



STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

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CHANGE OF OWNERSHIP

FACILITIES and EXEMPTION APPLICATIONS

- E-003-18 – THC- North Shore Inc d/b/a Kindred Chicago Lakeshore – 103 Sub-Acute Beds
- E-004-18 – THC – Chicago, Inc. d/b/a Kindred Hospital Sycamore – 69 LTAC Beds
- E-005-18 – Greater Peoria Specialty Hospital LLC d/b/a Kindred Hospital Peoria – 50 LTAC Beds
- E-006-18 – THC- Chicago, Inc. d/b/a Kindred Hospital – Northlake 94 LTAC Beds
- E-007-18 – THC – Chicago, Inc. d/b/a Kindred Hospital – Chicago – 31 AMI Beds & 133 LTAC Beds
- E-008-18 – THC – Chicago, Inc. d/b/a Kindred Chicago Central Hospital -95 LTAC Beds

1. The Transaction

These changes of ownership are part of a nationwide transaction. Kindred Healthcare, Inc. will be acquired by a consortium of three companies: TPG Capital, Welsh, Carson, Anderson & Stowe and Humana Inc. Kindred Healthcare, Inc is being acquired for \$9.00 a share with a total transaction value of \$4.1 billion including debt. This nationwide transaction involves four hospitals in Chicago, one in Sycamore and one in Peoria. Kindred Healthcare, Inc. owns 100% of the hospitals in Chicago and Sycamore and 51% of the hospital in Peoria (Methodist Medical Center of Illinois owns 49%). Upon the finalizing of the transaction Kindred Healthcare, Inc.'s interest will be held by Kentucky Hospital Holdings JV, L.P. The transaction is tentatively scheduled to be completed September 15, 2018.

The six facilities are

- THC- North Shore Inc d/b/a Kindred Chicago Lakeshore - Chicago
- THC – Chicago, Inc. d/b/a Kindred Hospital Sycamore -Sycamore
- Greater Peoria Specialty Hospital LLC d/b/a Kindred Hospital Peoria - Peoria
- THC- Chicago, Inc. d/b/a Kindred Hospital – Northlake-Chicago
- THC – Chicago, Inc. d/b/a Kindred Hospital – Chicago -Chicago
- THC – Chicago, Inc. d/b/a Kindred Chicago Central Hospital -Chicago

Kindred Healthcare, Inc. will continue to manage the above-referenced facility's operations. The number of beds and services will remain unchanged as a result of this transaction. The employees will retain full credit for Kindred employment, retain current positions, and maintain seniority.

2. Public Hearing

No public hearing was requested and no support or opposition letters were received.

3. Criterion 1130.500, Criterion 1130.525, Criterion 1130.560 - Application for permit or exemption; exemption regulations.

“The Chair shall act upon an exemption application for the change of ownership that is not among related persons after Board staff finds that the application is complete and includes the requested information. The Chair may refer the application to the Board.”

All information required by the State Board has been submitted.