nation, scoring an 80th percentile in quality performance and a 92nd percentile in the rate of improvement.

The hospitals also received four-star ratings from the Centers for Medicare & Medicaid Services (CMS), placing them among the top 22.5 percent of hospitals nationwide. Centegra Hospital-McHenry received a 0 percent readmission penalty and Centegra Hospital-Woodstock received a .18 percent readmission penalty, both which rank among the best in the nation.

Centegra hospitals received "A" ratings in the Fall 2015 Hospital Safety Scores. The scores were announced by the Leapfrog Group, an independent nonprofit organization that drives quality, safety and transparency in the United States. In addition, the hospitals achieved the Get with the Guidelines Silver Plus Award for stroke.

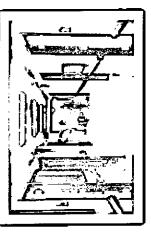
A new Inpatient Behavioral Health unit opened at Centegra Hospital-Woodstock to welcome patients into a modern space that also gives them access to acute medical care. The hospital's new Psychiatric Emergency Services provides patients more timely access to care when they need it the most.

Centegra Hospital-McHenry and Centegra Sage Cancer Center were among 20 accredited cancer programs across the nation to receive the Outstanding Achievement Award from The American College of Surgeons Commission on Cancer (CoC). The award recognizes programs that achieve excellence in providing quality care to people with cancer. Centegra's program was one of five that earned the award at four consecutive survey cycles (2007, 2010, 2013 and 2016). The award-winning programs represent approximately six percent of all programs surveyed.

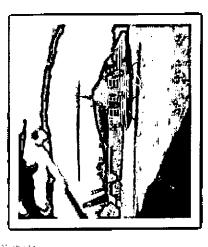
Amir Heydari, MD, FACS was recognized as a Metabolic and Bariatric Surgery Accreditation and Quality Improvement Program Verified Surgeon for the Bariatric Program at Centegra Hospital-Woodstock. The team also achieved the Comprehensive Center Accreditation.

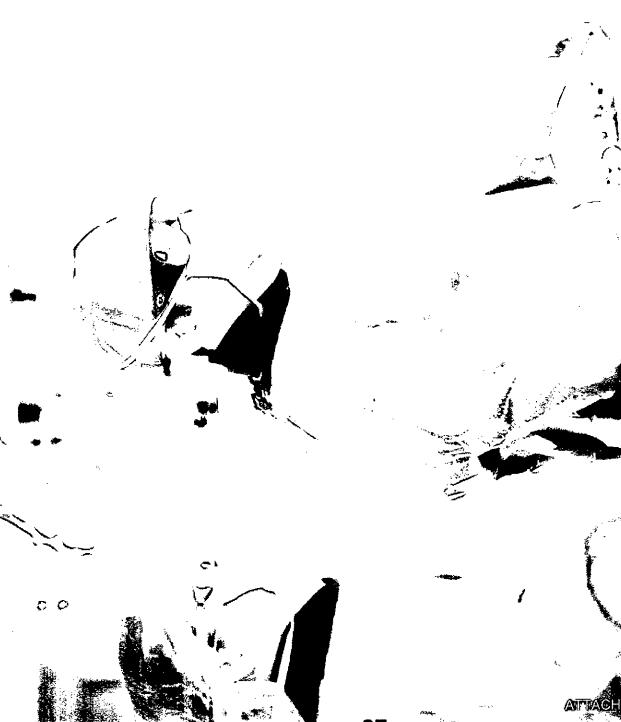
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In 1987, Algin/Cr/Life baseame an on-site-presence in Middlenry, providing lifesaying, care to patients throughout the region.





POWERFUL PARTNERSHIPS

Community members had better access to additional health and wellness experts in 2016 thanks to powerful partnerships formed by Centegra Health System.

Centegra partnered with **Ann & Robert H. Lurie Children's Hospital of Chicago** to provide 24-hour pediatric hospitalist coverage at Centegra Hospital-Huntley (CH-H) when it opened

Ann & Robert H. Lurie Children's Hospital of Chicago

in August 2016. Pediatricians from Lurie Children's are in the hospital 24/7 to coordinate inpatient care with each child's primary care physician and are also available to assist with pediatric emergencies in the CH-H Emergency Department. Community members also looked forward to the addition of a Lurie Children's outpatient clinic to the Huntley campus in the fall of 2016. Centegra also partnered with Lurie Children's to provide a higher lever of pediatric cardiology and concussion care.

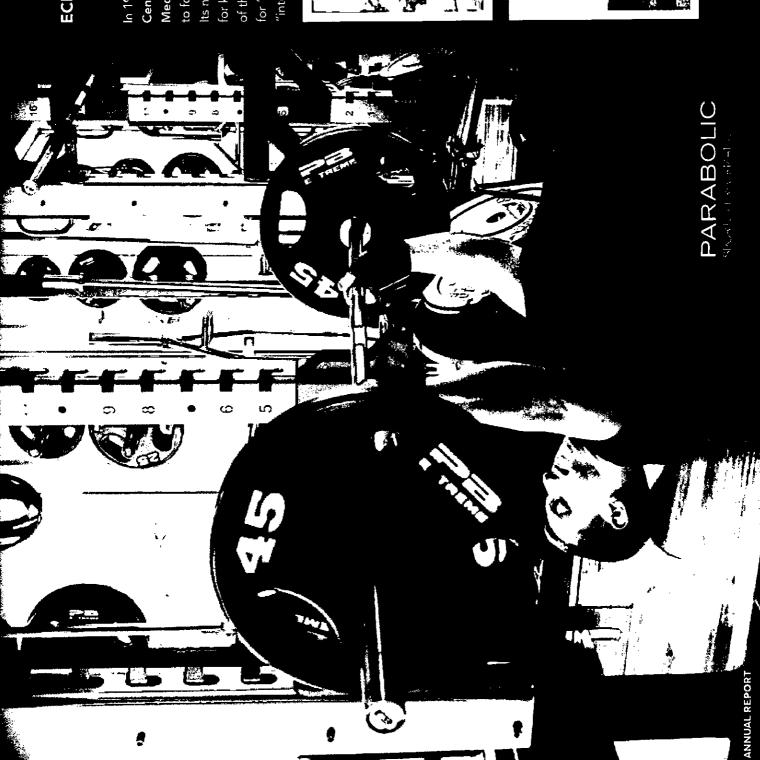


To support the education of the next generation of physicians, Centegra and the Chicago Medical School at Rosalind Franklin University of Medicine and Science partnered to offer an Internal Medicine Residency Program. The three-year program began with eight residents in July 2016. The residents spend approximately 50 percent of their time at Centegra Hospital-McHenry, and also will care for patients at Centegra's outpatient

facilities and with independent physicians and specialists. The doctors who serve as faculty members were chosen because of their expertise within their fields. Eight additional residents will be welcomed to the program in 2017 and eight more again in 2018.

Athletes of all ages and abilities began to train at the **Parabolic Sports Performance Lab at Centegra**, which opened in February. Certified strength and conditioning specialists help clients reach their peak performance levels by customizing a training program for them. The youth performance training program, the high school athlete development and the adult performance training models offer a wide range of options for individuals and teams.

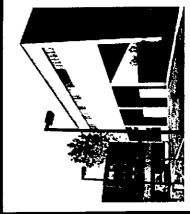
These partners broadened Centegra's ability to provide services that help families and educate new providers, demonstrating the health system's commitment to high-quality local health care.



ECHOES FROM THE PAST

In 1995, Northern Illinois Medical
Center in McHenry and Memorial
Medical Center in Woodstock united
to form Centegra Health System.
Its name was created from "Cent,"
for keeping patients at the "center"
of the care we provide and "tegra"
for "integrity," "integral" and
"integrated."





ATTACHMENI-20, PAGE 25

CENTEGRA HEALTH SYSTEM SIGNS A LETTER OF INTENT

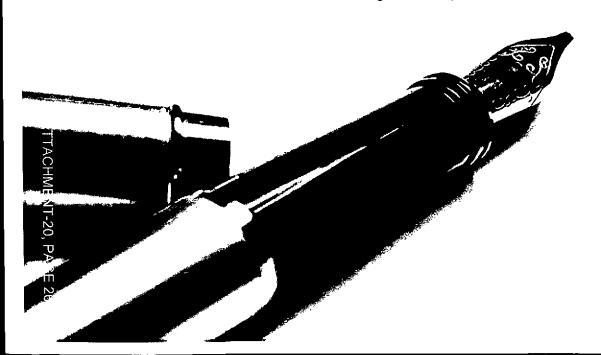
"A partnership between
Centegra Health System
and Northwestern Medicine
would increase the
depth of Centegra's clinical
capabilities, enhance
possibilities for physician
collaboration and improve
efficiencies..."

On April 5, 2016, Centegra Health System and Northwestern Medicine announced the intent to affiliate by signing a non-binding letter of intent. If approved, this powerful union will combine Centegra's exceptional community-based care with Northwestern Medicine's world-class academic health care expertise.

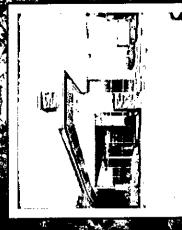
Northwestern Medicine shares Centegra's commitment to clinical excellence with a focus on patient-centered care. Its seven hospitals include Northwestern Memorial Hospital, which was ranked No. 1 in Chicago and Illinois as well as 11th in the nation according to the U.S. News & World Report 2015-2016 Honor Roll of America's Best Hospitals.

The affiliation will go through a series of regulatory reviews and approvals before a final closing date can be determined.

"A partnership between Centegra Health System and Northwestern Medicine would increase the depth of Centegra's clinical capabilities, enhance possibilities for physician collaboration and improve efficiencies to provide the best-possible care for patients and their families," said Michael S. Eesley, Chief Executive Officer of Centegra Health System.



ECHOES FROM THE PAST



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*Centegra Health System Board of Governors, 2016

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CENTEGRA PHYSICIAN CARE EXPANDS

New specialties and services kept Centegra

Physician Care and

Centegra Immediate Care in the news in 2016. The practice continued to look for new ways to bring health care experts to local communities to give patients the care they need, close to home.

The October 2015 addition of **McHenry County Orthopaedics**, now known as Centegra Physician Care-McHenry County Orthopedics, to the employed practice brought eight fellowship-trained, board-certified surgeons to the Centegra Physician Care team. The health system was also proud to welcome their outstanding team of physical and occupational therapists, medical imaging specialists and other professionals to the Centegra family.



Another new specialty was added to Centegra Physician Care when **Centegra Aesthetica Plastic & Reconstructive Surgery Institute** opened in Crystal Lake. Plastic and reconstructive surgeon Saeed Chowdhry,

MD and his team now offer in-office procedures for subtle changes as well as life-changing transformations through surgery at Centegra Hospital-Woodstock and Centegra Hospital-McHenry.

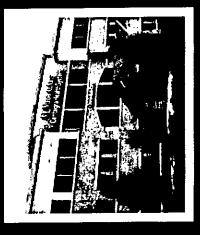
Centegra Immediate Care opened in **West Dundee** to introduce Centegra's high-quality care to patients who will be served by Centegra Hospital-Huntley. In addition to immediate care services, the new location includes physical therapy, occupational health and X-ray.

Bariatric surgeon Amir Heydari, MD brought two new surgeries to the region in 2016. He was among the first in the nation to use a minimally invasive procedure to insert the **Orbera® weight-loss balloon** in the stomach of a patient. Dr. Heydari also began to perform endoscopic revisions of weight-loss surgeries.

ECHOES FROM THE PAST

In 1996 the first physicians joined Centegra Primary Care, the employed physician practice that has grown to become Centegra Physician Care.

Centegra's first Immediate Care locations in Crystal Lake and Huntley opened in 2008.





ATTACHMENT-20, PAGE 29