

E-011-18

[ORIGINAL]

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

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

RECEIVED

MAR 12 2018

Facility/Project Identification

Facility Name: Edward Hospital		
Street Address: 801 S. Washington Street		
City and Zip Code: Naperville 60540		
County: Dupage	Health Service Area: VII	Health Planning Area: A-05

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

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

Exact Legal Name: Edward Hospital
Street Address: 801 S. Washington Street
City and Zip Code: Naperville 60540
Name of Registered Agent: Chris Mollet
Registered Agent Street Address: 801 S. Washington Street
Registered Agent City and Zip Code: Naperville 60540
Name of Chief Executive Officer: William Kottmann
CEO Street Address: 801 S. Washington Street
CEO City and Zip Code: Naperville 60540
CEO Telephone Number: 630-527-7228

Type of Ownership of Applicants

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

- Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Kari Runge
Title: System Director, Planning
Company Name: Edward-Elmhurst Health
Address: 801 S. Washington St. Naperville, IL 60540
Telephone Number: 630-527-3917
E-mail Address: Kari.Runge@EEHealth.org
Fax Number: 630-527-3963

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

Name: Annette Kenney
Title: Executive Vice President, Chief Strategy & Marketing Officer
Company Name: Edward-Elmhurst Health
Address: 801 S. Washington St. Naperville, IL 60540
Telephone Number: 630-527-5803
E-mail Address: Annette.Kenney@EEHealth.org
Fax Number: 630-527-3702

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: Kari Runge
Title: System Director, Planning
Company Name: Edward-Elmhurst Health
Address: 801 S. Washington St. Naperville, IL 60540
Telephone Number: 630-330-2972
E-mail Address: Kari.Runge@EEHealth.org
Fax Number: 630-527-3963

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Edward Hospital
Address of Site Owner: 801 S. Washington St. Naperville, IL 60540
Street Address or Legal Description of the Site: 801 S. Washington St. Naperville, IL 60540
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: Edward Hospital
Address: 801 S. Washington St. Naperville, IL 60540
<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- NOT APPLICABLE

[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- NOT APPLICABLE

[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.

Edward Hospital is proposing to reallocate 10 existing newborn level II beds to a neonatal intensive care level III designation. These 10 beds are currently located in the same nursing unit as the existing 12 neonatal intensive care level III beds inventoried and operating at Edward Hospital. These 10 beds also meet all licensure requirements for a neonatal intensive care level III service so there are no project costs.

Edward Hospital is requesting that this change to the neonatal level III bed inventory from 12 to 22 become effective upon the Board's approval of this application.

This project is non-substantive because it does not involve establishment of a new facility, it is not a discontinuation or establishment of a category of service and it is less than 20 beds.

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.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	NA	NA	NA
Site Survey and Soil Investigation	NA	NA	NA
Site Preparation	NA	NA	NA
Off Site Work	NA	NA	NA
New Construction Contracts	NA	NA	NA
Modernization Contracts	NA	NA	NA
Contingencies	NA	NA	NA
Architectural/Engineering Fees	NA	NA	NA
Consulting and Other Fees	NA	NA	NA
Movable or Other Equipment (not in construction contracts)	NA	NA	NA
Bond Issuance Expense (project related)	NA	NA	NA
Net Interest Expense During Construction (project related)	NA	NA	NA
Fair Market Value of Leased Space or Equipment	NA	NA	NA
Other Costs To Be Capitalized	NA	NA	NA
Acquisition of Building or Other Property (excluding land)	NA	NA	NA
TOTAL USES OF FUNDS	\$0	\$0	\$0
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	NA	NA	NA
Pledges	NA	NA	NA
Gifts and Bequests	NA	NA	NA
Bond Issues (project related)	NA	NA	NA
Mortgages	NA	NA	NA
Leases (fair market value)	NA	NA	NA
Governmental Appropriations	NA	NA	NA
Grants	NA	NA	NA
Other Funds and Sources	NA	NA	NA
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	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Purchase Price: \$	_____	
Fair Market Value: \$	_____	
The project involves the establishment of a new facility or a new category of service		
	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If yes, provide the dollar amount of all 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 \$ <u>0</u> _____.		

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>Upon permit issuance</u>	
Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140): NOT APPLICABLE (there are no project costs)	
<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 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)]


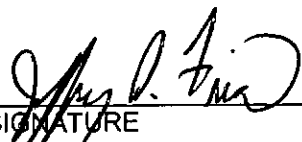
Are the following submittals up to date as applicable:
<input checked="" type="checkbox"/> Cancer Registry
<input checked="" type="checkbox"/> APORS
<input checked="" type="checkbox"/> All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
<input checked="" type="checkbox"/> 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:

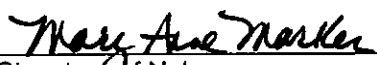
- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- o in the case of a partnership, two of 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 Edward Hospital *
 in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

 <hr/> SIGNATURE	 <hr/> SIGNATURE
William Kottmann <hr/> PRINTED NAME	Jeffrey Friant <hr/> PRINTED NAME
President/CEO, Edward Hospital <hr/> PRINTED TITLE	Vice President, Finance <hr/> PRINTED TITLE

Notarization:
 Subscribed and sworn to before me
 this 6 day of March, 2018

Notarization:
 Subscribed and sworn to before me
 this 6 day of March, 2018


 Signature of Notary


 Signature of Notary

Seal

OFFICIAL SEAL
 MARY ANNE MARKER
 NOTARY PUBLIC - STATE OF ILLINOIS
 MY COMMISSION EXPIRES: 07/31/20

*Insert the EXACT legal name of the applicant

Seal

OFFICIAL SEAL
 MARY ANNE MARKER
 NOTARY PUBLIC - STATE OF ILLINOIS
 MY COMMISSION EXPIRES: 07/31/20

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

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

Background

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

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

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

Criterion 1110.230 – Purpose of the Project, and Alternatives (Not applicable to Change of Ownership)

PURPOSE OF PROJECT

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

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

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

**NOTE: Information regarding the "Purpose of the Project" will be included in the State Board Report.
APPEND DOCUMENTATION AS ATTACHMENT 12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.**

ALTERNATIVES- NOT APPLICABLE

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

Alternative options **must** include:

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

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

SECTION IV. SERVICE SPECIFIC REVIEW CRITERIA (Neonatal Intensive Care Services Only)

Criterion 1130.531 Requirements for Exemptions for the Establishment or Expansion of Neonatal Intensive Care Service and Beds

This Section is applicable to all projects proposing the establishment, or expansion of Neonatal Intensive Care Service that are subject to CON review, as provided in the Illinois Health Facilities Planning Act [20 ILCS 3960]. It is comprised of information requirements, as well as charts for the service, indicating the review criteria that must be addressed for each action (establishment, expansion and modernization). **APPLICABLE TO THE CRITERIA THAT MUST BE ADDRESSED:**

A. Criterion 1130.531 - Neonatal Intensive Care Services

1. Applicants proposing to establish, expand and/or modernize the Neonatal Intensive Care categories of service must submit the following information:
2. Indicate bed capacity changes by Service: Indicate # of beds changed by action(s):

Category of Service	# Existing Beds	# Proposed Beds
<input checked="" type="checkbox"/> Neonatal Intensive Care	12	22

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

APPLICABLE REVIEW CRITERIA	Establish	Expand
1130.531(a) - A description of the project that identifies the location of the neonatal intensive care unit and the number of neonatal intensive care beds proposed;	X	X
1130.531(b) - Verification that a final cost report will be submitted to the Agency no later than 90 days following the anticipated project completion date;	X	X
1130.531(c) - Verification that failure to complete the project within the 24 months after the Board approved the exemption will invalidate the exemption.	X	X

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

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.

**VI. 1120.120 - AVAILABILITY OF FUNDS (Neonatal Intensive Care Services only)
NOT APPLICABLE (NO PROJECT COSTS)**

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

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

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

SECTION VII. 1120.130 - FINANCIAL VIABILITY

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

Financial Viability Waiver

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

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

See Section 1120.130 Financial Waiver for information to be provided

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

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

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

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

2. Variance

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

APPEND DOCUMENTATION AS ATTACHMENT 18, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VIII. 1120.140 - ECONOMIC FEASIBILITY

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

A. Reasonableness of Financing Arrangements

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

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

B. Conditions of Debt Financing

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

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

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

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

* Include the percentage (%) of space for circulation

D. Projected Operating Costs- NOT APPLICABLE (NO PROJECT 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 NOT APPLICABLE (NO PROJECT 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 ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE STATE-OWNED HEALTH CARE FACILITIES [20 ILCS 3960/5.4]:

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source"

as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.

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

A table in the following format must be provided as part of Attachment 40.

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

APPEND DOCUMENTATION AS ATTACHMENT 20, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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	21-23
2	Site Ownership	24-28
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	29
5	Flood Plain Requirements	
6	Historic Preservation Act Requirements	
7	Project and Sources of Funds Itemization	
8	Financial Commitment Document if required	
9	Cost Space Requirements	
10	Discontinuation	
11	Background of the Applicant	30-34
12	Purpose of the Project	
13	Alternatives to the Project	
	Service Specific:	
14	Neonatal Intensive Care Services	35
15	Change of Ownership	
	Financial and Economic Feasibility:	
16	Availability of Funds	
17	Financial Waiver	36-47
18	Financial Viability	
19	Economic Feasibility	
20	Safety Net Impact Statement	
21	Charity Care Information	48

EDWARD HOSPITAL NEONATAL INTENSIVE
CARE BED REALLOCATION
COE APPLICATION

March 2018

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

Co-Applicant Identification

Exact Legal Name: Edward-Elmhurst Healthcare
Address: 801 S. Washington St. Naperville, IL 60540
Name of Registered Agent: Chris Mollet
Name of Chief Executive Officer: Mary Lou Mastro
CEO Address: 801 S. Washington St. Naperville, IL 60540
Telephone Number: 630-527-3010

Type of Ownership:

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

- Corporations and limited liability companies must provide an Illinois certificate of good standing.
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.



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

EDWARD HOSPITAL, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON MARCH 30, 1984, 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 6TH day of MARCH A.D. 2018 .



Authentication #: 1806501538 verifiable until 03/06/2019
Authenticate at: <http://www.cyberdriveillinois.com>

Jesse White

SECRETARY OF STATE

ATTACHMENT - 1



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

EDWARD-ELMHURST HEALTHCARE, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON APRIL 27, 1987, 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 #: 1806501598 verifiable until 03/06/2019
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 MARCH A.D. 2018 .***

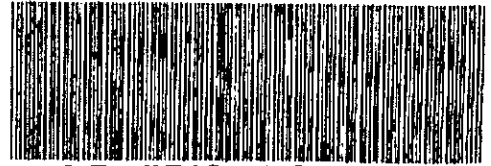
Jesse White

SECRETARY OF STATE

ATTACHMENT - 1

A 11

QUIT CLAIM DEED
Statutory (Illinois)



J.P. "RICK" CARNEY
DUPAGE COUNTY RECORDER
NOV.02,2000 9:49 AM
DEED 07-24-400-007
005 PAGES R2000-171372

CHARGE C.T.I.C. DUPAGE 2109521 City

THE GRANTOR, EDWARD HOSPITAL DISTRICT, a hospital district created and existing under and by virtue of the laws of the State of Illinois and

(The Above Space for Recorder's Use Only)

duly authorized to transact business in the State of Illinois, for the consideration of Ten and no/100 (\$10.00) Dollars, and other good and valuable consideration in hand paid, and pursuant to authority given by the Board of Directors of said corporation, CONVEYS and QUIT CLAIMS to EDWARD HOSPITAL, an Illinois not-for-profit corporation organized and existing under and by virtue of the laws of the State of Illinois having its principal office at the following address: 801 Washington Street, Naperville, Illinois, all interest in the following described Real Estate situated in the County of DuPage and State of Illinois, to wit:

SEE EXHIBIT A ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF

Permanant Real Estate Index Numbers: 07-24-400-007; 07-24-400-008;
07-24-400-011; 07-24-400-12

Addresses of Real Estate: 852 West Street; Naperville, IL 60540;
775 Brom Drive, Naperville, IL 60540;
100-120 Spaulding Drive, Naperville, IL 60540
801 Washington Street, Naperville, IL 60566


ATTACHMENT - 2

In Witness Whereof, said Grantor has caused its name to be signed to these presents by
its Chairman this 25th day of October, 2000.

EDWARD HOSPITAL DISTRICT

By: Michael T. Manning
Its: Chairman of the Board

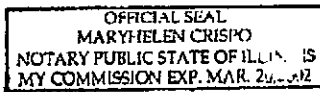
MADE BY ORDER OF THE BOARD OF DIRECTORS OF EDWARD HOSPITAL DISTRICT, Section 4
Date: 10/25/00
Michael T. Manning

CITY OF NAPERVILLE	
CITY TAX 	OCT. 26.00
	NAPERVILLE, IL
# 000000911	REAL ESTATE TRANSFER TAX
	0000000 FP326659

State of Illinois)
) SS.
County of Cook)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that Michael Mimnaugh is personally known to me to be the Chairman of Edward Hospital District, an Illinois hospital district, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such Chairman, he signed and delivered the said instrument, pursuant to authority given by the Board of said Directors of said corporation, for the uses and purposes therein set forth.

Given under my hand and official seal, this 25th day of October, 2000.



Mary Helen Crispo
Notary Public

Commission expires March 20, 2002

This Instrument Was Prepared By:

Jennifer R. Breuer, Esq.
Gardner, Carton & Douglas
321 North Clark Street
Suite 3400
Chicago, IL 60610-4795

MAIL TO: { Edward Hospital }
 { Attn: Nanette Bufalino }
 { 801 Washington Street }
 { P. O. Box 3060 }
 { Naperville, IL 60566 }

SEND SUBSEQUENT TAX BILLS TO:

Edward Hospital
Attention: President
801 Washington Street
P. O. Box 3060
Naperville, IL 60566

OR RECORDER'S OFFICE BOX NO. _____

CH01/12110924.1

ATTACHMENT - 2

EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1:

That part of the Southeast quarter of Section 24, Township 38 North, Range 9, East of the Third Principal Meridian, described by beginning at the Northeast corner of the Southeast quarter of the Southwest quarter of said Section 24, Township 38 North, Range 9, East of the Third Principal Meridian and running thence North 69° East 37.12 chains to stake and stones in center of road; thence South 18° East 4.98 chains along the road to H. Knickerbocker's line; thence South 70° West 38.15 chains along Knickerbocker's line to stake and stones; thence North 1° East 4.70 chains to the place of beginning; also Lot 11 as platted and described in Book 3 on pages 240 and 242 of Circuit Court records described by commencing at stake and stones at Northeast corner of Southeast quarter of Southwest quarter of said Section 24 and running thence North 25° West 4.65 chains to stake and stones; thence North 69 and one-half ° East 39.44 chains to stake and stones in center of road; thence South 4° West 4.61 chains to angle in road; thence South 18° East 1.45 chains to stake and stones; thence South 69 and one-half ° West 37.12 chains to place of beginning, in DuPage County, Illinois.

ALSO

PARCEL 2:

That part of the Southeast quarter of Section 24, Township 38 North, Range 9, East of the Third Principal Meridian, described by commencing at the Northeast corner of said Southeast quarter; thence West along the North line of said Southeast quarter 500.3 feet to the center line of Washington Street; thence South 0° 51' West along the center line of said Washington Street 34.9 feet for a place of beginning; thence South 0° 51' West along said center line of Washington Street 100.0 feet; thence South 66° 08' West 1802.2 feet to the West line of the Naperville Cemetery extended South; thence North 1° 03' East along the West line of said Cemetery extended South 642.4 feet; thence North 83° 29' East 1648.4 feet to the place of beginning, in DuPage County, Illinois.

ATTACHMENT - 2

AFFIDAVIT — METES AND BOUNDS

STATE OF ILLINOIS)
COUNTY OF DU PAGE) SS.

AFFIDAVIT — METES AND BOUNDS

Peter M. Klei

_____ , being duly sworn on oath,
states that he/she resides at 1724 S. Applewood Ct Wheaton

That the attached deed is not in violation of Section 205/1 of Chapter 765 of the Illinois Compiled Statutes for one of the following reasons:

1. The division or subdivision of land is into parcels or tracts of five acres or more in size which does not involve any new streets or easements of access.
2. The division is of lots or blocks of less than one acre in any recorded subdivision which does not involve any new streets or easements of access.
3. The sale or exchange of parcels of land is between owners of adjoining and contiguous land.
4. The conveyance is of parcels of land or interests therein for use as right of way for railroads or other public utility facilities, which does not involve any new streets or easements of access.
5. The conveyance is of land owned by a railroad or other public utility which does not involve any new streets or easements of access.
6. The conveyance is of land for highway or other public purposes or grants of conveyances relating to the dedication of land for public use or instruments relating to the vacation of land impressed with a public use.
7. The conveyance is made to correct descriptions in prior conveyances.
8. The sale or exchange is of parcels or tracts of land following the division into no more than two parts of a particular parcel or tract of land existing on July 17, 1959 and not involving any new streets or easements of access.
9. The sale is of a single lot of less than five acres from a larger tract, the dimensions and configurations of said larger tract having been determined by the dimensions and configuration of said larger tract on October 1, 1973, and no sale, prior to this sale, or any lot or lots from said larger tract having taken place since October 1, 1973 and a survey of said single lot having been made by a registered land surveyor.
10. The conveyance is of land described in the same manner as title was taken by grantor(s).

THE APPLICABLE STATEMENT OR STATEMENTS ABOVE ARE CIRCLED.

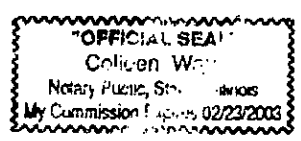
AFFIANT further states that he/she makes this affidavit for the purpose of inducing the Recorder of DuPage County, State of Illinois, to accept the attached deed for recording.

SUBSCRIBED AND SWORN TO before me

[Signature]

this 2nd day of November, 192000

[Signature]
Notary Public



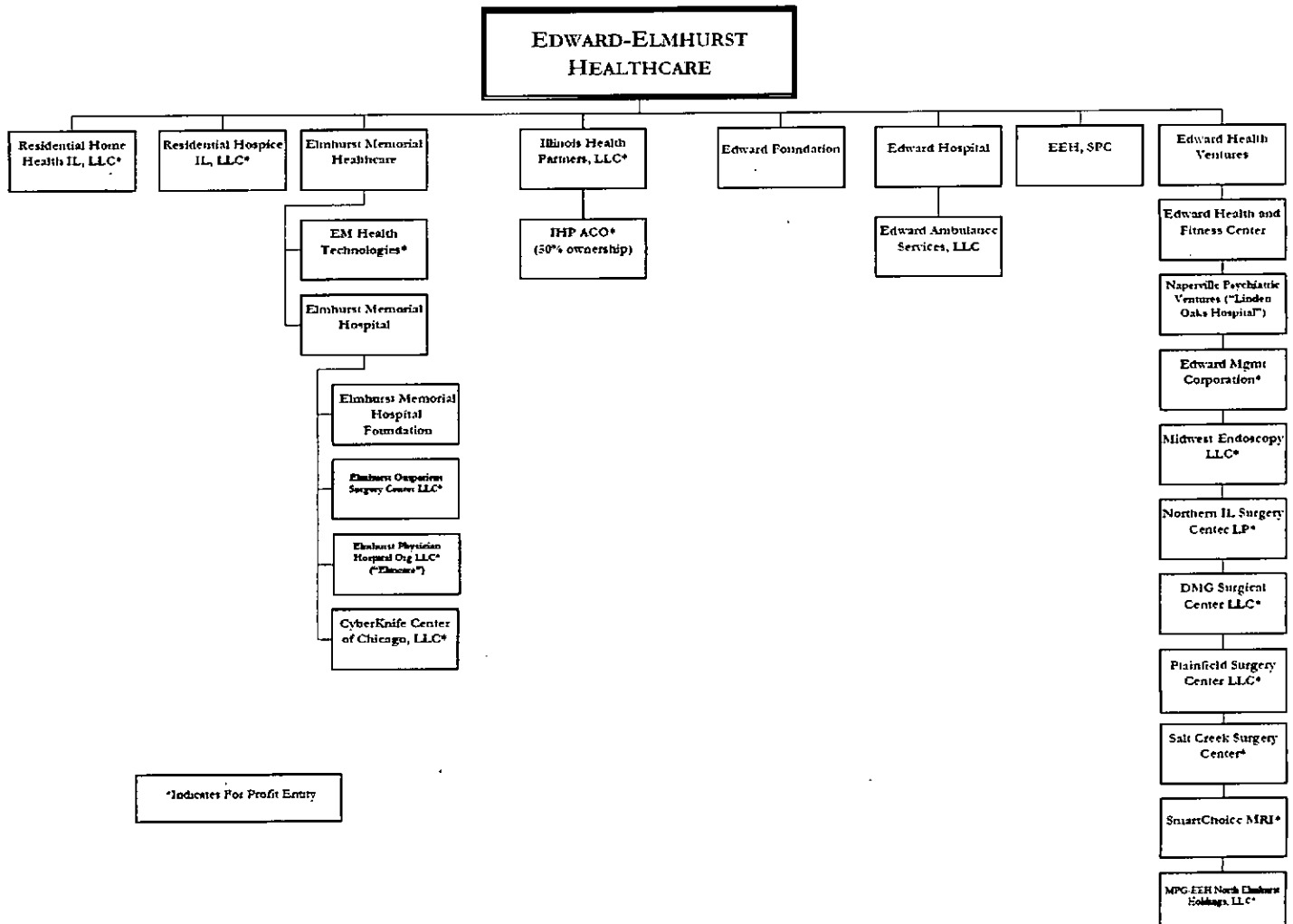
J. P. "RICK" CARNEY, DU PAGE COUNTY RECORDER
421 N. COUNTY FARM ROAD, BOX 936, WHEATON, ILLINOIS 60189

(Rev. 12/94)

ATTACHMENT - 2

Organizational Relationships—Both Edward-Elmhurst Healthcare and Edward Hospital (co-Applicants) are included on the organizational chart below.

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



*Indicates For Profit Entity

Edward-Elmhurst Healthcare ("EEH") is the sole corporate member of Edward Hospital, Edward Health Ventures, Edward Foundation, EEH, SPC, Elmhurst Memorial Healthcare, and Illinois Health Partners, LLC.

EEH participates in the following joint ventures and owns interests as listed:

- Residential Home Health Illinois, LLC (60%)
- Residential Hospice Illinois, LLC (42.5%)

Edward Hospital participates in the following joint ventures and owns interests as listed:

- Edward Ambulance Services LLC (55%)

BACKGROUND OF APPLICANT

1. Edward Hospital, Applicant, has 100% ownership over the health care facility listed below:

Edward Ambulance Services:

State of Illinois License Number: 008967

Plainfield Free-Standing Emergency Department:

State of Illinois License Number: 22003

2. Edward-Elmhurst Healthcare, Co-Applicant, has 100% ownership over the health care facilities listed below:

Edward Hospital:

State of Illinois License Number: 0003905

Joint Commission Identification Number: 7394

Copies of licenses and accreditation are included as attachments in the following pages.

There has been no adverse action taken against any facility, as certified in the attached letter. This letter also provides the HFSRB and DPH access to any requisite documents.

ATTACHMENT- 11

Healthy Driven™
Edward-Elmhurst
HEALTH

March 6, 2018

Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

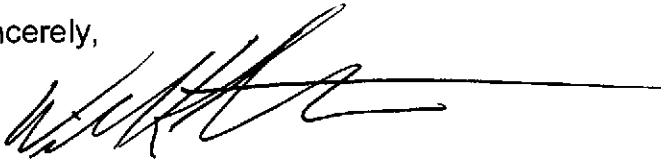
Re: Edward Hospital's COE Application for NICU Bed Leveling

To Whom It May Concern:

In accordance with Review Criteria 1110.230, Background of Applicant, we are submitting this letter assuring the Illinois Health Facilities and Services Review Board that no adverse actions have been taken against Edward Hospital or any other facility owned or operated by the co-applicants during the three years prior to filing of this application.

Further, the HFSRB and the DPH is herein given authorization to review any records necessary for the verification of the information provided in this CON application.

Sincerely,




William Kottmann
President and CEO, Edward Hospital

Acknowledgement:
State of Illinois
Count of DuPage

This instrument was acknowledged before me on March 6, 2018, by

William G. Kottmann

(Name of Person)


Notary Republic

Edward Hospital
801 S. Washington Street
Naperville, IL 60540

Elmhurst Hospital
155 E. Brush Hill Road
Elmhurst, IL 60126
EEHealth.org



ATTACHMENT-11



**Illinois Department of
PUBLIC HEALTH**

HF113285

← DISPLAY THIS PART IN A
CONSPICUOUS PLACE

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

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

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

Issued under the authority of
the Illinois Department of
Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
06/30/2018		0003905
General Hospital		
Effective: 07/01/2017		

Exp. Date 06/30/2018

Lic Number 0003905

Date Printed 04/21/2017

Edward Hospital
801 S. Washington Street
Naperville, IL 60540

Edward Hospital
801 S. Washington Street
Naperville, IL 60540

The face of this license has a colored background. Printed by Authority of the State of Illinois • P.D. #48240 SM 5/16

FEE RECEIPT NO.

ATTACHMENT - 11

Edward Hospital

Naperville, IL

has been Accredited by



The Joint Commission

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

August 29, 2015

Accreditation is customarily valid for up to 36 months.


Rebecca J. Patchin, MD
Chair, Board of Commissioners

ID #7394
Print/Reprint Date: 10/30/2013


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

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



ATTACHMENT - 11



**Illinois Department of
PUBLIC HEALTH**

HF114133

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

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

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

Issued under the authority of
the Illinois Department of
Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
9/10/2018		22003
Free Standing Emergency Center		
Licensed Beds: 15		

Edward Plainfield Emergency Center
24600 W. 127th Street
Plainfield, IL 60585

The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #48240 SM 5/16

← DISPLAY THIS PART IN A
CONSPICUOUS PLACE

Exp. Date 9/10/2018
Lic Number 22003
Date Printed 9/1/2017

Edward Plainfield Emergency Center

FEE RECEIPT NO.

Section IV. Service Specific Review Criteria (Neonatal Intensive Care Services)

Criterion 1130.531 – Neonatal Intensive Care Services

- a. **1150.351(a): A description of the project that identifies the location of the neonatal intensive care unit and the number of neonatal intensive care beds proposed..**

Edward Hospital is proposing to reallocate 10 existing newborn level II beds to a neonatal intensive care level III designation. These 10 beds are currently located in the same nursing unit as the existing 12 neonatal intensive care level III beds inventoried and operating at Edward Hospital.

- b. **11350.531(b): Verification that a final cost report will be submitted to the Agency no later than 90 days following the anticipated project completion date.**

There are no costs associated with this project since all beds are existing.

- c. **1130.53(c): Verification that failure to complete the project within the 24 months after the Board approved the exemption will invalidate the exemption.**

This project will be complete upon Board approval.

Financial Viability Waiver

The applicant, Edward-Elmhurst Healthcare, has an A/Stable Bond Rating from S&P Global Ratings and Fitch Ratings as reflected in the attached documents.

Edward-Elmhurst Healthcare, Illinois

New Issue Report

Ratings

New Issues

\$197,820,000 Illinois Finance Authority Fixed-Rate Revenue Bonds, Series 2017A	A
\$47,590,000 Variable-Rate Direct Purchase Bonds (JPMorgan), Series 2017B	NR
\$42,990,000 Variable-Rate Direct Purchase Bonds (Bank of America), Series 2017C	NR

NR - Not rated.

Outstanding Debt
See page 2 for a full listing of outstanding rated debt.

Rating Outlook
Stable

Related Research

Fitch Rates Edward-Elmhurst Healthcare's (IL) Series 2017A Revenue Bonds 'A'; Outlook Stable (January 2017)

Fitch Rates Edward-Elmhurst Healthcare (IL) Series 2016A Revenue Bonds 'A'; Outlook Stable (October 2016)

Analysts

Mark Pascaris
+1 312 368-3135
mark.pascaris@fitchratings.com

Paul Rizzo
+1 212 612-7875
paul.rizzo@fitchratings.com

New Issue Details

Sale Information: \$197,820,000 Illinois Finance Authority Fixed-Rate Revenue Bonds, Series 2017A, expected to sell on Jan. 11 via negotiation.

Security: Bond payments are to be secured by a joint and several revenue pledge of the Edward-Elmhurst Healthcare (EEH) obligated group, which will be created upon the issuance of the series 2017 financing. The bonds are not to be supported by a mortgage or a debt service reserve fund (DSRF).

Purpose: Bond proceeds from the series 2017 financings will refund and advance refund Edward Hospital's (Edward) series 2008A fixed-rate bonds, Edward's series 2008B-1 variable-rate demand bonds (VRDBs), Edward's series 2009A VRDBs, Elmhurst Memorial Healthcare's (Elmhurst) series 2008A fixed-rate bonds and pay the costs of issuance. Pro forma maximum annual debt service (MADS) is \$45.1 million.

Final Maturity: 2047.

Key Rating Drivers

Plan to Combine Obligated Groups: The creation of the EEH obligated group is one of the final steps in the process of merging Edward and Elmhurst. While the formation of the EEH obligated group is happening one or two years earlier than originally planned, this is not unexpected as Edward-Elmhurst has been operating as a single system since the merger was finalized on July 1, 2013. After the issuance of the series 2017 bonds, the separate Edward and Elmhurst obligated groups will cease to exist.

Growing Market Presence in Favorable Service Area: EEH is benefiting from volume growth in its favorable western Chicago suburban service area. Despite a competitive service area, EEH has realized market share growth in recent years.

Somewhat Modest Operating Margins: While profitable, EEH's operating EBITDA margins are somewhat modest for the 'A' rating category. In fiscal years 2015 and 2016, EEH recorded operating EBITDA margins of 8.7% and 8.4%, respectively.

Elevated Debt Load: Due to Elmhurst's heavy debt burden, EEH's pro forma debt service ratios are somewhat stressed. Pro forma MADS coverage by EBITDA is modest at 2.9x as is debt-to-EBITDA at 5.5x. Pro forma MADS as a percentage of revenue is manageable at 3.6%.

Mixed Liquidity Ratios: EEH's liquidity position is mixed. While pro forma cash on hand (226 days) and cushion ratio (16.0x) are adequate, pro forma cash to debt is thin at 100%.

Rating Sensitivities

Sustained Operating Results: Fitch Ratings expects the newly combined EEH obligated group to benefit from its growing market position, modern physical plant and favorable physician relationships to sustain, if not improve, operating margins over time. Given that the system does not have new money debt plans in the coming years, debt service coverage and liquidity ratios should improve over time.

Rating History — Edward

Rating	Action	Outlook/ Watch	Date
A	Downgraded	Stable	10/19/16
A+	Assigned	Stable	11/18/15

Rating History — Elmhurst

Rating	Action	Outlook/ Watch	Date
A	Upgraded	Stable	10/19/16
BBB	Affirmed	Positive	10/8/15
BBB	Affirmed	Stable	10/9/14
BBB	Downgraded	RWN	7/30/12
A-	Affirmed	Stable	2/7/11
A-	Downgraded	Stable	4/25/08
A	Affirmed	Stable	1/18/08
A	Upgraded	Stable	12/20/04
A-	Affirmed	Positive	12/11/03
A-	Assigned	Stable	11/26/02

RWN - Rating Watch Negative.

Rating History — Edward-Elmhurst

Rating	Action	Outlook/ Watch	Date
A	Assigned	Stable	1/6/17

Related Criteria

U.S. Nonprofit Hospitals and Health Systems Rating Criteria (June 2015)
Revenue-Supported Rating Criteria (June 2014)

Outstanding Debt^{a, b}

\$86,100,000 Illinois Finance Authority Fixed-Rate Revenue Bonds (Edward), Series 2008A	A
\$48,560,000 Illinois Finance Authority Variable-Rate Demand Bonds (Edward), Series 2008B-1 (JPM LOC)	A (underlying)
\$48,560,000 Illinois Finance Authority Variable-Rate Demand Bonds, Series (Edward), 2008B-2 (JPM LOC)	A (underlying)
\$9,170,000 Illinois Finance Authority Variable-Rate Demand Bonds (Edward), Series 2008C (JPM LOC)	A (underlying)
\$42,880,000 Illinois Finance Authority Variable-Rate Demand Bonds (Edward), Series 2009A (BMO LOC)	A (underlying)
\$14,375,000 Illinois Finance Authority (Edward), Series 2012A	NR

\$76,025,000 Illinois Finance Authority Taxable Fixed-Rated Revenue Bonds (Elmhurst), Series 2013A	A
\$30,500,000 Illinois Finance Authority Taxable Variable-Rate Revenue Bonds (Elmhurst), Series 2013B	A
\$124,815,000 Illinois Finance Authority Fixed-Rate Revenue Bonds (Elmhurst), Series 2008A	A
\$50,000,000 Illinois Finance Authority Variable-Rate Revenue Bonds, Series 2008D (supported by BMO Harris Bank LOC)	A
\$190,000,000 Illinois Finance Authority Variable-Rate Private Placement (Elmhurst), Series 2013C&D	NR

^aOutstanding debt from Edward was downgraded from 'A+' on Oct. 19, 2016. ^bOutstanding debt from Elmhurst was upgraded from 'BBB' on Oct. 19, 2016. NR - Not rated.

Credit Profile

EEH is the result of the July 2013 merger between Edward and Elmhurst. EEH is a 613-licensed-bed health system headquartered in Naperville, IL, with inpatient acute care hospitals in Naperville and Elmhurst and the Linden Oaks Hospital, a 108-bed psychiatric hospital in Naperville. Naperville and Elmhurst are located 33 miles and 18 miles, respectively, west of downtown Chicago. EEH generated just over \$1.2 billion in operating revenue in fiscal 2016 (June 30 fiscal year end).

Growing Market Presence in Favorable Service Area

EEH has benefited from considerable volume growth in its favorable western Chicago suburban service area. Between fiscal years 2014 and 2016, inpatient admissions increased 10% (9.7% including observation stays), total surgeries 6.1% and outpatient visits 17.6%. These volume trends are particularly notable given that inpatient trends are stagnant in the Chicago metropolitan service area. The EEH management team has been successful at implementing strategic growth initiatives for expansion, particularly at the Elmhurst campus, which had been underperforming prior to the merger.

EEH continues to benefit from its tight relationship with the DuPage Medical Group (DMG), a multispecialty group with over 600 physicians. EEH and DMG share the same instance of the Epic electronic medical record (EMR). In addition, EEH and DMG participate in Illinois Health Partners and Illinois Health Partners, ACO, physician-hospital organizations that manage nearly 150,000 covered lives.

Despite a competitive service area, EEH's volume growth has led to market share gains in recent years. Between fiscal 2013 and nine-months fiscal 2016, EEH increased its inpatient market share position in its primary service area (PSA) each year, to 35.9% from 32.9%. EEH's market share growth has come largely at the expense of Good Samaritan Hospital (a member of Advocate Health Care, rated 'AA'/Stable by Fitch), whose market share position in EEH's PSA decreased to 7.5% from 8.5% and Central DuPage Hospital (a member of Northwestern Medicine), whose market share position decreased to 5.4% from 6.4%.

Somewhat Modest Operating Margins

While profitable, EEH's operating EBITDA margins are somewhat modest for the 'A' rating category. In fiscal years 2015 and 2016, EEH recorded operating EBITDA margins of 8.7% and 8.4%, respectively (fiscal 2015 adjusted to remove one-time \$6 million recovery audit contractor payment and \$2.5 million rural floor settlement from operating revenue). These are modest compared to the 'A' rating category median of 10.3%. Despite driving notable improvement at Elmhurst, operating profitability at Elmhurst continues to be a drag on system results; in fiscal years 2015 and 2016, the Elmhurst campus recorded operating EBITDA margins of 6.0% and 6.6%, respectively.

Looking forward, management has budgeted a 7.7% operating EBITDA margin in fiscal 2017, which includes one-time costs associated with Elmhurst's go-live of the Epic EMR system in October 2016. In the first quarter of fiscal 2017, EEH recorded a modest operating EBITDA margin of 5.3%. Beyond, fiscal 2017, management projects an operating EBITDA margin in the 8%-9% range, which Fitch expects EEH to meet if not exceed.

Payor Mix

(% Gross Revenues, Fiscal Years Ended June 30)

	2014	2015	2016
Medicare	39.3	40.8	40.2
Medicaid	7.6	8.5	8.5
Commercial and Managed Care	47.6	46.6	47.5
Self-Pay	3.2	1.7	1.6
Other	2.3	2.4	2.2
Total	100.0	100.0	100.0

Source: Edward-Elmhurst Healthcare and Fitch.

Utilization Data

(Fiscal Years Ended June 30)

	2014	2015	2016
Operated Beds	674	721	721
Acute Adult Admissions/Discharges	34,678	37,791	38,146
Acute Adult Patient Days	173,459	185,085	183,979
Average Length of Stay (Days)	5.0	4.9	4.8
Average Daily Census	475	507	504
Occupancy (%)	77.0	76.3	75.8
Observation Cases	12,131	12,563	13,209
Hospital Stays (Admissions plus Observation Cases)	46,809	50,354	51,355
Births	4,392	4,596	4,532
Inpatient Surgeries	8,869	9,766	10,042
Outpatient Surgeries	17,524	16,977	17,953
Emergency Department Visits, Net of Admissions	123,331	136,512	141,112
Outpatient/Clinic Visits	729,717	781,155	858,013
Medicare Casemix Index	1.65	1.66	1.70

Source: Edward-Elmhurst Healthcare and Fitch.

Elevated Debt Load

Because of Elmhurst's heavy debt burden, EEH's pro forma debt service ratios are somewhat stressed. Pro forma MADS is \$45.1 million. Pro forma MADS coverage by EBITDA is modest at 2.9x ('A' rating category median is 4.5x) as is debt-to-EBITDA at 5.6x ('A' rating category median is 2.9x). Pro forma MADS as a percentage of revenue is manageable at

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3.6% ('A' rating category median is 2.7%). Fitch expects EEH to grow absolute cash flow and, therefore, debt ratios should improve over time.

EEH's pro forma debt will be a mix of fixed-rate debt (42% of pro forma debt outstanding) and variable rate (58%). Variable-rate debt series will consist of VRDBs supported by letters of credit (LOC), direct bank purchases and R-Floats.

EEH's financial covenants in the MTI include a minimum debt service coverage ratio of 1.10x (consultant call-in) and a 1.00x event of default if debt service coverage is below this level for two consecutive fiscal years (unless at the end of the second fiscal year cash on hand exceeds 70 days).

EEH has a legacy defined benefit pension plan (from Elmhurst) that was frozen in December 2013. The plan was 75% funded relative to a projected benefit obligation of \$237 million at year-end fiscal 2016.

EEH has just over \$500 million notional of swaps outstanding, including fixed payor, fixed-spread basis, and basis swaps. Counterparties include JPMorgan, PNC, Deutsch Bank, Goldman Sachs, Citi, UBS, Morgan Stanley and Merrill Lynch. The net termination value of the swaps at the end of fiscal 2016 was a negative \$53 million to EEH.

New Issue Details

As part of the 2017 plan of finance, EEH also plans to issue \$47.6 million of series 2017B direct purchase variable-rate bonds (with JPMorgan) and \$43.0 million of series 2017C direct purchase variable-rate bonds (with Bank of America); the series 2017B&C bonds are not rated by Fitch. Bond proceeds from the series 2017 financings, which include releasing \$10.5 million of DSRFs, will refund and advance refund Edward's series 2008A fixed-rate bonds, Edward's series 2008B-1 VRDBs, Edward's series 2009A VRDBs, Elmhurst series 2008A fixed-rate bonds and pay the costs of issuance. The bonds are expected to sell the week of Jan. 11 via negotiation.

Mixed Liquidity Ratios

EEH's liquidity position is mixed relative to its 'A' rated peer group. Unrestricted cash and investments measured \$721 million at the end of fiscal 2016. EEH's pro forma cash on hand of 226 days and cushion ratio of 16.0x are adequate ('A' rating category medians are 216 days and 19.4x, respectively). Pro forma cash-to-debt is thin at 100% ('A' rating category median is 149%). EEH's liquidity ratios should strengthen over time as EEH has manageable capital spending plans and absolute cash flow growth is expected.

Manageable Capital Spending

EEH has manageable capital spending plans, as both Edward and Elmhurst invested considerably in physical plant in recent years. EEH's average age of plant measured 11.7 years at the end of fiscal 2016 ('A' rating category median is 11.0 years). Capital spending in the coming years will be focused on ambulatory development and information technology. EEH does not have new money debt plans in the near term.

Disclosure

EEH covenants to provide annual audited financial statements within 150 days of fiscal year end and unaudited quarterly statements within 45 days of quarter end to bondholders. Quarterly disclosures for both Edward and Elmhurst in the past have included a balance sheet, income statement, cash flow statement and volume statistics.

Financial Summary

(\$000, Audited Fiscal Years Ended June 30)

	2014	2015	Pro Forma 2016
Balance Sheet Data			
Unrestricted Cash and Investments	716,573	759,666	720,591
Restricted Cash and Investments	111,450	104,708	103,516
Trustee-Held Cash and Investments	31,424	31,503	31,878
Net Patient Accounts Receivable	194,385	202,741	226,926
Property, Plant and Equipment, Net	993,014	969,085	977,602
Total Assets	2,247,747	2,274,486	2,282,370
Current Liabilities			
Total Debt (Including Current Portion)	344,155	367,882	385,761
Demand Debt	741,666	730,470	717,790
Unrestricted Net Assets	233,895	229,670	229,670
1,007,956	1,007,358	969,455	
Income and Cash Flow Data			
Net Patient Revenue	1,020,074	1,131,465	1,184,597
Other Revenue	63,349	57,702	63,774
Total Revenues	1,083,423	1,189,167	1,248,371
Salaries, Wages, Fees Benefits	578,562	626,545	668,027
Depreciation and Amortization	80,434	79,620	67,642
Interest Expense	20,046	19,294	18,233
Total Expenses	1,079,495	1,184,567	1,229,181
Income from Operations	3,928	4,600	19,190
Non-Operating Gains	141,737	51,343	24,139
Excess of Revenues over Expenses	145,665	55,943	43,329
EBITDA	246,145	154,857	129,204
Operating EBITDA	104,408	103,514	105,065
Net Unrealized Gains/(Losses)	(28,624)	(33,373)	(41,357)
Cash Flow from Operations	146,002	85,565	75,642
Net Capital Expenditures	86,205	71,795	78,668
Maximum Annual Debt Service (MADS)	45,068	45,088	45,068
Actual Annual Debt Service (AADS)	33,777	30,660	32,178
Liquidity Ratios			
Days Cash on Hand	261.8	250.9	226.4
Days in Accounts Receivable	69.6	65.4	69.9
Days in Current Liabilities	125.7	121.5	121.2
Cushion Ratio (x)	15.9	16.9	16.0
Cash/Debt (%)	96.6	104.0	100.4
Unrestricted Cash and Investments/Demand Debt (%)	—	324.8	313.8
Profitability and Operational Ratios (%)			
Operating Margin	0.4	0.4	1.5
Operating EBITDA Margin	9.6	8.7	8.4
Excess Margin	11.9	4.5	3.4
EBITDA Margin	20.1	12.5	10.2
Personnel Cost/Total Revenue	53.4	52.7	53.5
Bad Debt Provision/Patient Service Revenue	4.8	3.5	2.9
Capital Related Ratios			
MADS Coverage – EBITDA (x)	5.5	3.4	2.9
MADS Coverage – Operating EBITDA (x)	2.3	2.3	2.3
AADS Coverage – EBITDA (x)	7.3	5.1	4.0
MADS/Total Revenue (%)	4.2	3.8	3.6
Debt/EBITDA (x)	3.0	4.7	5.6
Debt/Capitalization (%)	42.4	42.0	42.5
Average Age of Plant (Years)	8.8	9.8	11.7
Capital Expenditures/Depreciation (%)	107.2	90.2	116.3

EBITDA – Earnings before Interest, taxes, depreciation and amortization. N.A. – Not available. Note: Fitch may have reclassified certain financial statement items for analytical purposes.
Source: Edward-Elmhurst Healthcare and Fitch

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Summary:

**Illinois Finance Authority
Edward-Elmhurst Healthcare; Hospital; Joint Criteria**

20-Oct-2016

Credit Profile	Current Ratings	
US\$189.145 mil rev bnds (Edward Hosp & Hlth Services Corp) ser 2016A due 01/01/2040		
<i>Long Term Rating</i>	A/Stable	New
Illinois Finance Authority, Illinois		
Edward Hosp & Hlth Services Corp, Illinois		
☑ Series 2008A		
<i>Unenhanced Rating</i>	A(SPUR)/Stable	Affirmed

Rationale

S&P Global Ratings assigned its 'A' long-term rating to the Illinois Finance Authority's series 2016A bonds. At the same time, S&P Global Ratings affirmed its 'A' underlying rating (SPUR) on the authority's series 2008A fixed-rate bonds and series 2008B-1, 2008B-2, 2008C, and 2009A revenue variable-rate demand bonds (VRDBs). Finally, S&P Global Ratings affirmed its 'A' long-term rating on the authority's AMBAC-insured series 2008A revenue bonds and its 'AA+/A-1' dual rating on the authority's series 2008B-1, 2008B-2, 2008C, and 2009A VRDBs. All new and existing bonds will now be a part of the new Edward-Elmhurst Healthcare (EEH) obligated group. The outlook is stable.

All information is based on EEH. Prior to this analysis, S&P Global Ratings did not rate the former Elmhurst obligated group bonds.

The ratings on the VRDBs are based on the application of our joint criteria using the low-correlation chart. The 'AA+' long-term rating component on the series 2008B-1, 2008B-2, and 2008C VRDBs is jointly based on the long-term rating on EEH (A) and the letters of credit (LOCs) provided by JPMorgan Chase Bank N.A. (A+/A-1), with the short-term rating component based solely on JPMorgan Chase. The 'AA+' long-term rating component on the series 2009A bonds is jointly based on the long-term rating on EEH and the LOC provided by BMO Harris Bank N.A. (A+/A-1), with the short-term rating component based solely on BMO Harris Bank N.A. The LOC for the series 2009A VRDB expires Dec 23, 2018 and the rest expire Sept. 30, 2017, unless terminated earlier pursuant to the LOCs' terms.

The rating continues to reflect our assessment of EEH's strong financial profile, based on healthy liquidity and financial flexibility. It also incorporates our view of the strong enterprise profile, based on the exceptional economic fundamentals of its service area and its leading market share. We think these credit factors, combined, lead to a rating of 'A'.

The rating further reflects our view of EEH's:

- Improved operational performance for the past three fiscal years,
- Stable leadership team that continues to execute on its strategic plan, and

- Respectable average age of plant after investing in its facilities, including a fairly new hospital on the Elmhurst campus.

Partly offsetting the above strengths, in our view, are EEH's:

- Declining cash on hand and pro forma maximum annual debt service (MADS) coverage, which have been affected by the soft investment markets; and
- Poor contingent liability debt to pro forma long-term debt resulting from its use of variable-rate debt, direct placement bonds, and swaps.

The 'A' rating is based on our view of EEH's group credit profile (GCP) and the obligated group's core status. Accordingly, we rate the bonds at the same level as the GCP. EEH, the parent, operates two acute care hospitals: Edward Hospital in Naperville and Elmhurst Memorial Hospital in Elmhurst. Naperville and Elmhurst are western suburbs of Chicago. EEH operates several affiliates, including Edward Health Ventures (EHV), the Edward Foundation, and captive insurance company EEH SPC. EHV includes physician practices, Edward Health & Fitness Center, and the for-profit Edward Management Corp., and has a 99% interest in Naperville Psychiatric Ventures LLC (NPV), which operates Linden Oaks Hospital, a behavioral health hospital also on the Edward Hospital campus. EEH also operates Elmhurst Memorial Hospital Foundation. The obligated group now consists of EEH, Edward Hospital, EHV, NPV, Elmhurst Memorial Healthcare, and Elmhurst Memorial Hospital.

With the consolidation to one obligated group, EEH will be able operate under one master trust indenture and achieve cash flow savings while lowering its exposure to VRDBs. With the issuance of the 2016A, 2016B, and 2016C bonds, EEH will refund Elmhurst's series 2008A bonds and Edward's series 2008A, 2008B-1, and 2009A bonds as well as issue approximately \$17 million of new money debt.

For more information see our most recent report published June, 24, 2016 on RatingsDirect.

Outlook

The stable outlook reflects our anticipation that EEH will be able to maintain its strong financial profile despite budgeting for softer operations in fiscal 2017.

Upgrade scenario

A higher rating would be likely within the two-year outlook period if EEH can improve its financial and enterprise profile to levels more in line with a higher rating category. This would include substantial improvement in cash on hand, operating margin, MADS coverage, and unrestricted reserves to long-term debt.

Downgrade scenario

We could lower the rating in the two-year outlook horizon if EEH's operating margins are less than budgeted in fiscal 2017 and thus affect other measures that may align with a lower rating. Also we could revise the outlook to negative or lower the rating in case of further decline in unrestricted reserves such that liquidity and financial flexibility are hampered.

Ratings Detail (As Of 20-Oct-2016)

Illinois Finance Authority, Illinois
Edward Hosp & Hlth Services Corp, Illinois

☐ 2008B-1

Unenhanced Rating

A(SPUR)/Stable

Affirmed

Long Term Rating

AA+/A-1

Affirmed

☐ 2008B-2

<i>Unenhanced Rating</i>	A(SPUR)/Stable	Affirmed
<i>Long Term Rating</i>	AA+/A-1	Affirmed
[-] 2008 C		
<i>Unenhanced Rating</i>	A(SPUR)/Stable	Affirmed
<i>Long Term Rating</i>	AA+/A-1	Affirmed
[-] 2009 A		
<i>Unenhanced Rating</i>	A(SPUR)/Stable	Affirmed
<i>Long Term Rating</i>	AA+/A-1	Affirmed

Many issues are enhanced by bond insurance.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com. All ratings affected by this rating action can be found on the S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

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Charity Care Information

The chart below provides, for the last three audited fiscal years, the amount and cost of charity care and the ratio of charity care to net patient revenue at Edward-Elmhurst Healthcare's acute care hospitals, Edward Hospital and Elmhurst Hospital. The system's mission is to support community health needs by providing outstanding healthcare services. As the need for charity care support increases in the community so will the amount of charity care provided at each hospital as shown by the data below.

Edward Hospital			
	FY 2015	FY 2016	FY 2017
Net Patient Revenue	\$614,382,368	\$651,313,535	\$683,716,790
Amount of Charity Care (charges)	\$44,391,235	\$46,956,169	\$50,033,315
Cost of Charity Care	\$8,728,888	\$8,805,033	9,382,049
Ratio of Charity Care Cost to Net Patient Revenue	1.4%	1.4%	1.4%

Elmhurst Hospital			
	FY 2015	FY 2016	FY 2017
Net Patient Revenue	\$421,410,323	\$435,008,896	\$489,705,329
Amount of Charity Care (charges)	\$32,842,986	\$36,637,352	\$43,161,371
Cost of Charity Care	\$6,873,152	\$6,886,979	\$8,113,345
Ratio of Charity Care Cost to Net Patient Revenue	1.6%	1.6%	1.7%

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Healthy Driven™

Edward-Elmhurst
HEALTH

March 6, 2018

Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

To Whom It May Concern:

Enclosed please find Edward Hospital's COE Application for Neonatal Intensive Care Bed Reallocation. You will also find the \$2,500 check for the initial application fee.

Please contact me at 630-527-3917 if you have any questions about the materials enclosed.

Sincerely,



Kari Runge
Director of Planning & Business Development

Edward Hospital
801 S. Washington Street
Naperville, IL 60540

Elmhurst Hospital
155 E. Brush Hill Road
Elmhurst, IL 60126
EEHealth.org