



STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 FAX: (217) 785-4111

EXEMPTION NUMBER: #E-022-18 #E-023-18 #E-024-18	BOARD MEETING NA
EXEMPTION APPLICANT(S): Northwestern Memorial HealthCare and Centegra Health System	
FACILITIES: 1. Northern Illinois Medical Center d/b/a Centegra Hospital – McHenry – 157 beds 2. Memorial Medical Center d/b/a Centegra Hospital – Woodstock – 56 beds 3. Northern Illinois Medical Center d/b/a Centegra Hospital – Huntley – 128 beds	

1. The Transaction

The Applicants (Northwestern Memorial HealthCare, Centegra Health System, and Northern Illinois Medical Center d/b/a Centegra Hospital - McHenry) propose that Northwestern Memorial HealthCare become the sole corporate member of Centegra Health System.

Centegra Health System currently operates 3 hospitals in Illinois

- Northern Illinois Medical Center d/b/a Centegra Hospital – McHenry – 157 beds
- Memorial Medical Center d/b/a Centegra Hospital – Woodstock – 56 beds
- Northern Illinois Medical Center d/b/a Centegra Hospital – Huntley – 128 beds

Northwestern Memorial HealthCare will have the power and authority to govern, direct, and oversee the property, funds, business, and affairs of Centegra Health System and their existing health care facilities. The licensee and owner of the site will remain unchanged at the conclusion of the transaction. The enterprise value of Centegra Health System is between \$82.2 million and \$116.2 million net of long term liabilities. The expected date of the completion of the transaction is September 1, 2018. The Applicants attest that the health care facilities will not adopt a more restrictive charity care policy in effect one year prior to the transaction and will maintain compliance with the charity care policy for a minimum of two years following the change of ownership transaction. All attestations required by the State Board have been provided as required.

2. Public Hearing

No public hearing was requested and no letters of support or opposition were received by the State Board Staff.

3. **Criterion 77 ILAC 1130.500, Criterion 77 ILAC 1130.520- Application for permit or exemption; exemption regulations.**

All information required by the State Board has been submitted.