

E-069-17

ORIGINAL

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR EXEMPTION PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

RECEIVED

This Section must be completed for all projects.

DEC 22 2017

Facility/Project Identification

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Facility Name:	RML Specialty Hospital Chicago		
Street Address:	3435 W. Van Buren Street		
City and Zip Code:	Chicago 60624		
County:	Cook	Health Service Area	6 Health Planning Area: A-02

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

Exact Legal Name:	RML Health Providers Limited Partnership d/b/a RML Chicago		
Street Address:	3075 Highland Parkway		
City and Zip Code:	Downers Grove, IL 60515		
Name of Registered Agent:	James Prister		
Registered Agent Street Address:	5601 S. County Line Road		
Registered Agent City and Zip Code:	Hinsdale, IL 60521-0000		
Name of Chief Executive Officer:	James Prister		
CEO Street Address:	5601 S. County Line Road		
CEO City and Zip Code:	Hinsdale, IL 60521-0000		
CEO Telephone Number:	(630) 286-4000		

Type of Ownership of Applicants

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

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 APPLICATION FORM.

Primary Contact [Person to receive ALL correspondence or inquiries]

Name:	Joe Ourth
Title:	Partner
Company Name:	Saul Ewing Arnstein & Lehr LLP
Address:	161 North Clark Street, Suite 4200, Chicago, IL 60601
Telephone Number:	(312) 876-7815
E-mail Address:	joe.ourth@saul.com
Fax Number:	(312) 876-0288

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

Name:	Scott Powder
Title:	Senior Vice President, Chief Strategy Officer
Company Name:	Advocate Health Care Network

Address:	3075 Highland Parkway, Downers Grove, IL 60515
Telephone Number:	(630) 929-8710
E-mail Address:	scott.powder@advocatehealth.com
Fax Number:	

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

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

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City and Zip Code:	Chicago 60624		
County:	Cook	Health Service Area	6 Health Planning Area: A-02

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

Exact Legal Name:	Advocate Health Care Network
Street Address:	3075 Highland Parkway
City and Zip Code:	Downers Grove, IL 60515
Name of Registered Agent:	Earl J. Barnes, II
Registered Agent Street Address:	3075 Highland Parkway, Suite 600
Registered Agent City and Zip Code:	Downers Grove, IL 60515
Name of Chief Executive Officer:	James H. Skogsbergh
CEO Street Address:	3075 Highland Parkway
CEO City and Zip Code:	Downers Grove, IL 60515
CEO Telephone Number:	(630) 990-5018

Type of Ownership of Applicants

<input checked="" type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental	
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other
<ul style="list-style-type: none"> 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. 		
<p>APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</p>		

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Title:	Partner
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Title:	Senior Vice President, Chief Strategy Officer
Company Name:	Advocate Health Care Network

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Telephone Number:	(630) 929-8710
E-mail Address:	scott.powder@advocatehealth.com
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Facility/Project Identification

Facility Name:	RML Specialty Hospital Chicago		
Street Address:	3435 W. Van Buren Street		
City and Zip Code:	Chicago 60624		
County:	Cook	Health Service Area	6 Health Planning Area: A-02

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

Exact Legal Name:	Advocate Aurora Health, Inc.
Street Address:	3075 Highland Parkway*
City and Zip Code:	Downers Grove 60515
Name of Registered Agent:	CT Corporation
Registered Agent Street Address:	1209 Orange Street
Registered Agent City and Zip Code:	City of Wilmington 19801
Name of Chief Executive Officer:	James H. Skogsbergh / Nick W. Turkal, M.D.**
CEO Street Address:	3075 Highland Parkway / 750 West Virginia Street, P.O. Box 341880
CEO City and Zip Code:	Downers Grove 60515 / Milwaukee 53204
CEO Telephone Number:	(630) 990-5018

*Co-Corporate Headquarters located at: 750 West Virginia Street, P.O. Box 341880, Milwaukee, WI 53204

Type of Ownership of Applicants ** Co-CEOs

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

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Title:	Partner
Company Name:	Saul Ewing Arnstein & Lehr LLP
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Name:	Scott Powder
Title:	Senior Vice President, Chief Strategy Officer
Company Name:	Advocate Health Care Network

Address:	3075 Highland Parkway, Downers Grove, IL 60515
Telephone Number:	(630) 929-8710
E-mail Address:	scott.powder@advocatehealth.com
Fax Number:	

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

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

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Facility/Project Identification

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City and Zip Code:	Chicago 60624		
County:	Cook	Health Service Area	6 Health Planning Area: A-02

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

Exact Legal Name:	Aurora Health Care, Inc.
Street Address:	750 West Virginia Street, P.O. Box 341880
City and Zip Code:	Milwaukee, WI 53204
Name of Registered Agent:	Michael Grebc
Registered Agent Street Address:	750 West Virginia Street, P.O. Box 341880
Registered Agent City and Zip Code:	Milwaukee, WI 53204
Name of Chief Executive Officer:	Nick W. Turkal, M.D.
CEO Street Address:	750 West Virginia Street, P.O. Box 341880
CEO City and Zip Code:	Milwaukee, WI 53204
CEO Telephone Number:	

Type of Ownership of Applicants

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

o Corporations and limited liability companies must provide an Illinois certificate of good standing.

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Primary Contact [Person to receive ALL correspondence or inquiries]

Name:	Joe Ourth
Title:	Partner
Company Name:	Saul Ewing Arnstein & Lehr LLP
Address:	161 North Clark Street, Suite 4200, Chicago, IL 60601
Telephone Number:	(312) 876-7815
E-mail Address:	joe.ourth@saul.com
Fax Number:	(312) 876-0288

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Name:	Scott Powder
Title:	Senior Vice President, Chief Strategy Officer
Company Name:	Advocate Health Care Network

Address:	3075 Highland Parkway, Downers Grove, IL 60515
Telephone Number:	(630) 929-8710
E-mail Address:	scott.powder@advocatehealth.com
Fax Number:	

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:	Scott Powder
Title:	Senior Vice President, Chief Strategy Officer
Company Name:	Advocate Health Care Network
Address:	3075 Highland Parkway, Downers Grove, IL 60515
Telephone Number:	(630) 929-8710
E-mail Address:	scott.powder@advocatehealth.com
Fax Number:	

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	RML Health Providers Limited Partnership d/b/a RML Chicago
Address of Site Owner:	3075 Highland Parkway, Downers Grove, IL 60515
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 ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Operating Identity/Licensee

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

Exact Legal Name:	RML Health Providers Limited Partnership d/b/a RML Chicago		
Address:	5601 S. County Line Road, Hinsdale, IL 60521-0000		
<input checked="" type="checkbox"/>	Non-profit Corporation	<input type="checkbox"/>	Partnership
<input type="checkbox"/>	For-profit Corporation	<input type="checkbox"/>	Governmental
<input type="checkbox"/>	Limited Liability Company	<input type="checkbox"/>	Sole Proprietorship
		<input type="checkbox"/>	Other
<ul style="list-style-type: none"> o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. o 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 ATTACHMENT 4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements, please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov 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](http://www.illinois.gov/sites/hfsrb)).

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

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

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

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

DESCRIPTION OF PROJECT

1. Project Classification

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

Part 1110 Classification:

- 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.

Advocate Health Care Network ("Advocate") and Aurora Health Care, Inc. ("Aurora") have entered into an Affiliation Agreement dated as of December 4, 2017. Under this Affiliation Agreement, subject to Review Board and other approvals, Advocate and Aurora agree to affiliate their organizations under the name Advocate Aurora Health, Inc. ("Advocate Aurora Health"). This application is part of a series of 15 applications seeking Review Board approval for Certificates of Exemption ("COEs") for changes of ownership.

Aurora is the not-for-profit parent organization of an integrated health care delivery system that provides a full continuum of health care services to communities primarily in Wisconsin. Aurora's operations do not include any Illinois health care facilities as defined by the Planning Act. Advocate is the parent organization of a faith-based not-for-profit population health management system that provides the full continuum of health care services to communities in Illinois. Advocate's operations include 11 hospitals in Illinois, and additional healthcare facilities in which it has partial ownership interests.

To effect the affiliation, Advocate and Aurora have formed a new corporate entity "Advocate Aurora Health, Inc." which will be the parent entity for Advocate and Aurora. Upon consummating the transaction, Advocate Aurora Health will become the sole corporate member of each Advocate and Aurora. As shown in the organization charts included in this Application, Advocate related facilities will continue operations under the Advocate corporate structure and Aurora related entities will continue to operate under the Aurora corporate structure. The current CEOs of Advocate and Aurora respectively will become Co-CEOs of Advocate Aurora Health. Following the closing, the Advocate Aurora Health Board will consist of 14 members, six designated by Aurora, six designated by Advocate and the Co-CEOs of Advocate Aurora Health.

Advocate and its direct affiliates currently operate the following 11 hospitals:

- Advocate BroMenn Medical, Normal
- Advocate Christ Medical Center, Oak Lawn
- Advocate Condell Medical Center, Libertyville
- Advocate Eureka Hospital, Eureka
- Advocate Good Samaritan Hospital, Downers Grove
- Advocate Good Shepherd Hospital, Barrington
- Advocate Illinois Masonic Medical Center, Chicago
- Advocate Lutheran General Hospital, Park Ridge
- Advocate Sherman Hospital, Elgin
- Advocate South Suburban Hospital, Hazel Crest
- Advocate Trinity Hospital, Chicago

In addition, Advocate also has an ownership interest of 50% or more or other indicia of control in the following licensed health care facilities.

- Bromenn Comfort and Care Suites
- Dreyer Ambulatory Surgery Center, Aurora
- RML Specialty Hospital, Chicago
- RML Specialty Hospital, Hinsdale
- Sherman West Court, Elgin

All of the above listed Advocate related facilities are included in the series of COE applications with the exception of Sherman West Court which is exempt for COE change of ownership because it is licensed under the Nursing Home Care Act. The applicants will notify the Review Board upon the change of ownership of Sherman West Court.

The proposed transaction will not directly affect the licensed entity of the health care facilities listed above nor affect the legal entity that owns the physical plant of the facilities.

There will be no direct exchange of funds between Advocate and Aurora as a part of this transaction. As this transaction is an affiliation of the two organizations there is no acquisition price. The Applicants wish to close April 1, 2018 or as soon as the Certificate of Exemption and federal regulatory approval is received.

Page 6 is not applicable to a Change of Control Application and has been intentionally omitted in accordance with Review Board instructions.

Related Project Costs

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

Land acquisition is related to project	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Purchase Price: \$	N/A	
Fair Market Value: \$	N/A	

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.

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:	
<input checked="" type="checkbox"/> None or not applicable	<input type="checkbox"/> Preliminary
<input type="checkbox"/> Schematics	<input type="checkbox"/> Final Working
Anticipated project completion date (refer to Part 1130.140): <u>April 1, 2018</u>	
Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140):	
<input type="checkbox"/> Purchase orders, leases or contracts pertaining to the project have been executed. <input type="checkbox"/> Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies <input checked="" type="checkbox"/> Financial Commitment will occur after permit issuance.	
APPEND DOCUMENTATION AS ATTACHMENT 8, 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:
<input checked="" type="checkbox"/> Cancer Registry
<input checked="" type="checkbox"/> APORS
<input checked="" type="checkbox"/> All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
<input checked="" type="checkbox"/> 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;
- o in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of RML Health Providers Limited Partnership d/b/a RML Chicago 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.

James R. Prister
SIGNATURE

James R. Prister
PRINTED NAME

President and Chief Executive Officer
PRINTED TITLE

Scott Powder
SIGNATURE

Scott Powder
PRINTED NAME

Senior Vice President, Chief Strategy Officer
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 7th day of December, 2017

Elizabeth Kinias
Signature of Notary

Seal

*Insert the EXACT text from the applicant



Notarization:
Subscribed and sworn to before me
this 10th day of December, 2017

Cristin G Foster
Signature of Notary

Seal



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

This Application is filed on the behalf of Advocate Health Care Network *
 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.

JA Skogsbergh
 SIGNATURE
 James H. Skogsbergh
 PRINTED NAME
 President and Chief Executive Officer
 PRINTED TITLE

William P. Santulli
 SIGNATURE
 William P. Santulli
 PRINTED NAME
 Executive Vice President and Chief Operating Officer
 PRINTED TITLE

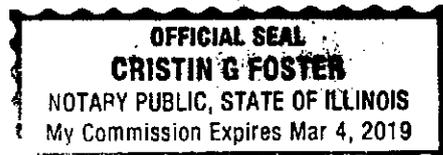
Notarization:
 Subscribed and sworn to before me
 this 16th day of December 2017

Notarization:
 Subscribed and sworn to before me
 this 16th day of December 2017

Cristin G. Foster
 Signature of Notary
 Seal

Cristin G. Foster
 Signature of Notary
 Seal

*Insert the EXACT legal name of the applicant



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This Application is filed on the behalf of Advocate Aurora Health, Inc. *
 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.

JA Skogsbergh
 SIGNATURE

James H. Skogsbergh

PRINTED NAME

Co-CEO

PRINTED TITLE

Notarization:
 Subscribed and sworn to before me
 this 6th day of December 2017

Cristin G Foster
 Signature of Notary

Seal

*Insert the NOTAR PUBLIC STATE OF ILLINOIS applicant



SIGNATURE

Nick W. Turkal, M.D.

PRINTED NAME

Co-CEO

PRINTED TITLE

Notarization:
 Subscribed and sworn to before me
 this ____ day of _____

Signature of Notary

Seal

CERTIFICATION

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SIGNATURE

James H. Skogsbergh

PRINTED NAME

Co-CEO

PRINTED TITLE

Notarization:

Subscribed and sworn to before me this _____ day of _____

Signature of Notary

Seal



SIGNATURE

Nick W. Turkal, M.D.

PRINTED NAME

Co-CEO

PRINTED TITLE

Notarization:

Subscribed and sworn to before me this 4th day of December, 2017

Signature of Notary

Seal

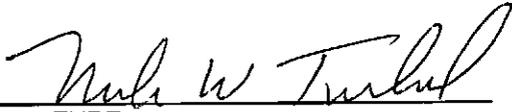
*Insert the EXACT legal name of the applicant

CERTIFICATION

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- 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 Aurora Health Care, Inc. *
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.

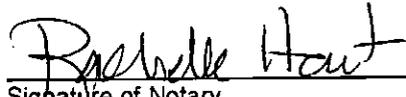

 SIGNATURE
 Nick W. Turkal, M.D.
 PRINTED NAME
 President and Chief Executive Officer
 PRINTED TITLE


 SIGNATURE
 Michael Lappin
 PRINTED NAME
 Secretary
 PRINTED TITLE

Notarization:
Subscribed and sworn to before me,
this 4th day of December, 2017

Notarization:
Subscribed and sworn to before me
this 4th day of December 2017


 Signature of Notary
 Seal


 Signature of Notary
 Seal

*Insert the EXACT legal name of the applicant

Pages 9-10 is not applicable to a Change of Control Application and has been intentionally and omitted in accordance with Review Board instructions.

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

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

Background

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

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

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

ALTERNATIVES

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

Alternative options **must** include:

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

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

Page 13 is not applicable to a Change of Control Application and has been intentionally omitted in accordance with Review Board instructions.

SECTION V. CHANGE OF OWNERSHIP (CHOW)**1130.520 Requirements for Exemptions Involving the Change of Ownership of a Health Care Facility**

1. Prior to acquiring or entering into a contract to acquire an existing health care facility, a person shall submit an application for exemption to HFSRB, submit the required application-processing fee (see Section 1130.230) and receive approval from HFSRB.
2. If the transaction is not completed according to the key terms submitted in the exemption application, a new application is required.
3. READ the applicable review criteria outlined below and **submit the required documentation (key terms) for the criteria:**

APPLICABLE REVIEW CRITERIA	CHOW
1130.520(b)(1)(A) - Names of the parties	X
1130.520(b)(1)(B) - Background of the parties, which shall include proof that the applicant is fit, willing, able, and has the qualifications, background and character to adequately provide a proper standard of health service for the community by certifying that no adverse action has been taken against the applicant by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application.	X
1130.520(b)(1)(C) - Structure of the transaction	X
1130.520(b)(1)(D) - Name of the person who will be licensed or certified entity after the transaction	
1130.520(b)(1)(E) - List of the ownership or membership interests in such licensed or certified entity both prior to and after the transaction, including a description of the applicant's organizational structure with a listing of controlling or subsidiary persons.	X
1130.520(b)(1)(F) - Fair market value of assets to be transferred.	X
1130.520(b)(1)(G) - The purchase price or other forms of consideration to be provided for those assets. [20 ILCS 3960/8.5(a)]	X
1130.520(b)(2) - Affirmation that any projects for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of this Section	X
1130.520(b)(2) - If the ownership change is for a hospital, affirmation that the facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction. The hospital must provide affirmation that the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction	X
1130.520(b)(2) - A statement as to the anticipated benefits of	X

the proposed changes in ownership to the community	
1130.520(b)(2) - The anticipated or potential cost savings, if any, that will result for the community and the facility because of the change in ownership;	X
1130.520(b)(2) - A description of the facility's quality improvement program mechanism that will be utilized to assure quality control;	X
1130.520(b)(2) - A description of the selection process that the acquiring entity will use to select the facility's governing body;	X
1130.520(b)(2) - A statement that the applicant has prepared a written response addressing the review criteria contained in 77 Ill. Adm. Code 1110.240 and that the response is available for public review on the premises of the health care facility	X
1130.520(b)(2)- A description or summary of any proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within 24 months after acquisition.	X

Application for Change of Ownership Among Related Persons

When a change of ownership is among related persons, and there are no other changes being proposed at the health care facility that would otherwise require a permit or exemption under the Act, the applicant shall submit an application consisting of a standard notice in a form set forth by the Board briefly explaining the reasons for the proposed change of ownership. [20 ILCS 3960/8.5(a)]

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

Pages 16-20 is not applicable to a Change of Control Application and has been intentionally and omitted in accordance with Review Board instructions.

SECTION X. CHARITY CARE INFORMATION (CHOW ONLY)

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

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

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

A table in the following format must be provided for all facilities as part of Attachment 41.

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

APPEND DOCUMENTATION AS ATTACHMENT 21, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant Identification including Certificate of Good Standing	28-32
2	Site Ownership	33
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	34-35
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	36-40
5	Flood Plain Requirements	41
6	Historic Preservation Act Requirements	42
7	Project and Sources of Funds Itemization	
8	Financial Commitment Document if required	
9	Cost Space Requirements	
10	Discontinuation	
11	Background of the Applicant	44-46
12	Purpose of the Project	
13	Alternatives to the Project	48
	Service Specific:	
14	Neonatal Intensive Care Services	
15	Change of Ownership	50-54
	Financial and Economic Feasibility:	
16	Availability of Funds	
17	Financial Waiver	
18	Financial Viability	
19	Economic Feasibility	
20	Safety Net Impact Statement	
21	Charity Care Information	56-60

Section I, Identification, General Information and Certification

Attachment 1, Type of Ownership of Applicants

An organizational chart showing the current ownership structure of each of RML Health Providers Limited Partnership d/b/a RML Chicago ("RML") and Aurora Health Care, Inc. ("Aurora"), along with the post-closing ownership structure of Advocate and Aurora, is included in Attachment 4. Good standing certificates for the following entities are also attached:

1. RML Health Providers Limited Partnership d/b/a RML Chicago ("RML"): RML is an Illinois limited partnership. A copy of RML's Illinois Certificate of Existence is attached.
2. Advocate Health Care Network ("Advocate"): Advocate is an Illinois not-for-profit corporation and is the parent of RML. A copy of Advocate's Illinois Good Standing Certificate is attached.
3. Advocate Aurora Health, Inc. ("Advocate Aurora Health"): Advocate Aurora Health is a Delaware non-profit corporation. A copy of Advocate Aurora Health's Delaware Good Standing Certificate is attached. Advocate Aurora Health currently does no business in the State of Illinois and it is not anticipated that it will do so until the COEs are approved and the Affiliation Agreement closes. Advocate Aurora Health will obtain authorization to do business in Illinois from the Secretary of State in advance of conducting business.
4. Aurora Health Care, Inc. ("Aurora"). Aurora is a Wisconsin non-stock corporation. A copy of Aurora's Wisconsin Good Standing certificate is attached. Aurora does not conduct business in Illinois and, therefore, is not required to be registered as a foreign corporation in Illinois.

File Number S011732



To all to whom these Presents Shall Come, Greeting:

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

RML HEALTH PROVIDERS LIMITED PARTNERSHIP, HAVING REGISTERED IN THE STATE OF ILLINOIS ON NOVEMBER 07, 1996, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE UNIFORM LIMITED PARTNERSHIP ACT (2001) OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LP/LLP IN THE STATE OF ILLINOIS, HAVING FULFILLED ALL REQUIREMENTS OF SAID ACT WITH REGARD TO PAYMENT OF FEES, THE FILING OF ANNUAL REPORTS (IF APPLICABLE) AND NEITHER HAVING BEEN ADMINISTRATIVELY DISSOLVED BY THE SECRETARY OF STATE NOR HAVING VOLUNTARILY FILED A STATEMENT OF TERMINATION.



Authentication #: 1734002226

Authenticate at: <http://www.cyberdriveillinois.com>

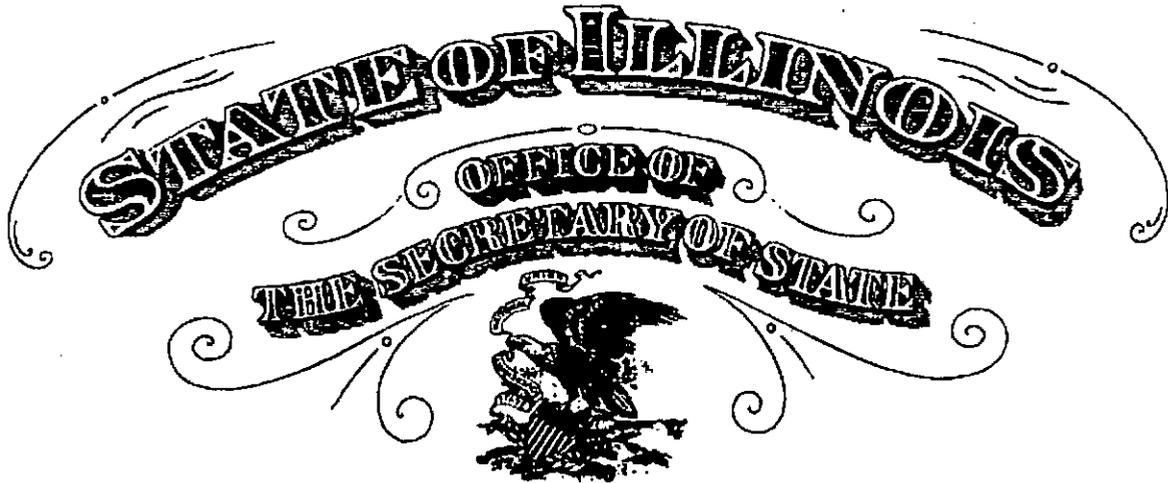
In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 6TH day of DECEMBER A.D. 2017 .

Jesse White

SECRETARY OF STATE

File Number

1707-692-2



To all to whom these Presents Shall Come, Greeting:

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

ADVOCATE HEALTH CARE NETWORK, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JUNE 14, 1923, 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 #: 1733301276 verifiable until 11/29/2018
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 29TH day of NOVEMBER A.D. 2017 .

Jesse White

SECRETARY OF STATE

Delaware

Page 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "ADVOCATE AURORA HEALTH, INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE SIXTH DAY OF DECEMBER, A.D. 2017.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID CORPORATION IS AN EXEMPT CORPORATION.



6645600 8300C

SR# 20177413995

You may verify this certificate online at corp.delaware.gov/authver.shtml

A handwritten signature in black ink, appearing to read "JBULLOCK", written over a horizontal line. Below the line, the text "Jeffrey W. Bullock, Secretary of State" is printed in a small font.

Authentication: 203697226

Date: 12-06-17

000031

ATTACHMENT 1

United States of America
State of Wisconsin



DEPARTMENT OF FINANCIAL INSTITUTIONS

Division of Corporate & Consumer Services

To All to Whom These Presents Shall Come, Greeting:

I, Mary Ann McCoshen, Administrator of the Division of Corporate and Consumer Services, Department of Financial Institutions, do hereby certify that

AURORA HEALTH CARE, INC.

is a domestic corporation or a domestic limited liability company organized under the laws of this state and that its date of incorporation or organization is February 02, 1983.

I further certify that said corporation or limited liability company has, within its most recently completed report year, filed an annual report required under ss. 180.1622, 180.1921, 181.1622 or 183.0120 Wis. Stats., and that it has not filed articles of dissolution.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the Department on November 29, 2017.

A handwritten signature in cursive script that reads "Mary Ann McCoshen".

MARY ANN MCCOSHEN, Administrator
Division of Corporate and Consumer Services
Department of Financial Institutions

DFI/Corp/33

To validate the authenticity of this certificate

Visit this web address: <http://www.wdfi.org/apps/ccs/verify/>

Enter this code: 210166-A23C0F50

000032

ATTACHMENT 1

Section I, Identification, General Information and Certification

Attachment 2, Site Ownership

There will be no change in site ownership as a result of the proposed change in ownership.

Section I, Identification, General Information and Certification

Attachment 3, Operating Identity/Licensee

RML Health Providers Limited Partnership d/b/a RML Chicago ("RML") will continue to be the licensed entity operating the facility.

RML is an Illinois limited partnership. A copy of RML's Illinois Certificate of Existence is attached.

An organizational chart showing the current ownership structure of RML, Advocate Health Care Network and Aurora Health Care, Inc., along with the post-closing ownership structure of Advocate Aurora Health, Inc., is included in Attachment 4.



To all to whom these Presents Shall Come, Greeting:

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

RML HEALTH PROVIDERS LIMITED PARTNERSHIP, HAVING REGISTERED IN THE STATE OF ILLINOIS ON NOVEMBER 07, 1996, AND HAVING ADOPTED THE ASSUMED NAME OF RML CHICAGO ON MAY 27, 2010, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE UNIFORM LIMITED PARTNERSHIP ACT (2001) OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LP/LLP IN THE STATE OF ILLINOIS, HAVING FULFILLED ALL REQUIREMENTS OF SAID ACT WITH REGARD TO PAYMENT OF FEES, THE FILING OF ANNUAL REPORTS (IF APPLICABLE) AND NEITHER HAVING BEEN ADMINISTRATIVELY DISSOLVED BY THE SECRETARY OF STATE NOR HAVING VOLUNTARILY FILED A STATEMENT OF TERMINATION.



Authentication #: 1734002232

Authenticate at: <http://www.cybardriveillinois.com>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 6TH day of DECEMBER A.D. 2017 .

Jesse White

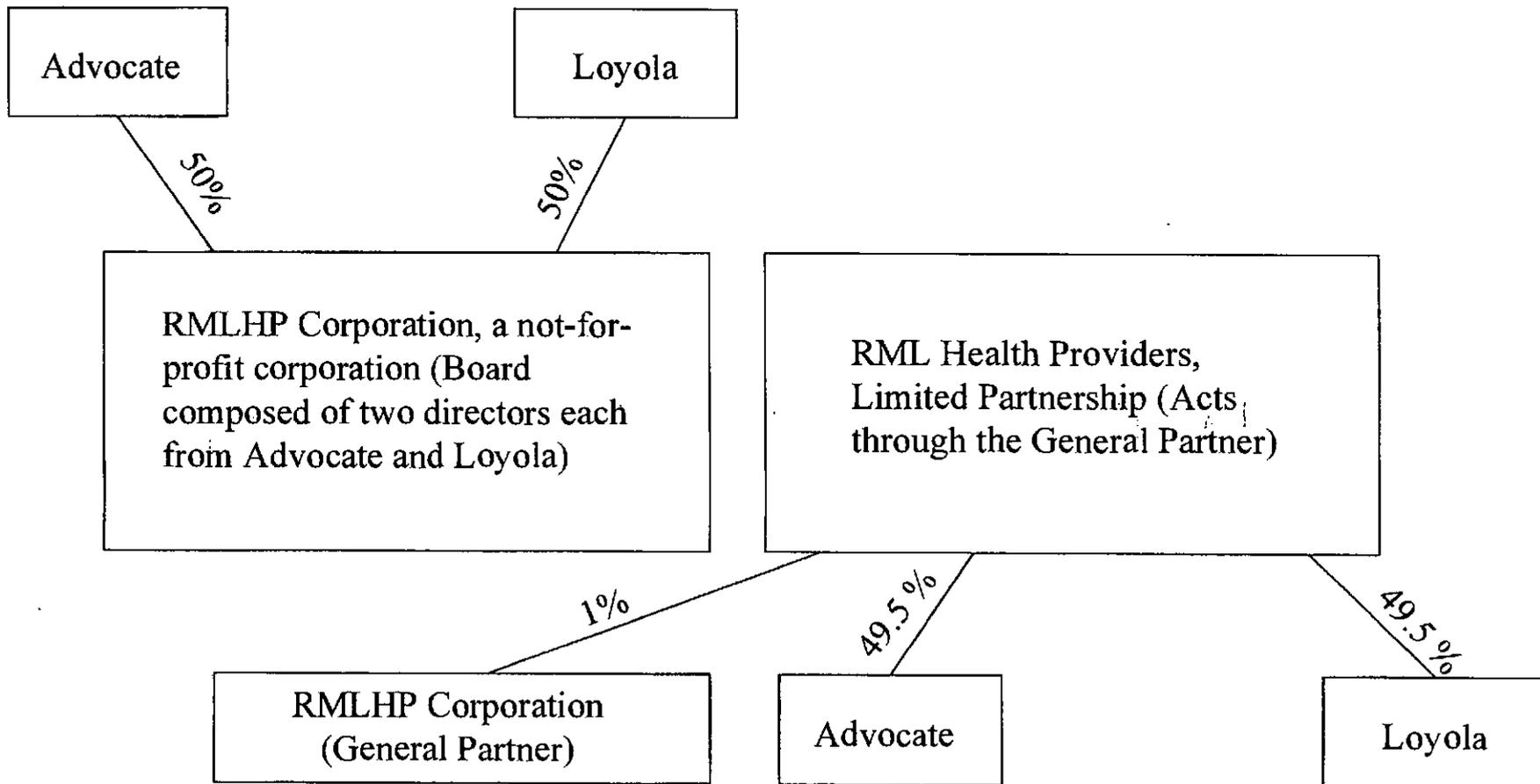
SECRETARY OF STATE

Section I, Identification, General Information and Certification

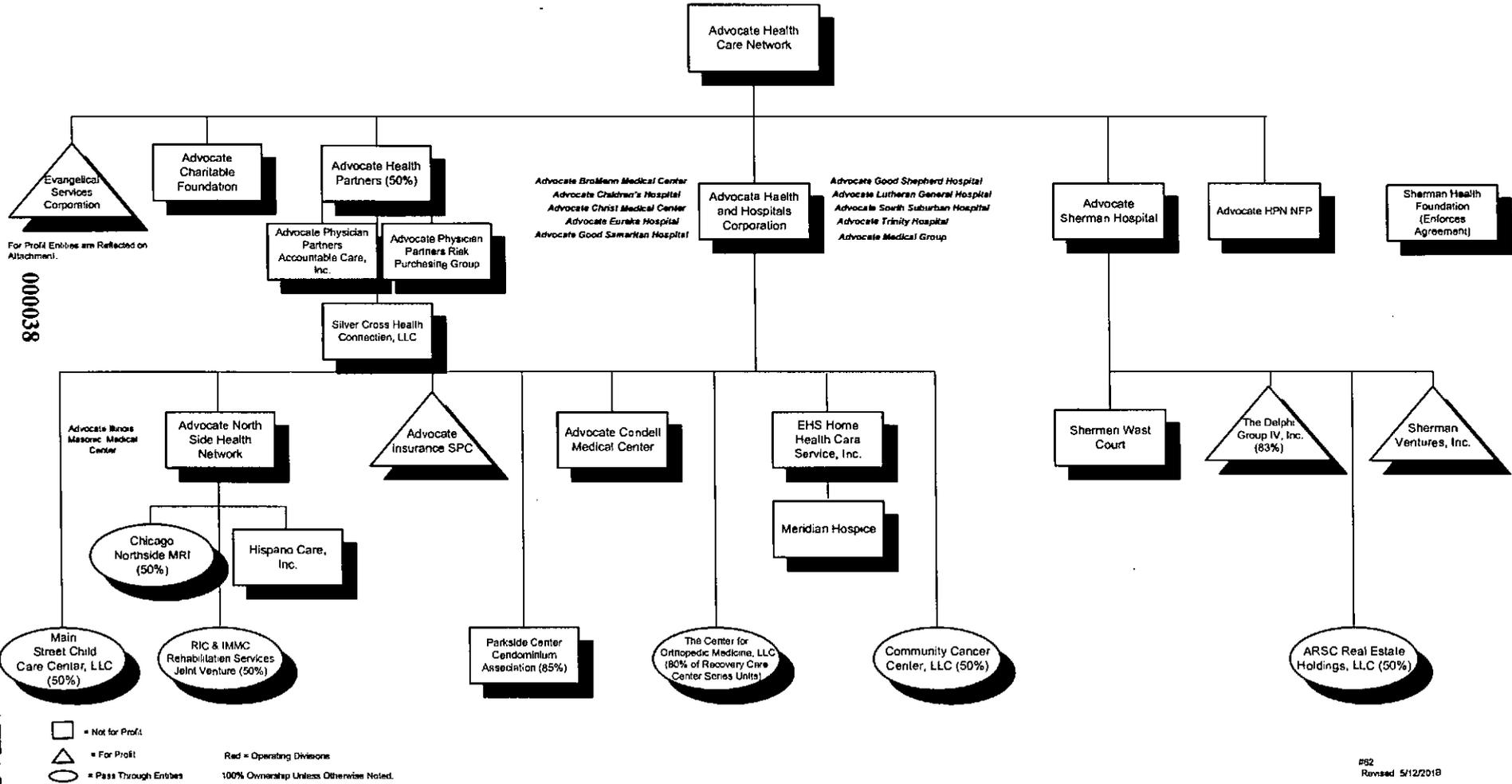
Attachment 4, Organizational Relationships

An organizational chart showing the current ownership structure of RML Health Providers Limited Partnership, d/b/a RML Chicago ("RML"), Advocate Health Care Network ("Advocate") and Aurora Health Care, Inc. ("Aurora"), together with the post-closing ownership structure of Advocate Aurora Health, Inc. ("Advocate Aurora Health"), is attached.

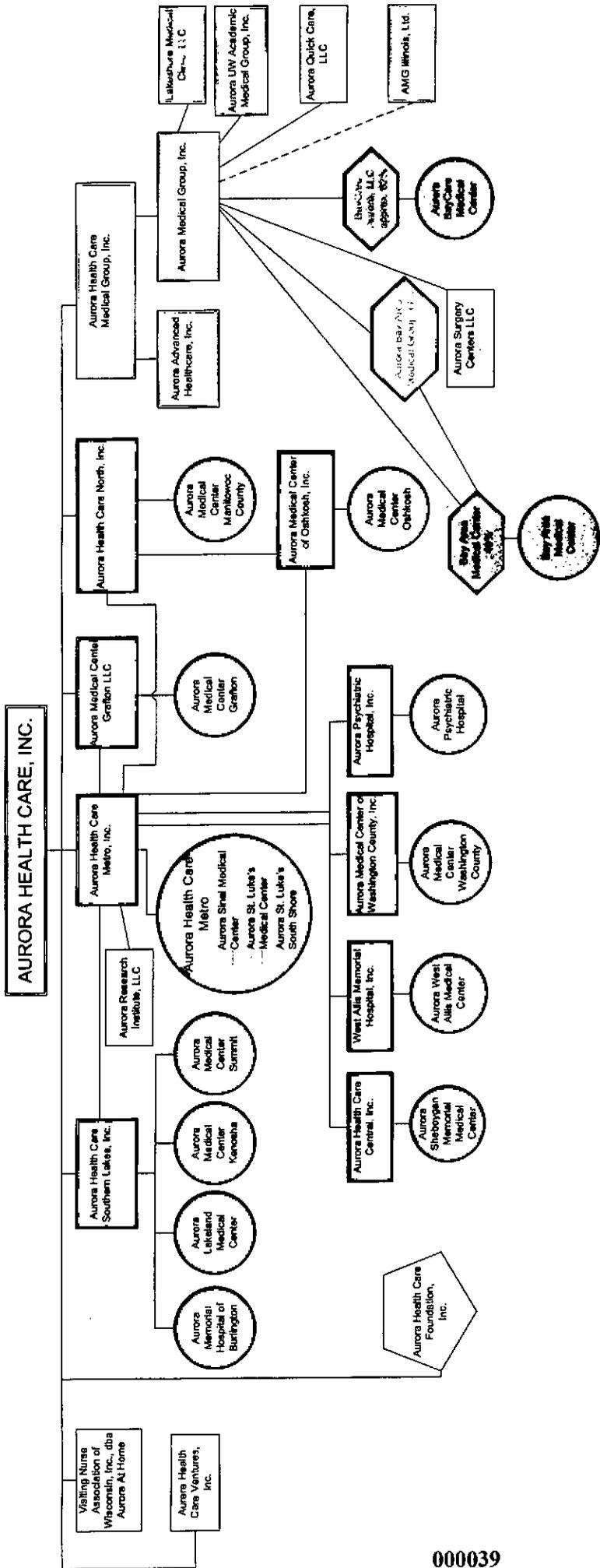
RML PARTNERSHIP STRUCTURE



000037

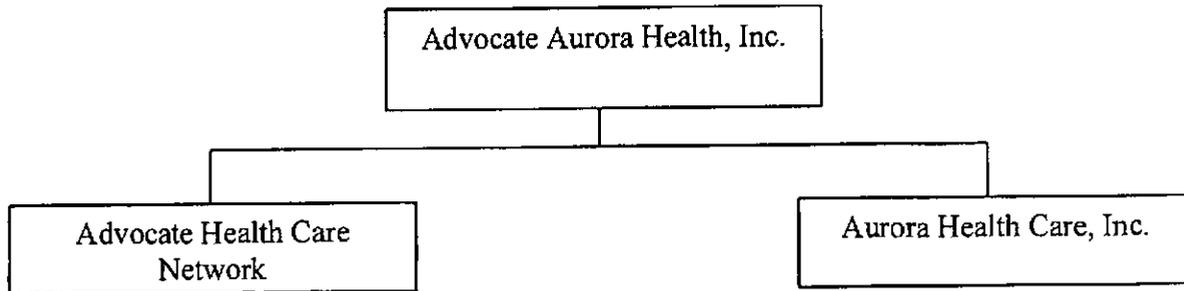


000038



- = Legal Entity
- = Hospital Operation (not a separate legal entity)
- = Foundation
- = Purple Fill = Aurora Hospital System
- = Green Fill = Joint Venture Hospitals
- = Blue Fill = Medical Groups
- = Yellow Fill = Joint Venture Medical Groups
- = Blue Type = For-Profit Entity
- = Purple Type = Other Entities With Unique Relationships to the Aurora System
- = Red Type = Pass-Through or disregarded Entity for tax purposes
- = Hospital Practice Locations of Single Provider
- = Partially Owned by an Aurora Entity or One or More Aurora Entities are Members
- = Auxiliary

POST-CLOSING ORGANIZATIONAL CHART



All of the Advocate Health Care Network ("Advocate") entities will remain under the Advocate corporate structure and all of the Aurora Health Care, Inc. ("Aurora") entities will remain under the Aurora corporate structure, shown on the previously included organizational charts for each of Advocate and Aurora.

Section I, Identification, General Information and Certification

Attachment 5, Flood Plain Requirement

This section appears not to be applicable to a change of ownership COE application.

Section I, Identification, General Information and Certification

Attachment 6, Historic Resources Preservation Act Requirements

This section appears not to be applicable to a change of ownership COE application.

**ATTACHMENTS 7-10 ARE NOT APPLICABLE TO A CHANGE OF OWNERSHIP
APPLICATION AND HAVE BEEN INTENTIONALLY OMITTED IN ACCORDANCE
WITH REVIEW BOARD INSTRUCTIONS.**

ATTACHMENT 7-10

000043

Section III, Background, Purpose of the Project, and Alternatives

Attachment 11, Background

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

A list of all the Illinois health care facilities owned or operated by the Applicants, including licensing and certification information, is included. Aurora Health Care, Inc. currently owns no health care facilities, as that term is defined in the Planning Act, in Illinois.

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

By their signatures on the Certification pages to this application, each of the Applicants attest that no adverse action has been taken against any facility owned and/or operated by them during the three (3) years prior to the filing of this application.

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

By their signatures to the Certification pages to this application, each of the Applicants authorize HFSRB and IDPH access to any documents necessary to verify the information submitted, including, but not limited to: (i) official records of IDPH or other State agencies; (ii) the licensing or certification records of other states, when applicable; and (iii) the records of nationally recognized accreditation organizations.

ADVOCATE HEALTH AND HOSPITALS CORPORATION FACILITIES

Advocate Health and Hospitals Corporation ("AHHC"), or one of its direct or indirect subsidiaries, currently operates the following 11 hospitals and all are a part of this series of COE applications.

FACILITY	LOCATION	LICENSE NO.	DNV ACCREDITATION NUMBER
Advocate BroMenn Medical Center	Normal	0005645	189504-2015-AHC-USA-NIAHO
Advocate Christ Medical Center	Oak Lawn	0000315	197946-2016-AHC-USA-NIAHO
Advocate Condell Medical Center	Libertyville	0005579	147414-2013-AHC-USA-NIAHO
Advocate Eureka Hospital	Eureka	0005652	141309-2015-AHC-USA-NIAHO
Advocate Good Samaritan Hospital	Downers Grove	0003384	176404-2015-AHC-USA-NIAHO
Advocate Good Shepherd Hospital	Barrington	0003475	176396-2015-AHC-USA-NIACHO
Advocate Illinois Masonic Medical Center	Chicago	0005165	192082-2015-AHC-USA-NIACHO
Advocate Lutheran General Hospital	Park Ridge	004796	178979-2015-AHC-USA-NIACHO
Advocate Sherman Hospital	Elgin	0005884	165481-2014-AHC-USA-NIAHO
Advocate South Suburban Hospital	Hazel Crest	0004697	190161-2015-AHC-USA-NIACHO
Advocate Trinity Hospital	Chicago	0004176	193041-2015-AHC-USA-NIAHO

Additionally, AHHC has an ownership interest of fifty percent (50%) or more in the following licensed health care facilities:

FACILITY	LOCATION	LICENSE NO.	JOINT COMMISSION ACCREDITATION NO.	OTHER ACCREDITATION NO.
BroMenn Comfort and Care Suites	Bloomington	4000025	N/A	N/A
Dreyer Ambulatory Surgery	Aurora	7001779	N/A	N/A

Center				
RML Specialty Hospital	Chicago	0005678	N/A	N/A
RML Specialty Hospital	Hinsdale	0004804	N/A	N/A
Sherman West Court	Elgin	N/A	N/A	N/A

All of the above listed AHHC related facilities are included in the series of COE applications with the exception of Sherman West Court which is exempt because it is licensed under the Nursing Home Care Act. The Applicants will notify the Review Board upon the change of ownership of Sherman West Court which will occur as part of the Proposed Transaction.

Neither the licensed entity of the health care facilities listed above, nor the legal entity that owns the physical plant of such facilities will change as part of the Proposed Transaction.

**ATTACHMENT 12 IS NOT APPLICABLE TO A CHANGE OF OWNERSHIP
APPLICATION AND HAVE BEEN INTENTIONALLY OMITTED IN ACCORDANCE
WITH REVIEW BOARD INSTRUCTIONS**

Section III, Alternatives

Attachment 13, Alternatives

In compliance with the Review Board's review criterion to address alternatives, the Applicants submit the following:

1. Other Affiliations with Health Care Systems. Advocate and Aurora continually evaluate opportunities with other high quality providers, with an eye toward enhancing the care that patients receive. Previously, Advocate explored an affiliation with NorthShore University Health System and had submitted Change of Ownership Exemption applications to the Review Board, which the Board had approved. That proposed affiliation was not completed.
2. Proposed Transaction between Advocate and Aurora. Advocate and Aurora are excited about the possible combination of the two systems. The proposed transaction is subject to review by federal regulators; however, as the parties' service areas are generally adjacent with very little overlap, if any, the parties are hopeful that federal regulators will approve the transaction. Both Aurora and Advocate are not-for-profit health care systems that share a cultural and strategic commitment to transforming the health care delivery model to provide value-based service. The Applicants believe that the combination of the two systems is the best opportunity to provide better, more efficient high quality care in the communities they serve.

**ATTACHMENTS 14 IS NOT APPLICABLE TO A CHANGE OF OWNERSHIP
APPLICATION AND HAS BEEN INTENTIONALLY OMITTED IN ACCORDANCE
WITH REVIEW BOARD INSTRUCTIONS**

Section IV, Change of Ownership

Attachment 15, Requirements for Exemptions Involving the Change of Ownership of a Health Care Facility

Section 1130.520, Information Requirements for Change of Ownership of a Health Care Facility

1. **1130.520(b)(1)(A), Names of Parties:** The Applicants are: (i) Advocate Health Care Network; (ii) RML Health Providers Limited Partnership d/b/a RML Chicago, acting through its general partner RMLHP Corporation; (iii) Aurora Health Care, Inc., and (iv) Advocate Aurora Health, Inc.

An organizational chart showing the current ownership structure of RML Health Providers Limited Partnership d/b/a RML Chicago ("RML"), Advocate Health Care Network ("Advocate") and Aurora Health Care, Inc. ("Aurora"), along with the post-closing ownership structure of Advocate Aurora Health, Inc., is included in Attachment 4. Good standing certificates for each of the Applicants are included in Attachment 1.

2. **1130.520(b)(1)(B), Background of Parties:** Each of the Applicants, by their signatures to the Certification pages of this application, attest that they are fit, willing, able and have the qualifications, background and character to adequately provide a proper standard of health service for the community.

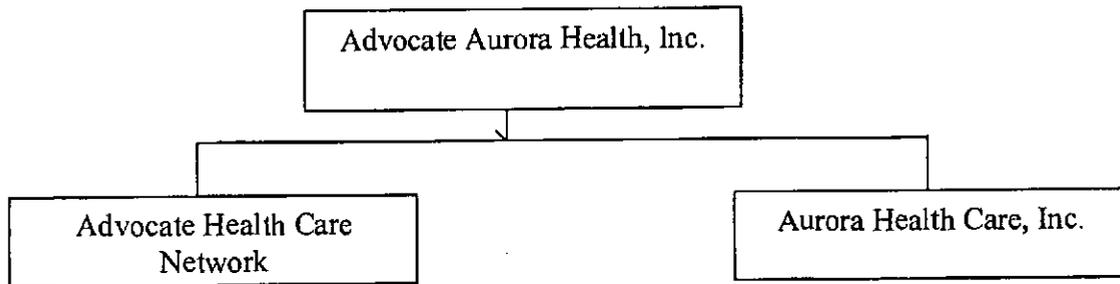
By their signatures on the Certification pages to this application, each of the Applicants attest that no adverse action has been taken against any facility owned and/or operated by each of them during the three (3) years prior to the filing of this application.

3. **1130.520(b)(1)(C), Structure of the Transaction:** Advocate Health Network ("Advocate") and Aurora Health Care, Inc. ("Aurora") have entered into an Affiliation Agreement dated as of December 4, 2017. Under this Affiliation Agreement, subject to Review Board and other approvals, Advocate and Aurora agree to affiliate their organizations under the name Advocate Aurora Health, Inc. ("Advocate Aurora Health").

Aurora is the not-for-profit parent of an integrated health care delivery system that provides a full continuum of health care services to communities primarily in Wisconsin. Aurora's operations do not include any Illinois health care facilities as defined by the Planning Act. Advocate is the parent organization of a faith-based, not-for-profit population health management system that provides the full continuum of health care services to communities in Illinois. Advocate's operations include 11 hospitals in Illinois, and additional healthcare facilities in which it has partial ownership interests.

To effect the affiliation, Advocate and Aurora have formed a new corporate entity "Advocate Aurora Health, Inc." which will be the parent entity for Advocate and Aurora. Upon consummating the transaction, Advocate Aurora Health will become the sole corporate member of each Advocate and Aurora. As shown in the simple organization chart below (and as more fully depicted elsewhere in the attachment), Advocate related facilities will continue operations under the Advocate corporate structure and Aurora related entities will continue to operate under the Aurora corporate structure. Following the closing Advocate Aurora Health will maintain dual headquarters in Wisconsin and Illinois.

The current CEOs of Advocate and Aurora respectively will become the Co-CEOs of Advocate Aurora Health. Following the closing, the Advocate Aurora Health Board will consist of 14 members, six designated by Aurora, six designated by Advocate and each of the Co-CEOs. The initial Advocate Aurora Health Directors will serve staggered terms of between two and four years.



For at least a two year period following the closing, Advocate and Aurora will each continue their respective charitable assistance policies for patients.

The proposed transaction will not directly affect the licensed entity of the health care facilities included in this series of COE applications nor affect the legal entity that owns the physical plant of the facilities.

There will be no direct exchange of funds between Advocate and Aurora as a part of this transaction. As this transaction is an affiliation of the two organizations there is no acquisition price. The Applicants wish to close April 1, 2018 or as soon thereafter as the Certificate of Exemption and federal regulatory approvals are received.

4. **1130.520(b)(1)(D), Name of Licensed Entity after Transaction:** Each of the licensed facilities included in this series of COE applications will continue to be the licensed entity after the Proposed Transaction. There is no change in the licensed entity as a consequence of the Proposed Transaction.
5. **1130.520(b)(1)(E), List of Ownership/Membership Interests in Licensed Entity Prior to and After Transaction:** An organizational chart showing the current ownership structure of Advocate and Aurora, together with the post-closing ownership structure of

Advocate Aurora Health, is included in Attachment 4. Good standing certificates for each of the Applicants are included in Attachment 1.

6. **1130.520(b)(1)(F), Fair Market Value of Assets to be Transferred:**

No monetary consideration is being exchanged between the parties as part of this transaction.

The amounts listed as Fair Market Value are the Net Book Value from the Advocate 2015 audited financial statements.

Facility Name	Fair Market Value
Advocate BroMenn Medical Center	\$134,734,125
Advocate Christ Medical Center	\$339,338,235
Advocate Condell Medical Center	\$243,555,943
Advocate Eureka Hospital	\$8,939,097
Advocate Good Samaritan Hospital	\$120,792,174
Advocate Good Shepherd Hospital	\$233,804,298
Advocate Illinois Masonic Medical Center	\$227,358,435
Advocate Lutheran General Hospital	\$233,804,298
Advocate Sherman Hospital	\$229,886,411
Advocate South Suburban Hospital	\$51,451,293
Advocate Trinity Hospital	\$69,091,546
BroMenn Comfort and Care Suites	\$21,336
Dreyer Ambulatory Surgery Center	\$2,662,609
RML Specialty Hospital	\$18,774,794
RML Specialty Hospital	\$27,017,387

7. **1130.520(b)(1)(G), Purchase Price or Other Forms of Consideration to be Provided:**

No monetary consideration being exchanged between the parties as part of this transaction.

8. **1130.520(b)(2), Affirmations:** In accordance with 77 Ill. Adm. Code §1130.520, each of the Applicants affirm the following:

- a. The transaction documents contain a provision that closing is subject to CON and COE approvals.
- b. No adverse action has been taken against any of the Applicants by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by any of the Applicants, directly or indirectly, within the past three years.

- c. Any projects for which permits have been issued by the Review Board have been completed or will be completed or altered in accordance with the provisions of 77 Ill. Adm. Code §1130.520.
- d. The Applicants understand that failure to complete the Affiliation in accordance with the applicable provisions of Section 1130.500(d) no later than 24 months from the date of exemption approval and failure to comply with the material change requirements of this Section will invalidate the exemption.
- e. The Applicant facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the proposed affiliation. The Applicants affirm that the charity care policy will remain in effect for a two year period following the closing of the affiliation.

9. **1130.520(b)(2), Statement as to the Anticipated Benefits of the Proposed Changes in Ownership to the Community.**

There will be no change in the operation of the Applicant facility anticipated as a consequence of the affiliation.

10. **1130.520(h)(2), Statement as to the Anticipated or Potential Cost Savings, if any, That Will Result for the Community and the Facility as a Result of the Change in Ownership.**

There will be no change in the operation of the Applicant facility anticipated as a consequence of the affiliation.

11. **1130.520(b)(2), Description of the Facility's Quality Improvement Program Mechanism that will be Utilized to Assure Quality Control.**

There will be no change in the operation of the Applicant facility anticipated as a consequence of the affiliation.

12. **1130.520(b)(2), Description of the applicants' organizational structure, including a listing of controlling or subsidiary persons.**

Diagrams illustrating the ownership structure, both current and post transaction, are provided in Attachment 4.

13. **1130.520(b)(2), Description of the selection process that the acquiring entity will use to select the facility's governing body.**

There will be no change in the legal entity that holds the licenses for the facilities included in this series of COE applications. Rather, as described above in the "Summary of Transaction" section above, the corporate change will be in the creation of the new

corporate entity "Advocate Aurora Health, Inc." which will serve as the ultimate parent entity.

The governing board of Advocate Aurora Health will initially consist of 14 members, with half of the members selected by Advocate and the other half by Aurora. There will be six directors selected by each of Advocate and Aurora and both the current Chief Executive Officers for each Advocate and Aurora, who will serve as the Co-CEOs of Advocate Aurora Health, will be ex officio voting members of the initial board of directors. Two of the Advocate directors shall be representatives of the two sponsoring churches, one each from the United Church of Christ and the Evangelical Lutheran Church in America. The initial board of directors shall serve staggered terms of between two and four years.

14. **1130.520(b)(2), Statement that the applicants have prepared a written response addressing the review criteria contained in 77 Ill. Adm. Code 1110.240 and that the response is available for public review on the premises of the health care facility.**

The Applicants have or will prepare a written response addressing the review criteria contained in 77 Ill. Adm. Code 1110.240 that will be available for public review at the facility.

15. **1130.520(b)(2), Description or summary of any proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within twenty-four (24) months after acquisition.**

There are no proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within twenty-four (24) months as a result of the transaction.

**ATTACHMENTS 16-20 ARE NOT APPLICABLE TO A CHANGE OF OWNERSHIP
APPLICATION AND HAVE BEEN INTENTIONALLY OMITTED IN ACCORDANCE
WITH REVIEW BOARD INSTRUCTIONS**

ATTACHMENT 16-20

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Section X, Charity Care Information

Attachment 21, Charity Care Information

The Applicants will not implement any less restrictive charity care policy for the facility for the immediate period following the closing of the proposed transaction.

Information regarding the Applicant's facilities' charity care is as follows:

Advocate Health and Hospitals Corporation d/b/a Advocate BroMenn Medical Center

Charity Care			
Net Patient Revenue	2014	2015	2016
Amount of Charity Care (charges)	\$2,657,000	\$864,000	\$1,804,000
Cost of Charity Care	1.6%	0.5%	1.1%

Advocate Health and Hospital Corporation d/b/a Advocate Christ Medical Center

Charity Care			
Net Patient Revenue	2014	2015	2016
Amount of Charity Care (charges)	\$8,473,000	\$13,522,000	\$10,756,000
Cost of Charity Care	0.9%	1.4%	1.0%

Advocate Condell Medical Center

Charity Care			
Net Patient Revenue	2014	2015	2016
Amount of Charity Care (charges)	\$9,631,000	\$8,663,000	\$5,110,000
Cost of Charity Care	3.0%	2.7%	1.5%

Advocate Health and Hospitals Corporation d/b/a Advocate Eureka Hospital

Charity Care			
Net Patient Revenue	2014	2015	2016
Amount of Charity Care (charges)	\$160,000	\$40,000	\$156,000
Cost of Charity Care	1.1%	0.3%	1.2%

Advocate Health and Hospitals Corporation d/b/a Advocate Good Samaritan

Charity Care			
Net Patient Revenue	2014	2015	2016
Amount of Charity Care (charges)	\$7,144,000	\$4,762,000	\$4,273,000
Cost of Charity Care	1.9%	1.3%	1.1%

Advocate Health and Hospitals Corporation d/b/a Advocate Good Shepard

Charity Care			
Net Patient Revenue	2014	2015	2016
Amount of Charity Care (charges)	\$2,804,000	\$2,158,000	\$1,847,000
Cost of Charity Care	1.0%	0.7%	0.6%

Advocate Health and Hospitals Corporation d/b/a Advocate Illinois Masonic

Charity Care			
Net Patient Revenue	2014	2015	2016
Amount of Charity Care (charges)	\$7,445,000	\$8,022,000	\$5,647,000
Cost of Charity Care	1.9%	1.9%	1.3%

Advocate Health and Hospitals Corporation d/b/a Advocate Lutheran General Hospital

Charity Care			
Net Patient Revenue	2014	2015	2016
Amount of Charity Care (charges)	\$8,154,000	\$9,882,000	\$10,904,000
Cost of Charity Care	1.1%	1.3%	1.4%

Advocate Sherman Hospital

Charity Care			
Net Patient Revenue	2014	2015	2016
Amount of Charity Care (charges)	\$7,857,000	\$4,818,000	\$5,963,000
Cost of Charity Care	2.7%	1.6%	1.9%

Advocate Health and Hospitals Corporation d/b/a Advocate South Suburban

Charity Care			
Net Patient Revenue	2014	2015	2016
Amount of Charity Care (charges)	\$3,771,000	\$3,056,000	\$2,196,000
Cost of Charity Care	1.8%	1.4%	1.0%

Advocate Health and Hospitals Corporation d/b/a Advocate Trinity

Charity Care			
Net Patient Revenue	2014	2015	2016
Amount of Charity Care (charges)	\$1,993,000	\$2,349,000	\$1,441,000
Cost of Charity Care	1.4%	1.7%	1.1%

BroMenn Comfort and Care Suites

Charity Care			
Net Patient Revenue	2014	2015	2016
Amount of Charity Care (charges)	N/A*	N/A	N/A
Cost of Charity Care	N/A	N/A	N/A

*N/A meaning not reportable to Board

Dreyer Ambulatory Surgery Center

Charity Care			
Net Patient Revenue	2014	2015	2016
Amount of Charity Care (charges)	\$0	\$0	\$0
Cost of Charity Care	0%	0%	0%

RML Health Providers Limited Partnership d/b/a RML Chicago

Charity Care			
Net Patient Revenue	2014	2015	2016
Amount of Charity Care (charges)	\$242,703	\$148,772	\$206,000
Cost of Charity Care	0.8%	0.4%	0.6%

RML Health Providers Limited Partnership d/b/a RML Hinsdale

Charity Care			
Net Patient Revenue	2014	2015	2016
Amount of Charity Care (charges)	\$320,014	\$19,126	\$161,934
Cost of Charity Care	0.6%	0%	0.3%

Sherman West Court

Charity Care			
Net Patient Revenue	2014	2015	2016
Amount of Charity Care (charges)	\$91,291	\$71,825	\$47,885
Cost of Charity Care	0.8%	0.8%	0.4%