

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

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

ORIGINAL

MAY 24 2019

Facility/Project Identification

Facility Name:	Advocate North Side Health Network – d/b/a Advocate Illinois Masonic Medical Center – Physical Therapy Center		
Street Address:	NE Corner of Intersection of Sheffield and Wellington (no city address, yet)		
City and Zip Code:	Chicago, IL 60657-5147		
County:	Cook	Health Service Area	6
		Health Planning Area:	A-01

HEALTH FACILITIES &
SERVICES REVIEW BOARD**Applicant(s) [Provide for each applicant (refer to Part 1130.220)]**

Exact Legal Name:	Advocate North Side Health Network – d/b/a Advocate Illinois Masonic Medical Center
Street Address:	836 W. Wellington Avenue
City and Zip Code:	Chicago, IL 60657-5147
Name of Registered Agent:	Michael Kerns
Registered Agent Street Address:	3075 Highland Parkway, Suite 600
Registered Agent City and Zip Code:	Downers Grove, IL 60515
Name of President:	Susan Nordstrom Lopez
President Street Address:	836 W. Wellington Avenue
President City and Zip Code:	Chicago, IL 60657-5147
President Telephone Number:	(773) 975-1600

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:	Susan Nordstrom Lopez
Title:	President, Advocate Illinois Masonic Medical Center
Company Name:	Advocate North Side Health Network – d/b/a Advocate Illinois Masonic Medical Center
Address:	836 W. Wellington Avenue, Chicago, IL 60657-5147
Telephone Number:	(773) 296-7081
E-mail Address:	susan.nordstrom.lopez@advocatehealth.com
Fax Number:	(773) 296-5251

Additional Contact [Person who is also authorized to discuss the application for permit]	
Name:	Sonja Reece, FACHE
Title:	Director, Health Facilities Planning
Company Name:	Advocate Aurora Health, Inc.
Address:	1304 Franklin Avenue, Normal, IL 61761
Telephone Number:	(309) 268-5482
E-mail Address:	sonja.reece@advocatehealth.com
Fax Number:	(309) 888-0961
Name:	Myndee Balkan
Title:	Manager, Business Development Planning
Company Name:	Advocate Aurora Health, Inc.
Address:	801 S. Milwaukee Avenue, Libertyville, IL 60048
Telephone Number:	(847) 990-5521
E-mail Address:	Myndee.Balkan@advocatehealth.com
Fax Number:	(847)-573-4315

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD DISCONTINUATION APPLICATION FOR EXEMPTION

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

Facility/Project Identification

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Street Address:	NE Corner of Intersection of Sheffield and Wellington (no city address, yet)		
City and Zip Code:	Chicago, IL 60657-5147		
County:	Cook	Health Service Area: 6	Health Planning Area: A-01

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

Exact Legal Name:	Advocate Health and Hospitals Corporation
Street Address:	3075 Highland Parkway, Suite 600
City and Zip Code:	Downers Grove, IL 60515
Name of Registered Agent:	Michael Kerns
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
Chief Executive Officer Street Address:	3075 Highland Parkway, Suite 600
Chief Executive Officer City and Zip Code:	Downers Grove, IL 60515
Chief Executive Officer Telephone Number:	(630) 572-9393

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

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ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD APPLICATION FOR PERMIT

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County:	Chicago	Health Service Area	6
		Health Planning Area:	A-01

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

Exact Legal Name:	Advocate Health Care Network
Street Address:	3075 Highland Parkway, Suite 600
City and Zip Code:	Downers Grove, IL 60515
Name of Registered Agent:	Michael Kerns
Registered Agent Street Address:	3075 Highland Parkway
Registered Agent City and Zip Code:	Downers Grove, IL 60515
Name of Chief Executive Officer:	James H. Skogsbergh
Chief Executive Officer Street Address:	3075 Highland Parkway, Suite 600
Chief Executive Officer City and Zip Code:	Downers Grove, IL 60515
Chief Executive Officer Telephone Number:	(630) 572-9393

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County:	Cook	Health Service Area	6
		Health Planning Area:	A-01

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

Exact Legal Name:	Advocate Aurora Health, Inc.		
Street Address:	750 W. Virginia		
City and Zip Code:	Milwaukee, WI 53204		
Name of Registered Agent:	The Corporation Trust Company		
Registered Agent Street Address:	Wilmington, DE 19801		
Name of Co-Chief Executive Officer:	James H. Skogsbergh		
Chief Executive Officer Street Address:	3075 Highland Parkway, Suite 600		
Chief Executive Officer City and Zip Code:	Downers Grove, IL 60515		
Chief Executive Officer Telephone Number:	(630) 572-9393		
Name of Co-Chief Executive Officer:	Nick Turkal, MD		
Chief Executive Officer Street Address:	750 W. Virginia		
Chief Executive Officer City and Zip Code:	Milwaukee, WI 53204		
Chief Executive Officer Telephone Number:	(414) 299-1763		

Type of Ownership of Applicants

<input checked="" type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
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Name:	Myndee Balkan
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Telephone Number:	(847) 990-5521
E-mail Address:	Myndee.Balkan@advocatehealth.com
Fax Number:	(847)-573-4315

Post Exemption Contact

[Person to receive all correspondence subsequent to exemption issuance-**THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960**]

Name:	Scott Nelson
Title:	Vice President, Planning, Design & Construction
Company Name:	Advocate Aurora Health, Inc.
Address:	3075 Highland Parkway, suite 400, Downers Grove, IL 60515
Telephone Number:	630-929-5575
E-mail Address:	scott.nelson@advocatehealth.com
Fax Number:	(630) 990-4798

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	Advocate North Side Health Network – d/b/a Advocate Illinois Masonic Medical Center
Address of Site Owner:	836 W. Wellington Avenue, Chicago, IL 60657-5147
Street Address or Legal Description of the Site: The site includes parcel numbers: 14-29-211-012, 14-29-211-015, 14-29-211-033, 14-29-211-034, 14-29-211-013, 14-29-211-016 & -017, 14-29-211-041, and 14-29-211-042. 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: **Advocate North Side Health Network – d/b/a Advocate Illinois Masonic Medical Center**Address **836 W. Wellington Avenue, Chicago, IL 60657-5147**

- | | |
|--|--|
| <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.
 - **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.hfsrb.illinois.gov>).

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 1110.20 and Part 1120.20(b)]

Part 1110 Classification:

- ☐ Substantive
- ☒ Non-substantive

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 North Side Health Network, d/b/a Advocate Illinois Masonic Medical Center, Advocate Health and Hospitals Corporation, Advocate Health Care Network, and Advocate Aurora Health, Inc., the applicants, propose to construct a six-story building on the site located at the northeast corner of the intersection of Sheffield and Wellington in Chicago, IL. The site includes parcel numbers: 14-29-211-012, 14-29-211-015, 14-29-211-033, 14-29-211-034, 14-29-211-013, 14-29-211-016 & -017, 14-29-211-041, and 14-29-211-042.

The building, referred to as the Physical Therapy Center (the "Project" or "Building"), will house outpatient physical therapy/occupational therapy, physicians' examination rooms, and one imaging unit. The project will move existing outpatient therapy services into a new facility; therefore, this is a modernization/relocation project. There will be other non-clinical areas including 408 parking spaces.

First Level: Entrance and central reception, physical therapy/occupational therapy with private therapy rooms, treatment areas, and an open gym for patient therapy equipment. Will also contain physicians' examination rooms, and one imaging unit. The non-clinical spaces include administrative offices and support space.

Level 2-6: Parking for 408 cars

The applicants expect to complete the building and occupy it by June 30, 2021. The Project will include 164,215 DGSF of new construction. The total Project cost is expected to be \$42,602,274.

In accordance with the Illinois Health Facilities Planning Act, Section 12(8), the Project is classified as non-substantive because it does not propose a 1) new or replacement facility, 2) new or discontinued service, or 3) change in bed capacity or distribution.

Project Costs and Sources of Funds

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.

THE PHYSICAL THERAPY CENTER COSTS AND SOURCES OF FUNDS			
USE OF FUNDS	CLINICAL	NON-CLINICAL	TOTAL
Preplanning Costs	\$ 16,395	\$ 256,853	\$ 273,248
Site Survey and Soil Investigation	\$ 23,500	\$ 101,500	\$ 125,000
Site Preparation	\$ 108,750	\$ 1,268,941	\$ 1,377,691
Off Site Work	\$ -	\$ 497,000	\$ 497,000
New Construction Contracts	\$ 2,756,037	\$ 24,370,186	\$ 27,126,223
Modernization Contracts	\$ -	\$ -	\$ -
Contingencies	\$ 255,955	\$ 2,451,502	\$ 2,707,457
Architectural/Engineering Fees	\$ 204,510	\$ 1,958,993	\$ 2,163,503
Consulting and Other Fees	\$ 10,779	\$ 240,201	\$ 250,980
Movable or Other Equipment (not in construction contracts)	\$ 1,100,000	\$ 875,000	\$ 1,975,000
Bond Issuance Expense (project related)	\$ 12,481	\$ 205,445	\$ 217,926
Net Interest Expense During Construction (project related)	\$ 79,650	\$ 1,311,063	\$ 1,390,713
Other Costs To Be Capitalized	\$ 723,580	\$ 3,773,953	\$ 4,497,533
Acquisition of Building or Other Property (excluding land)	\$ -	\$ -	\$ -
TOTAL USES OF FUNDS	\$ 5,291,637	\$ 37,310,637	\$ 42,602,274
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$ 3,126,143	\$ 22,042,023	\$ 25,168,166
Bond Issues (project related)	\$ 2,165,494	\$ 15,268,614	\$ 17,434,108
TOTAL SOURCES OF FUNDS	\$ 5,291,637	\$ 37,310,637	\$ 42,602,274
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Related Project Costs

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

Land acquisition is related to project ☒ Yes ☐ No
Purchase Price: \$ 3,425,970
Fair Market Value: \$ _____

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 \$ _____.

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:

☐ None or not applicable ☐ Preliminary
☒ Schematics ☐ Final Working

Anticipated project completion date (refer to Part 1130.140): June 30, 2021

Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140):

☐ Purchase orders, leases or contracts pertaining to the project have been executed. ☐ Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies
☒ Financial Commitment will occur after permit issuance.

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?

☒ Cancer Registry
☒ APORS
☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☒ All reports regarding outstanding permits

Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the **Departmental Gross Square Feet (DGSF)** or the **Building Gross Square Feet (BGSF)** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
NON-REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							

APPEND DOCUMENTATION AS ATTACHMENT 9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Facility Bed Capacity and Utilization

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert the chart after this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which data is available. Include observation days in the patient day totals for each bed service.** Any bed capacity discrepancy from the Inventory will result in the application being deemed incomplete.

FACILITY NAME: Advocate Illinois Masonic Medical Center			CITY: Chicago		
REPORTING PERIOD DATES: From: 1/1/2017 to:12/31/17					
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical	225	8,218	30,442	0	225
Obstetrics	44	2,191	6,313	0	44
Pediatrics	14	106	496	0	14
Intensive Care	33	1,627	5,097	0	33
Comprehensive Physical Rehabilitation	22	397	5,109	0	22
Acute/Chronic Mental Illness	39	1,100	8,046	0	39
Neonatal Intensive Care	20	387	3,636	0	20
General Long-Term Care	0	0	0	0	0
Specialized Long-Term Care	0	0	0	0	0
Long Term Acute Care	0	0	0	0	0
Other ((identify))	0	0	0	0	0
TOTALS:	397	14,026	59,139	0	397

Source: Hospital profile

Note This includes direct admissions to ICU and not transfers.

The table above represents the bed status in 2017. The report for 2018 has not been accepted by the Review Board. Also note that in 2019 AIMMC was granted a certificate of exemption to discontinue pediatrics category of service and convert those beds to neonatal intensive care. That closure was completed in April 2019. The process is underway for the conversion to Neonatal beds. Those changes are unrelated to this CON for new outpatient facilities.

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) 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 for Permit is filed on the behalf of Advocate North Side Health Network – d/b/a Advocate Illinois Masonic Medical Center 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 for permit 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 permit application fee required for this application is sent herewith or will be paid upon request.

Susan Nordstrom-Lopez
SIGNATURE

Susan Nordstrom-Lopez
PRINTED NAME

President
Advocate Illinois Masonic Medical Center
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 6TH day of MAY, 2019

Gail B Zator
Signature of Notary

Seal



*Insert EXAMINATION OF THE APPLICANT

SIGNATURE

William Santulli
PRINTED NAME

Chief Operating Officer
PRINTED TITLE

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

Signature of Notary

Seal

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SIGNATURE

Susan Nordstrom-Lopez
PRINTED NAME

President
Advocate Illinois Masonic Medical Center
PRINTED TITLE

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

Signature of Notary

Seal

*Insert EXACT legal name of the applicant

SIGNATURE

William Santulli
PRINTED NAME

Chief Operating Officer
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 6 day of May 2019

Signature of Notary

Seal
OFFICIAL SEAL
CRISTIN G FOSTER
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES 03/13/23

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- 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 for Permit is filed on the behalf of Advocate Health & Hospitals Corporation 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 for permit 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 permit application fee required for this application is sent herewith or will be paid upon request.

James H. Skogsbergh
SIGNATURE

James H. Skogsbergh
PRINTED NAME

President and CEO
PRINTED TITLE

William D. Santulli
SIGNATURE

William Santulli
PRINTED NAME

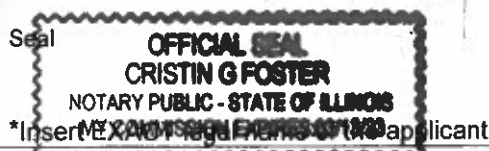
Chief Operating Officer
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 6th day of May 2019

Cristin G. Foster
Signature of Notary

Seal



Notarization:

Subscribed and sworn to before me
this 6th day of May 2019

Cristin G. Foster
Signature of Notary

Seal



CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) 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 for Permit 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 for permit 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 permit application fee required for this application is sent herewith or will be paid upon request.

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SIGNATURE

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PRINTED NAME

President and CEO
PRINTED TITLE

William D. Santulli
SIGNATURE

William Santulli
PRINTED NAME

Chief Operating Officer
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 6th day of May 2019

Cristin G. Foster
Signature of Notary

Seal

OFFICIAL SEAL
CRISTIN G FOSTER
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES 03/13/23
*Insert EXACT legal name of the applicant

Notarization:
Subscribed and sworn to before me
this 6th day of May 2019

Cristin G. Foster
Signature of Notary

Seal

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NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES 03/13/23

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- 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 for Permit 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 for permit 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 permit application fee required for this application is sent herewith or will be paid upon request.

James H. Skogsbergh
SIGNATURE

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President and CEO
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SIGNATURE

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PRINTED NAME

Chief Operating Officer
PRINTED TITLE

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Cristin G. Foster
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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.

1110.110(a) – Background of the Applicant

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 listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.
3. For the following questions, please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.
 - a. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application.
 - b. A certified listing of each applicant, identifying those individuals that have been cited, arrested, taken into custody, charged with, indicted, convicted or tried for, or pled guilty to the commission of any felony or misdemeanor or violation of the law, except for minor parking violations; or the subject of any juvenile delinquency or youthful offender proceeding. Unless expunged, provide details about the conviction and submit any police or court records regarding any matters disclosed.
 - c. A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude.
 - d. A certified listing of each applicant with one or more unsatisfied judgements against him or her.
 - e. A certified and detailed listing of each applicant who is in default in the performance or discharge of any duty or obligation imposed by a judgment, decree, order or directive of any court or governmental agency.
4. 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.**
5. 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 1110.110(b) & (d)**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 Staff 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

- 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. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE**Criterion 1110.120 - Project Scope, Utilization, and Unfinished/Shell Space**

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative and it shall include the basis used for determining the space and the methodology applied.**
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:
 - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies and certified by the facility's Medical Director.
 - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.
 - c. The project involves the conversion of existing space that results in excess square footage.
 - d. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?

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

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. **A narrative of the rationale that supports the projections must be provided.**

A table must be provided in the following format with Attachment 15.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MEET STANDARD?
YEAR 1					
YEAR 2					

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

M. Criterion 1110.270 - Clinical Service Areas Other than Categories of Service

1. Applicants proposing to establish, expand and/or modernize Clinical Service Areas Other than categories of service must submit the following information:
2. Indicate changes by Service: Indicate # of key room changes by action(s):

Service	# Existing Key Rooms	# Proposed Key Rooms
<input checked="" type="checkbox"/> Physical & Occupational Therapy	NA	NA
<input checked="" type="checkbox"/> Physicians' Examination Rooms	New	8
<input checked="" type="checkbox"/> Imaging	New	1

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

Project Type	Required Review Criteria
New Services or Facility or Equipment	(b) – Need Determination – Establishment
Service Modernization	(c)(1) – Deteriorated Facilities
	AND/OR
	(c)(2) – Necessary Expansion
	PLUS
	(c)(3)(A) – Utilization – Major Medical Equipment
	OR
	(c)(3)(B) – Utilization – Service or Facility
APPEND DOCUMENTATION AS <u>ATTACHMENT 30</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

The following Sections **DO NOT** need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18-month period prior to the submittal of the application):

- Section 1120.120 Availability of Funds – Review Criteria
- Section 1120.130 Financial Viability – Review Criteria
- Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)

VI. 1120.120 - AVAILABILITY OF FUNDS

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>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>	<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.
---	---

_____	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;
_____	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
	TOTAL FUNDS AVAILABLE

APPEND DOCUMENTATION AS ATTACHMENT 33, 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 project's 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 34, 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.

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 35, 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									
<p>D. Projected Operating Costs</p> <p>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.</p> <p>E. Total Effect of the Project on Capital Costs</p> <p>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.</p>									
APPEND DOCUMENTATION AS ATTACHMENT 36, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.									

SECTION IX. SAFETY NET IMPACT STATEMENT

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 38.

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

APPEND DOCUMENTATION AS ATTACHMENT 37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. CHARITY CARE INFORMATION

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 39.

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

APPEND DOCUMENTATION AS ATTACHMENT 38, 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	32-41
2	Site Ownership	42-43
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	44-48
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	49-52
5	Flood Plain Requirements	53-54
6	Historic Preservation Act Requirements	55-56
7	Project and Sources of Funds Itemization	57-59
8	Financial Commitment Document if required	60
9	Cost Space Requirements	61
10	Discontinuation	NA
11	Background of the Applicant	62-75
12	Purpose of the Project	76-82
13	Alternatives to the Project	83-86
14	Size of the Project	87
15	Project Service Utilization	88
16	Unfinished or Shell Space	NA
17	Assurances for Unfinished/Shell Space	NA
	Service Specific:	NA
18	Medical Surgical Pediatrics, Obstetrics, ICU	NA
19	Comprehensive Physical Rehabilitation	NA
20	Acute Mental Illness	NA
21	Open Heart Surgery	NA
22	Cardiac Catheterization	NA
23	In-Center Hemodialysis	NA
24	Non-Hospital Based Ambulatory Surgery	NA
25	Selected Organ Transplantation	NA
26	Kidney Transplantation	NA
27	Subacute Care Hospital Model	NA
28	Community-Based Residential Rehabilitation Center	NA
29	Long Term Acute Care Hospital	NA
30	Clinical Service Areas Other than Categories of Service	87-106
31	Freestanding Emergency Center Medical Services	NA
32	Birth Center	NA
	Financial and Economic Feasibility:	
33	Availability of Funds	107-118
34	Financial Waiver	119
35	Financial Viability	120
36	Economic Feasibility	121-126
37	Safety Net Impact Statement	127-130
38	Charity Care Information	131

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.

See Attachment #1, Exhibits 1, 2, 3, and 4.

File Number**5237-115-5**

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 NORTH SIDE HEALTH NETWORK, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON APRIL 27, 1981, 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 #: 1833001900 verifiable until 11/26/2019
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 26TH
day of NOVEMBER A.D. 2018 .***

Jesse White

SECRETARY OF STATE

File Number

1004-695-5



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 AND HOSPITALS CORPORATION, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON SEPTEMBER 12, 1906, 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 #: 1908501888 verifiable until 03/26/2020
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 26TH
day of MARCH A.D. 2019 .***

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 #: 1908501884 verifiable until 03/26/2020
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 26TH
day of MARCH A.D. 2019 .***

Jesse White

SECRETARY OF STATE

State Of Delaware

Entity Details

7/31/2018 6:24:28PM

File Number: 8645600

Incorporation Date / Formation Date: 12/4/2017

Entity Name: ADVOCATE AURORA HEALTH, INC.

Entity Kind: Corporation

Entity Type: Exempt

Residency: Domestic

State: DELAWARE

Status: Good Standing

Status Date: 12/4/2017

Registered Agent Information

Name: THE CORPORATION TRUST COMPANY

Address: CORPORATION TRUST CENTER 1209 ORANGE ST

City: WILMINGTON

Country:

State: DE

Postal Code: 19801

Phone: 302-658-7581



OFFICE OF THE SECRETARY OF STATE

JESSE WHITE • Secretary of State

APRIL 3, 2018

7155-851-7

**CT CORPORATION SYSTEM
118 W EDWARDS #200
SPRINGFIELD IL 62704**

RE ADVOCATE AURORA HEALTH, INC.

DEAR SIR OR MADAM:

**ENCLOSED YOU WILL FIND THE AUTHORITY OF THE ABOVE NAMED
CORPORATION TO CONDUCT AFFAIRS IN THIS STATE.**

PAYMENT OF THE FILING FEE IS HEREBY ACKNOWLEDGED.

**CERTAIN NOT FOR PROFIT CORPORATIONS ORGANIZED AS A CHARITABLE
CORPORATION ARE REQUIRED TO REGISTER WITH THE OFFICE OF THE ATTORNEY
GENERAL. UPON RECEIPT OF THE ENCLOSED AUTHORITY, YOU MUST CONTACT
THE CHARITABLE TRUST DIVISION, OFFICE OF THE ATTORNEY GENERAL,
100 W. RANDOLPH, 3RD FLOOR, CHICAGO, ILLINOIS 60601, TELEPHONE
(312) 814-2595.**

SINCERELY,

**JESSE WHITE
SECRETARY OF STATE
DEPARTMENT OF BUSINESS SERVICES
CORPORATION DIVISION
TELEPHONE (217) 782-6961**

FILED

APR 03 2018

JESSE WHITE
SECRETARY OF STATEFORM NFP 113.15 (rev. Dec. 2003)
APPLICATION FOR AUTHORITY
TO CONDUCT AFFAIRS IN
ILLINOIS (Foreign Corporations)
General Not For Profit Corporation ActSecretary of State
Department of Business Services
501 S. Second St., Rm. 350
Springfield, IL 62756
217-782-1634
www.cyberdriveillinois.comRemit payment in the form of a cashier's
check, certified check, money order or an
Illinois attorney's or CPA's check payable
to Secretary of State.File # 7155-8517

Filing Fee: \$50

Approved: Bc

----- Submit in duplicate ----- Type or Print clearly in black ink ----- Do not write above this line -----

1. a. Corporate Name: Advocate Aurora Health, Inc.

b. Assumed Corporate Name (Complete only if the new corporate name is not available in this state.):

By electing this assumed name, the Corporation hereby agrees NOT to use its corporate name in the transaction of
business in Illinois. Form NFP 104.15 is attached.2. a. State or Country of Incorporation: Delawareb. Date of Incorporation: December 4, 2017c. Period of Duration: Permanent3. a. Address of Principal Office, wherever located: 3075 Highland Pkwy.,Downers Grove, IL 60515-1206b. Address of Principal Office in Illinois: 3075 Highland Pkwy.,Downers Grove, IL 60515-1206

4. Name and Address of Registered Agent and Registered Office in Illinois:

Registered Agent: Earl J. Barnes II

First Name

Middle Name

Last Name

Registered Office: 3075 Highland Pkwy Suite 600

Number

Street

Suite # (P.O. Box alone is unacceptable)

Downers Grove 60515 DuPage County

City

ZIP Code

County

5. States and Countries in which Corporation is admitted or qualified to conduct affairs: Wisconsin (application pending)

6. Names and respective addresses of Corporation's officers and directors:

	Street Address	City	State	ZIP
President	See attached			
Secretary				
Director				
Director				
Director				

If there are additional officers or more than three directors, please attach list.

Printed by authority of the State of Illinois. January 2015 - 1 - C 180.15

7155 8517

Directors:

<u>Name</u>	<u>Address</u>
Michele Baker Richardson	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
John F. Timmer	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
Lynn Y. Crump-Caine	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
K. Richard Jakle	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
Mark M. Harris	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
David B. Anderson	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
James H. Skogsbergh	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
Joanne Disch	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
John W. Daniels, Jr.	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
Joanne B. Bauer	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
Charles Harvey	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
Rick Weiss	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
Thomas Bolger	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
Nick W. Turkal	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515

7155-8517

Section 7: PURPOSE(S) FOR WHICH THE CORPORATION IS ORGANIZED AND PROPOSES TO PURSUE IN THE CONDUCT OF AFFAIRS IN THIS STATE:

The Corporation is organized and shall be operated exclusively for charitable, scientific, religious and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provisions of any future United States Internal Revenue Law) (hereinafter the "Code"); and limited as further provided in its Certificate of Incorporation. Specifically, the Corporation is organized and shall be operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of its supported organizations, as listed below (the "Supported Organizations"). The Corporation is organized and operated as a Type III functionally integrated supporting organization as defined in section 509(a)(3) of the Code and Treas. Reg. Section 1.509(a)-4(i). The Corporation is organized for the purpose of serving as the parent organization of the Supported Organizations and shall exercise direction over the policies, programs and activities of the Supported Organizations. The Corporation shall engage in activities relating to the purposes described above, and invest in, receive, hold, use, and dispose of all property, real or personal, as may be necessary or desirable to carry into effect such purposes. The Corporation is formed as a result of the affiliation of Advocate Health Care Network, an Illinois nonprofit corporation ("Advocate") and Aurora Health Care, Inc., a Wisconsin nonstock corporation ("Aurora"), in accordance with the terms and conditions of that certain Affiliation Agreement between Advocate and Aurora dated December 4, 2017 (the "Affiliation Agreement").

The Corporation's Supported Organizations, which are described in Section 509(a)(1) or Section 509(a)(2) of the Code, are as follows:

- Advocate Health and Hospitals Corporation
- EHS Home Health Care Services, Inc.
- Advocate Charitable Foundation
- Advocate North Side Health Network
- Meridian Hospice
- Advocate Condell Medical Center
- Advocate Sherman Hospital
- Sherman West Court
- Visiting Nurse Association of Wisconsin, Inc.
- Aurora UW Academic Medical Group
- Aurora Health Care Central, Inc.
- Aurora Psychiatric Hospital, Inc.
- Aurora Medical Center of Washington County, Inc.
- Aurora Health Care North, Inc.
- West Allis Memorial Hospital, Inc.
- Aurora Family Service, Inc.
- Aurora Medical Center of Oshkosh, Inc.
- Aurora Medical Group, Inc.
- Kradwell School, Inc.
- Aurora Advanced Healthcare, Inc.

7155-8517

- Aurora Health Care Metro, Inc.
- Aurora Health Care Southern Lakes, Inc.
- AMG Illinois, Ltd.
- Aurora Medical Center Grafton

4835-2828-4084.2

4

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	Advocate North Side Health Network – d/b/a Advocate Illinois Masonic Medical Center
Address of Site Owner:	836 W. Wellington Avenue, Chicago, IL 60657-5147
Street Address or Legal Description of the Site: The site is located at the northeast corner of the intersection of Sheffield and Wellington in Chicago, IL. The site includes parcel numbers: 14-29-211-012, 14-29-211-015, 14-29-211-033, 14-29-211-034, 14-29-211-013, 14-29-211-016 & -017, 14-29-211-041, and 14-29-211-042. Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.	
APPEND DOCUMENTATION AS <u>ATTACHMENT 2</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

See Attachment #2, Exhibit 1.



Advocate Health Care

3075 Highland Parkway, Suite 600 || Downers Grove, Illinois 60515 || T 630.572.9393 || advocatehealth.com

May 8, 2019

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

RE: Advocate North Side Health Network – d/b/a Advocate Illinois Masonic Medical Center
Physical Therapy Center

Dear Ms. Avery:

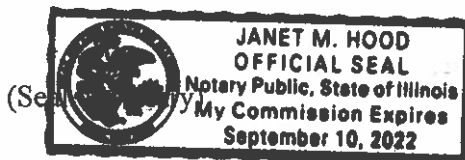
This attestation letter is submitted to indicate that Advocate North Side Health Network – d/b/a Advocate Illinois Masonic Medical Center owns the site.

We trust this attestation complies with the State Agency Proof of Ownership requirement indicated in the Permit application – September 2018 edition.

Respectfully,

William Santulli
Chief Operating Officer
Advocate Aurora Health

Notarization:



Subscribed and sworn to before me
This 22nd day of May, 2019.

Signature of Notary

Operating Identity/Licensee

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

Exact Legal Name of Site Owner: **Advocate North Side Health Network – d/b/a Advocate Illinois Masonic Medical Center**

Address of Site Owner: **836 W. Wellington Avenue, Chicago, IL 60657-5147**

- | | | |
|---|--|--------------------------------|
| <input checked="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.
- **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.

Certificates of Good Standing for Advocate North Side Health Network, Advocate Health and Hospital Corporation, Advocate Health Care Network, and Advocate Aurora Health, Inc. are appended as Attachment #3, Exhibits 1, 2, 3, and 4.

File Number**5237-115-5**

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 NORTH SIDE HEALTH NETWORK, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON APRIL 27, 1981, 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 #: 1833001900 verifiable until 11/26/2019
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 26TH
day of NOVEMBER A.D. 2018 .***

Jesse White

SECRETARY OF STATE

File Number

1004-695-5



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 AND HOSPITALS CORPORATION, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON SEPTEMBER 12, 1906, 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 #: 1908501888 verifiable until 03/28/2020
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 26TH
day of MARCH A.D. 2019 .***

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 #: 1908501864 verifiable until 03/26/2020
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 26TH
day of MARCH A.D. 2019 .***

Jesse White

SECRETARY OF STATE

State Of Delaware

Entity Details

7/31/2018 6:24:28PM

File Number: 6645600

Incorporation Date / Formation Date: 12/4/2017

Entity Name: ADVOCATE AURORA HEALTH, INC.

Entity Kind: Corporation

Entity Type: Exempt

Residency: Domestic

State: DELAWARE

Status: Good Standing

Status Date: 12/4/2017

Registered Agent Information

Name: THE CORPORATION TRUST COMPANY

Address: CORPORATION TRUST CENTER 1209 ORANGE ST

City: WILMINGTON

Country:

State: DE

Postal Code: 19801

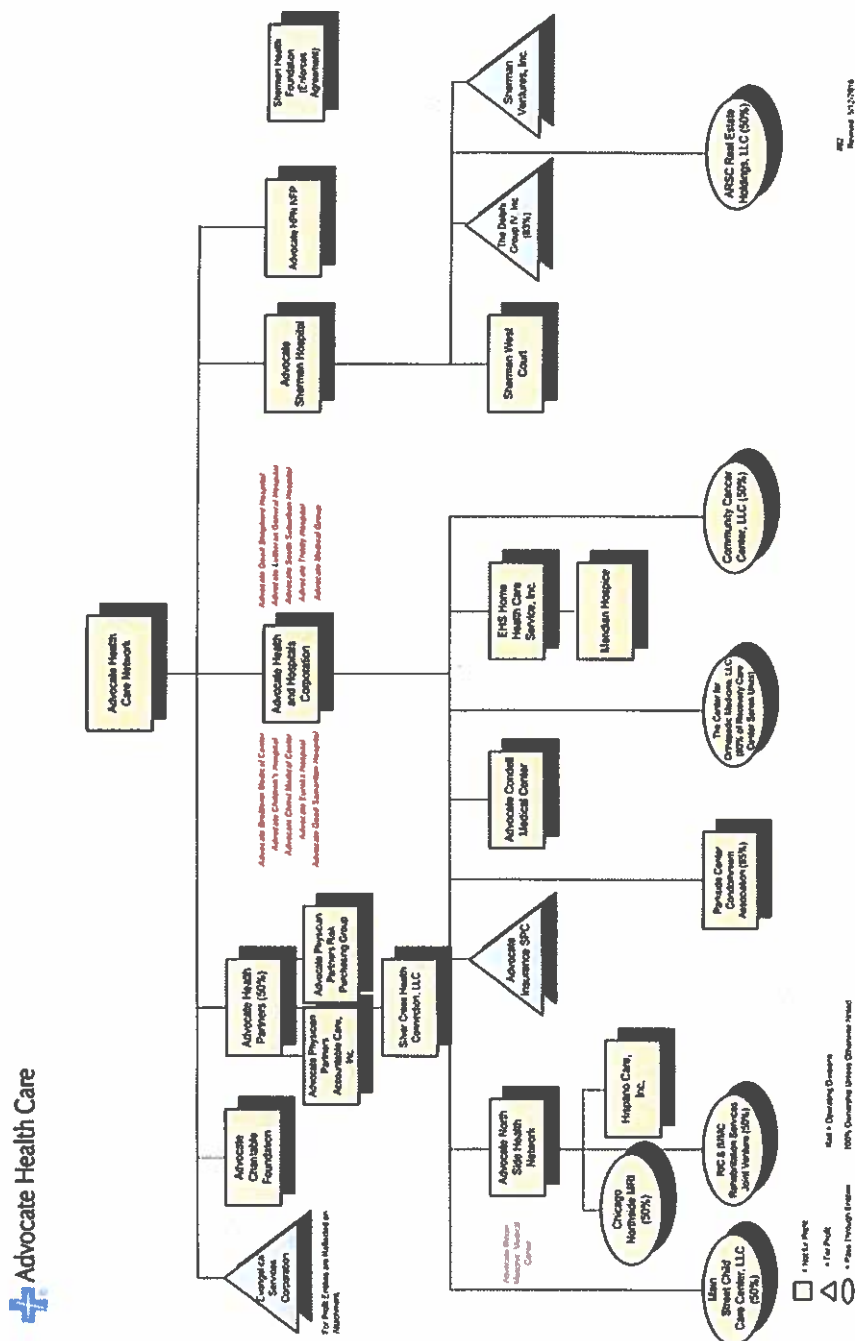
Phone: 302-658-7581

Organizational Relationships

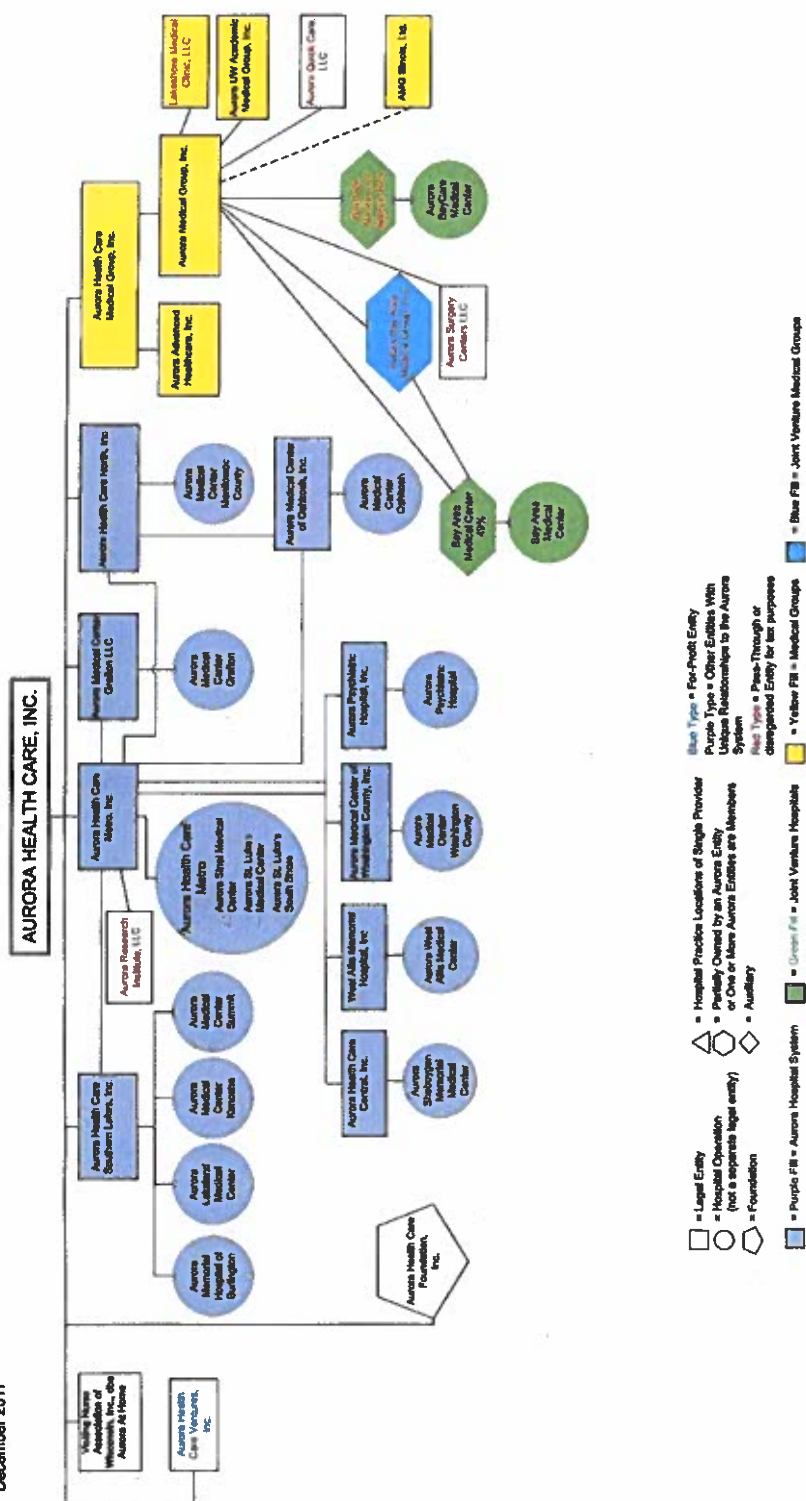
Provide (for each applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type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

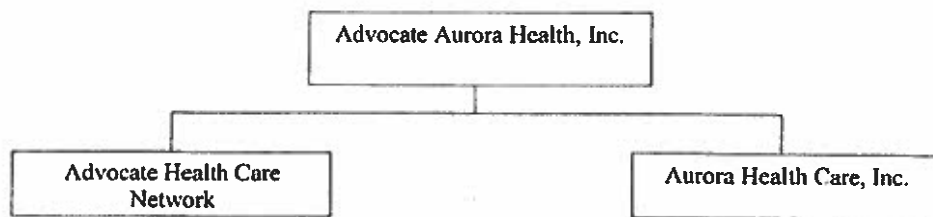
APPEND DOCUMENTATION AS ATTACHMENT 4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Attachment #4, Exhibits 1, 2, and 3 show the legacy organizations Advocate Health Care Network and Aurora Health Care, Inc. that came together as Advocate Aurora Health, Inc.



December 2017



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.

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.hfsrb.illinois.gov>).

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

By their signatures on the Certification, the applicants certify that the site for the proposed Project is not in a flood plain, as identified by the most recent FEMA Flood Insurance Rate Map for this location. Because the Project is not in a Special Flood Hazard Area, it complies with Illinois Executive Order #2006-5.

An aerial photograph of a city grid, likely New York City, showing a dense urban layout. A red circle is drawn around a specific area in the lower-left quadrant, which appears to be a residential or commercial district. The image is oriented horizontally, with the city grid running from left to right. The top of the image shows a body of water, possibly a harbor or bay, with a bridge visible in the distance. The bottom of the image shows a continuation of the city grid, with some areas appearing less developed or more industrial. The overall image is in black and white, with some color highlights in the top right corner.

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.

A letter was sent to the Illinois Department of Natural Resources (IDNR) on March 25, 2019 requesting a determination letter for this project. The IDNR, Historic Preservation Division is in the process of replying to that request.

Insert Letter from IDNR when it arrives.

Project Costs and Sources of Funds

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.

THE PHYSICAL THERAPY CENTER COSTS AND SOURCES OF FUNDS			
USE OF FUNDS	CLINICAL	NON-CLINICAL	TOTAL
Preplanning Costs	\$ 16,395	\$ 256,853	\$ 273,248
Site Survey and Soil Investigation	\$ 23,500	\$ 101,500	\$ 125,000
Site Preparation	\$ 108,750	\$ 1,268,941	\$ 1,377,691
Off Site Work	\$ -	\$ 497,000	\$ 497,000
New Construction Contracts	\$ 2,756,037	\$ 24,370,186	\$ 27,126,223
Modernization Contracts	\$ -	\$ -	\$ -
Contingencies	\$ 255,955	\$ 2,451,502	\$ 2,707,457
Architectural/Engineering Fees	\$ 204,510	\$ 1,958,993	\$ 2,163,503
Consulting and Other Fees	\$ 10,779	\$ 240,201	\$ 250,980
Movable or Other Equipment (not in construction contracts)	\$ 1,100,000	\$ 875,000	\$ 1,975,000
Bond Issuance Expense (project related)	\$ 12,481	\$ 205,445	\$ 217,926
Net Interest Expense During Construction (project related)	\$ 79,650	\$ 1,311,063	\$ 1,390,713
Other Costs To Be Capitalized	\$ 723,580	\$ 3,773,953	\$ 4,497,533
Acquisition of Building or Other Property (excluding land)	\$ -	\$ -	\$ -
TOTAL USES OF FUNDS	\$ 5,291,637	\$ 37,310,637	\$ 42,602,274
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$ 3,126,143	\$ 22,042,023	\$ 25,168,166
Bond Issues (project related)	\$ 2,165,494	\$ 15,268,614	\$ 17,434,108
TOTAL SOURCES OF FUNDS	\$ 5,291,637	\$ 37,310,637	\$ 42,602,274
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Physical Therapy Center Itemization	
Pre-Planning	\$273,248
Site and Facility Planning	98,248
Programming thru Conceptual Planning	175,000
Site survey (investigation, titles, traffic)	\$125,000
Site Preparation	\$1,377,691
Prep Work (Demo, clearing, grading, shoring & utility relocation, power feed)	220,750
Earthwork, drainage, stone, foundation prep	1,156,941
Off-Site Work	\$497,000
Grading & Concrete	142,000
ComEd - power structure	305,000
Misc. Street Upgrades	50,000
New Construction	\$27,126,223
Modernization Contracts	\$0
Contingencies	\$2,707,457
Architect/Eng. Fees	\$2,163,503
Consulting and Other Fees	\$250,980
Const Admin & Misc. Consultants	45,000
Reimbursable	86,620
Renderings / Misc. support	25,000
Peer Review, Equipment planner	45,000
Graphics and Wayfinding	6,800
Sustainability	4,680
Miscellaneous	37,880
Movable / Equipment	\$1,975,000
Treadmills / Bikes / Ellipticals / Stairmasters / Upper Body	520,000
Imaging	220,000
Miscellaneous equipment	1,235,000
Bond Issuance / Finance Expense	\$217,926
Net Interest	\$1,390,713
Other Costs to be Capitalized	\$4,497,533
FF&E	165,000
Utilities / Taps	1,330,000
Data Infrastructure, servers, wireless, telecom	235,000
Testing Soils and Materials	125,000
Miscellaneous other costs	2,642,533
TOTAL	\$42,602,274

Physical Therapy Center Equipment			
	Quantity	Cost per unit	Total
Defibrillator	2	\$ 3,500	\$ 7,000
TV's	2	\$ 1,500	\$ 3,000
Stretchers	1	\$ 6,000	\$ 6,000
X-ray	1	\$ 220,000	\$ 220,000
Portable monitor	1	\$ 15,000	\$ 15,000
Treadmills	8	\$ 6,000	\$ 48,000
Cross Trainers/Elliptical	4	\$ 4,000	\$ 16,000
Concept rowers	4	\$ 2,000	\$ 8,000
Universal Tower	2	\$ 12,000	\$ 24,000
Recumbent Bike	4	\$ 3,000	\$ 12,000
NuStep	8	\$ 7,000	\$ 56,000
Adjustable table	24	\$ 1,500	\$ 36,000
Free weights w/sand	4	\$ 1,000	\$ 4,000
Adjustable bench	4	\$ 1,000	\$ 4,000
Portable B/P machine (VSM)	4	\$ 3,000	\$ 12,000
Sound system	1	\$ 3,000	\$ 3,000
Nurse Call system	1	\$ 30,000	\$ 30,000
Scales	8	\$ 360	\$ 2,880
TV's	12	\$ 1,100	\$ 13,200
Conference Room/Audio visual	1	\$ 10,000	\$ 10,000
Ice Machine	2	\$ 31,000	\$ 62,000
CV PACS Workstations	1	\$ 30,000	\$ 30,000
Workstation Monitors	2	\$ 2,600	\$ 5,200
Furniture	1	\$ 50,000	\$ 50,000
Exam Room Table	6	\$ 6,000	\$ 36,000
Nurse Call system	1	\$ 30,000	\$ 30,000
Crash Cart	1	\$ 1,500	\$ 1,500
Suction Machine for Crash cart	1	\$ 400	\$ 400
B/P Machine automatic (VSM)	4	\$ 3,000	\$ 12,000
B/P manual	1	\$ 150	\$ 150
Scales	6	\$ 360	\$ 2,160
Blanket Warmer	1	\$ 7,500	\$ 7,500
Audio Visual TV's	5	\$ 10,000	\$ 50,000
Retractable screens	2	\$ 50,000	\$ 100,000
Data Displays	2	\$ 8,000	\$ 16,000
Miscellaneous			\$ 167,010
Clinical equipment			\$ 1,100,000
Non-Clinical Equipment			
Security System (Lobby, Entrances, Cameras)	2	\$ 250,000	\$ 500,000
Podium Controller	1	\$ 75,000	\$ 75,000
Satellite hookup	1	\$ 50,000	\$ 50,000
Telepresence 6-person unit	1	\$ 100,000	\$ 100,000
Sound Room Control	1	\$ 150,000	\$ 150,000
Non-Clinical Equipment			\$ 875,000
Total			\$ 1,975,000

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:

☐ None or not applicable☐ Preliminary☒ Schematics☐ Final WorkingAnticipated project completion date (refer to Part 1130.140): June 30, 2021

Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140):

☐ Purchase orders, leases or contracts pertaining to the project have been executed.☐ Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies☒ Financial Commitment will occur after permit issuance.**APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

Cost Space Requirements

Provide in the following format, the **Departmental Gross Square Feet (DGSF)** or the **Building Gross Square Feet (BGSF)** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

The Physical Therapy Center Cost Space							
Dept. / Area	Total Costs	Department Gross Square Feet		Amount of Proposed Total Department Gross Square Feet That Is:			
		Existing	Proposed	CON New Const.	Modernized	As Is	Vacated Space
Reviewable							
Outpatient Physical/ Occupational Therapy	\$ 3,768,293	5,445	8,420	8,420	0	0	5,445
Physicians' Examination Rooms	\$ 304,362		660	660			
Outpatient Digital Radiography	\$ 556,620		325	325			
Total Reviewable	\$ 4,629,276	5,445	9,405	9,405	0	0	5,445
Non-Reviewable	\$ -						
Administrative offices	\$ 1,060,229	5,376	2,795	2,795	0	0	5,376
Visitor/Public Support	\$ 1,430,479	0	4,120	4,120	0	0	0
Circulation, Connectors	\$ 1,984,131	0	5,177	5,177	0	0	0
Building Systems	\$ 4,514,157	664	3,140	3,140	0	0	664
Parking for 408 vehicles	\$ 28,984,003	0	139,578	139,578	0	0	0
Total Non-Reviewable	\$ 37,972,998	6,040	154,810	154,810	0	0	6,040
Total	\$ 42,602,274	11,485	164,215	164,215	0	0	11,485

The vacated space will remain open as the hospital develops plans for this older building.

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.

1110.110(a) – Background of the Applicant

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 listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.
3. For the following questions, please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.
 - a. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application.
 - b. A certified listing of each applicant, identifying those individuals that have been cited, arrested, taken into custody, charged with, indicted, convicted or tried for, or pled guilty to the commission of any felony or misdemeanor or violation of the law, except for minor parking violations; or the subject of any juvenile delinquency or youthful offender proceeding. Unless expunged, provide details about the conviction and submit any police or court records regarding any matters disclosed.
 - c. A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude.
 - d. A certified listing of each applicant with one or more unsatisfied judgements against him or her.
 - e. A certified and detailed listing of each applicant who is in default in the performance or discharge of any duty or obligation imposed by a judgment, decree, order or directive of any court or governmental agency.
4. 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.**
5. 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.

See Attachment #11, Exhibits 1, 2, 3, 4, 5, 6, 7.

1. The listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.

Attachment 11, Exhibit 1 is the listing of all the facilities owned by Advocate Health Care Network. Exhibit 2 is the current state hospital license for Advocate North Side Network, d/b/a Advocate Illinois Masonic Medical Center. The most recent DNV accreditation certificate for the Hospital is included as Attachment 11, Exhibit 3.

2. Certified Listing of Any Adverse Action Against Any Facility Owned or Operated by the Applicant

By the signatures on the Certification pages, the applicants attest there have been no adverse actions against any facility owned and/or operated by Advocate Health and Hospitals Corporation or Advocate Health Care Network, as demonstrated by compliance with the CMS Conditions of Participation with Medicare and Medicaid, during the three years prior to the filing of this application.

3. Authorization Permitting IHFPB and DPH to Access Necessary Documentation

By the signatures on the Certification pages, the applicants hereby authorize the Illinois Health Facilities and Services Review Board and the Illinois Department of Public Health to access information in order to verify any documentation or information submitted in response to the requirements of this subsection, or to obtain any documentation or information which the State Board or Department of Public Health find pertinent to this subsection.

4. Exception for Filing Multiple Certificates of Need in One Year


This is the second certificate of need filed by Advocate Illinois Masonic Medical Center in 2019.

5. The licensing, certification, and accreditation numbers of each organization owned or operated by Advocate Health and Hospitals Corporation, along with relevant identification numbers, are listed below.

Facility	Location	License No.	DNV Accred. No.
Advocate Illinois Masonic Medical Center	836 W. Wellington Chicago, IL	0005165	192082-2018-AHC- USA-NIAHO

Additional hospitals owned and operated as a part of Advocate Health Care Network:

Facility	Location	License No.	DNV Accreditation No.
Advocate BroMenn Medical Center	1304 Franklin Ave. Normal, IL	0005645	127532-2012-AHC- USA-NIAHO
Advocate Christ Medical Center	4440 W. 95 th St. Oak Lawn, IL	0000315	197946-2019-AHC- USA-NIAHO
Advocate Condell Medical Center	801 S. Milwaukee Ave., Libertyville, IL	0005579	211487-2016-AHC- USA-NIAHO
Advocate Eureka Hospital	101 S. Major Eureka, IL	0005652	189647-2018-AHC- USA-NIAHO
Advocate Good Samaritan Hospital	3815 Highland Ave. Downers Grove, IL	0003384	115804-2012-AHC- USA-NIAHO
Advocate Good Shepherd Hospital	450 W. Highway, #22 Barrington, IL	0003475	114892-2012-AHC- USA-NIAHO
Advocate Lutheran General Hospital	1775 Dempster Park Ridge, IL	0004796	117368-2012-AHC- USA-NIAHO
Advocate Sherman Hospital	1425 N. Randall Rd Elgin, IL	0005884	246588-2017-AHC- USA-NIAHO
Advocate South Suburban Hospital	17800 S. Kedzie Ave Hazel Crest, IL	0004697	190161-2018-AHC- USA-NIAHO
Advocate Trinity Hospital	2320 E. 93 rd St. Chicago, IL	0004176	193041-2018-AHC- USA-NIAHO

		Illinois Department of PUBLIC HEALTH	HF116734
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	
11/4/2019		0005165	
General Hospital			
Effective: 11/05/2018			
Advocate Northside Health Network dba Illinois Masonic Medical Center Campus 836 W Wellington Avenue Chicago, IL 60657			
The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #48240 5M 5/16			

CERTIFICATE OF ACCREDITATION

Certificate No.:
192082-2018-AHC-USA-NIAHO

Effective Date:
12/15/2018

Valid until:
12/15/2021

This is to certify that:

Advocate Illinois Masonic Medical Center

836 West Wellington Avenue, Chicago, IL 60657

has been found to comply with the requirements of the:

NIAHO® Hospital Accreditation Program

Pursuant to the authority granted to DNV GL Healthcare USA, Inc. by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, this organization is deemed in compliance with the Medicare Conditions of Participation for Hospitals (42 C.F.R. §482).

This certificate is valid for a period of three (3) years from the Effective Date of Accreditation.

For the Accreditation Body:
DNV GL - Healthcare
Katy, TX



Patrick Horne
Chief Executive Officer



Lack of continual fulfillment of the conditions set out in the Certification/Accreditation Agreement may render this Certificate invalid.

DNV GL - Healthcare, 400 Techline Center Drive, Suite 100, Bedford OH, 45150. Tel: 513-947-8343

www.dnvglhealthcare.com

File Number

5237-115-5



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 NORTH SIDE HEALTH NETWORK, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON APRIL 27, 1981, 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 #: 1833001900 verifiable until 11/26/2019
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 26TH
day of NOVEMBER A.D. 2018 .***

Jesse White

SECRETARY OF STATE

File Number

1004-695-5



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 AND HOSPITALS CORPORATION, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON SEPTEMBER 12, 1906, 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 #: 1908501888 verifiable until 03/26/2020
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 26TH
day of MARCH A.D. 2019 .***

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 #: 1908501864 verifiable until 03/28/2020
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 26TH
day of MARCH A.D. 2019 .***

Jesse White

SECRETARY OF STATE

State Of Delaware

Entity Details

7/31/2018 6:24:28PM

File Number: 6645600

Incorporation Date / Formation Date: 12/4/2017

Entity Name: ADVOCATE AURORA HEALTH, INC.

Entity Kind: Corporation

Entity Type: Exempt

Residency: Domestic

State: DELAWARE

Status: Good Standing

Status Date: 12/4/2017

Registered Agent Information

Name: THE CORPORATION TRUST COMPANY

Address: CORPORATION TRUST CENTER 1209 ORANGE ST

City: WILMINGTON

Country:

State: DE

Postal Code: 19801

Phone: 302-658-7581



OFFICE OF THE SECRETARY OF STATE

JESSE WHITE • Secretary of State

APRIL 3, 2018

7155-851-7

**CT CORPORATION SYSTEM
118 W EDWARDS #200
SPRINGFIELD IL 62704**

RE ADVOCATE AURORA HEALTH, INC.

DEAR SIR OR MADAM:

**ENCLOSED YOU WILL FIND THE AUTHORITY OF THE ABOVE NAMED
CORPORATION TO CONDUCT AFFAIRS IN THIS STATE.**

PAYMENT OF THE FILING FEE IS HEREBY ACKNOWLEDGED.

**CERTAIN NOT FOR PROFIT CORPORATIONS ORGANIZED AS A CHARITABLE
CORPORATION ARE REQUIRED TO REGISTER WITH THE OFFICE OF THE ATTORNEY
GENERAL. UPON RECEIPT OF THE ENCLOSED AUTHORITY, YOU MUST CONTACT
THE CHARITABLE TRUST DIVISION, OFFICE OF THE ATTORNEY GENERAL,
100 W. RANDOLPH, 3RD FLOOR, CHICAGO, ILLINOIS 60601, TELEPHONE
(312) 814-2595.**

SINCERELY,

**JESSE WHITE
SECRETARY OF STATE
DEPARTMENT OF BUSINESS SERVICES
CORPORATION DIVISION
TELEPHONE (217) 782-6961**

FORM NFP 113.15 (rev. Dec. 2003)
APPLICATION FOR AUTHORITY
TO CONDUCT AFFAIRS IN
ILLINOIS (Foreign Corporations)
General Not For Profit Corporation Act

Secretary of State
 Department of Business Services
 501 S. Second St., Rm. 350
 Springfield, IL 62756
 217-782-1634
 www.cyberdriveillinois.com

Remit payment in the form of a cashier's check, certified check, money order or an Illinois attorney's or CPA's check payable to Secretary of State.

FILED

APR 03 2018

JESSE WHITE
 SECRETARY OF STATE

File # 7155-8517 Filing Fee: \$50 Approved: Bc

----- Submit in duplicate ----- Type or Print clearly in black ink ----- Do not write above this line -----

1. a. Corporate Name: Advocate Aurora Health, Inc.

b. Assumed Corporate Name (Complete only if the new corporate name is not available in this state.):

By electing this assumed name, the Corporation hereby agrees NOT to use its corporate name in the transaction of business in Illinois. Form NFP 104.15 is attached.

2. a. State or Country of Incorporation: Delaware

b. Date of Incorporation: December 4, 2017

c. Period of Duration: Permanent

3. a. Address of Principal Office, wherever located: 3075 Highland Pkwy.,

Downers Grove, IL 60515-1206

b. Address of Principal Office in Illinois: 3075 Highland Pkwy.,

Downers Grove, IL 60515-1206

4. Name and Address of Registered Agent and Registered Office in Illinois:

Registered Agent: Earl J. Barnes II

First Name

Middle Name

Last Name

Registered Office: 3075 Highland Pkwy Suite 600

Number

Street

Suite # (P.O. Box alone is unacceptable)

Downers Grove 60515 DuPage County

City

ZIP Code

County

5. States and Countries in which Corporation is admitted or qualified to conduct affairs: Wisconsin (application pending)

6. Names and respective addresses of Corporation's officers and directors:

	Street Address	City	State	ZIP
President <u>See attached</u>				
Secretary				
Director				
Director				
Director				

If there are additional officers or more than three directors, please attach list.

Printed by authority of the State of Illinois, January 2015 - 1 - C 100.15

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Directors:

<u>Name</u>	<u>Address</u>
Michele Baker Richardson	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
John F. Timmer	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
Lynn Y. Crump-Caine	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
K. Richard Jakle	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
Mark M. Harris	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
David B. Anderson	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
James H. Skogsbergh	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
Joanne Disch	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
John W. Daniels, Jr.	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
Joanne B. Bauer	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
Charles Harvey	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
Rick Weiss	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
Thomas Bolger	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515
Nick W. Turkal	c/o Aurora Advocate Health, Inc. 3075 Highland Pkwy Suite 600, Downers Grove, IL 60515

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7155-8517

Section 7: PURPOSE(S) FOR WHICH THE CORPORATION IS ORGANIZED AND PROPOSES TO PURSUE IN THE CONDUCT OF AFFAIRS IN THIS STATE:

The Corporation is organized and shall be operated exclusively for charitable, scientific, religious and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provisions of any future United States Internal Revenue Law) (hereinafter the "Code"); and limited as further provided in its Certificate of Incorporation. Specifically, the Corporation is organized and shall be operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of its supported organizations, as listed below (the "Supported Organizations"). The Corporation is organized and operated as a Type III functionally integrated supporting organization as defined in section 509(a)(3) of the Code and Treas. Reg. Section 1.509(a)-4(i). The Corporation is organized for the purpose of serving as the parent organization of the Supported Organizations and shall exercise direction over the policies, programs and activities of the Supported Organizations. The Corporation shall engage in activities relating to the purposes described above, and invest in, receive, hold, use, and dispose of all property, real or personal, as may be necessary or desirable to carry into effect such purposes. The Corporation is formed as a result of the affiliation of Advocate Health Care Network, an Illinois nonprofit corporation ("Advocate") and Aurora Health Care, Inc., a Wisconsin nonstock corporation ("Aurora"), in accordance with the terms and conditions of that certain Affiliation Agreement between Advocate and Aurora dated December 4, 2017 (the "Affiliation Agreement").

The Corporation's Supported Organizations, which are described in Section 509(a)(1) or Section 509(a)(2) of the Code, are as follows:

- Advocate Health and Hospitals Corporation
- EHS Home Health Care Services, Inc.
- Advocate Charitable Foundation
- Advocate North Side Health Network
- Meridian Hospice
- Advocate Condell Medical Center
- Advocate Sherman Hospital
- Sherman West Court
- Visiting Nurse Association of Wisconsin, Inc.
- Aurora UW Academic Medical Group
- Aurora Health Care Central, Inc.
- Aurora Psychiatric Hospital, Inc.
- Aurora Medical Center of Washington County, Inc.
- Aurora Health Care North, Inc.
- West Allis Memorial Hospital, Inc.
- Aurora Family Service, Inc.
- Aurora Medical Center of Oshkosh, Inc.
- Aurora Medical Group, Inc.
- Kradwell School, Inc.
- Aurora Advanced Healthcare, Inc.

7155-8517

- Aurora Health Care Metro, Inc.
- Aurora Health Care Southern Lakes, Inc.
- AMG Illinois, Ltd.
- Aurora Medical Center Grafton

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Criterion 1110.110(b) & (d)**PURPOSE OF PROJECT**

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

1. The Project Will Provide Health Services That Improve the Health Care or Well-Being of the Market Area Population to be Served

In 2009, Advocate Illinois Masonic Medical Center developed a strategic plan to continue to service Chicago as a vital community teaching hospital with identified regional destination services. The intent continues to be, to develop a campus plan for the current and long-term future that secures health care for Chicago's North Side.

There was an immediate need to right size currently undersized areas and improve functionality and connectivity by beginning to replace aged facilities. All major services were reviewed, and the highest priority services were determined to be digestive health, cancer, and ambulatory surgery. They were addressed in a Certificate of Need #12-065, a project to build a Center for Advanced Care, focused on outpatients. That facility opened in 2015.

This Project, to be referred to as the Physical Therapy Center, continues the mission to provide quality facilities for outpatient programs. It was planned at this time to look at the way **Outpatient Physical Therapy/Occupational Therapy** should be provided to continue to serve the growing demands of this service. Outpatient rehabilitation services are currently located in the center of Advocate Illinois Masonic Medical Center without the ability to add space to expand to accommodate the demand.

The Hospital has established a long history of providing for patients, their families, and the professionals who serve them. Elements of this Project will address the following:

- Clinicians need sufficient space for individual, family and group therapy. They are better able to provide care where the space is designed to care for these patients.

- Patients and families respond best when receiving care in a location that is designed to provide appropriate access to physicians.
- The building is designed for improved patient access when patients come often for follow-up sessions, especially important when they have physical limitation. A parking deck in the building offers a significant advantage.

The design of this proposed Center has been carefully planned to provide a state-of-the-art facility that creates privacy with the therapists as well as access to a modern, well-equipped gym including newer equipment. The field of rehabilitation is helping people restore capacity and manage their lives while under treatment. The potential for additional space would give Advocate Illinois Masonic Medical Center the ability to continue to serve the health and well-being of this growing population.

2. Definition of Planning/Market Area

Advocate Illinois Masonic Medical Center (AIMMC, the Medical Center) is a tertiary referral center and teaching hospital. It serves the north-east section of Chicago and is in the Lakeview Area. This site is in the middle of the east side of the Illinois Health Facilities and Services Review Board (IHFSRB) Planning Area A-01. See Attachment 12, Exhibit 1 for the Planning Area A-01.

The primary market area defined by the Medical Center is very similar to IHFSRB Planning Area A-01. AIMMC's service area extends farther north along the Lake to include Avalon Park, and Rogers Park and does not include the O'Hare area or Norwood Park to be a part of its service area. See Attachment 12, Exhibit 2 for a map of the Medical Center's Service Area.

Population projections for the Service Area are provided in the table below. Although the total population in the service area is projected to remain stable, the 65+ population is projected to grow by 15%, expecting over 20,000 additional older residents. The Hospital is preparing for the increased demand for healthcare that accompanies that change.

Illinois Masonic Primary Service Area Demographics				
Age Group	2019 Population	2024 Population	2019 % of Total	Population Change
0-17	245,344	245,738	20.7%	0.2%
18-44	525,664	484,126	44.3%	(7.9%)
45-64	278,276	297,645	23.5%	7.0%
65+	137,076	157,703	11.6%	15.1%
TOTAL	1,186,360	1,185,212	100.0%	(0.1%)

Source: Hospital Records

The race and ethnicity are also reflective of this community and differs significantly from the National percentages. It is notable that there are slight increases in some of the ethnic populations. The Hospital has a strong pattern of providing care to the Hispanic population with multilingual staff in many areas. As the multicultural aspects of the community change, the Hospital is preparing to meet the social and medical needs of the population.

Ethnicity/Race	2019 Population	2024 Population	2019 % of Total	Population Change
Asian & Pacific Is. Non-Hispanic	92,017	97,883	7.8%	6.4%
Black Non-Hispanic	114,626	104,596	9.7%	(8.8%)
Hispanic	391,370	398,269	33.0%	1.8%
White Non-Hispanic	564,190	560,622	47.6%	(0.6%)
All Others	24,157	23,842	2.0%	(1.3%)
Total	1,186,360	1,185,212	100.0%	(0.1%)

Source: Claritas 2019

3. Existing Problems and Issues That Need to be Addressed

Advocate Illinois Masonic Medical Center has a long history of caring for people in the Chicago area. Its origin dates back to 1897 with the formation of Union Hospital, which became Illinois Masonic Medical Center in 1921. In November 2000, AIMMC became a member of Advocate Health Care. Advocate merged with Aurora Health Care in Wisconsin in 2018. AIMMC is now part of Advocate Aurora Health, the 10th largest integrated not-for-profit system in the United States.

As the system carries out its mission to be the best place for patients to receive care and physicians to practice, it assessed the AIMMC operations. It found the physicians to be committed and patients to show a preference for "their hospital". The number of outpatient visits at AIMMC has continued to increase.

AIMMC	2015	2016	2017	2018	% Change 2015-2018	Avg % change/yr.
Outpatient Volume	180,471	182,119	193,247	215,463	19%	6.3%

Source: IDPH Hospital Profiles; 2018 AIMMC Annual Hospital Questionnaire

AIMMC's outpatient physical therapy/occupational therapy visits have continued to grow year over year as shown in the table below.

AIMMC	2013	2014	2015	2016	2017	2018
OP PT/OT Visits	47,686	50,627	56,594	66,019	72,120	77,658
% Growth over prior year		6.2%	11.8%	16.7%	9.2%	7.7%

The lack of additional space for outpatient rehabilitation is limiting the ability to treat the growing number of patients.

4. Source of Information

Information used in this application included reports made to the State and various credentialing organizations, the Strategic Master Plan, analysis done by external planners, architects, and engineers. Physician experts were consulted as well as independent professionals in relevant disciplines.

Sources included:

- Advocate Illinois Masonic Master Facility Plan
- Illinois Department of Public Health Hospital Licensing Code
- Illinois Health Facilities and Services Review Board (HFSRB) Administrative Rules
- IHA COMPdata
- Advocate Illinois Masonic Medical Center Financial Data
- Claritas Pop Facts 2019 and the US Census Bureau
- Sg2 Market Estimates and Projections
- Advocate Medical Group
- HFSRB Hospital Profiles
- HFSRB Inventories and Data
- Health care literature regarding current trends

The codes used in the design included:

- Chicago Building Code, 2018 (CBC) of the Municipal Code (*scheduled to be revised 2019*)
 - Title 14C Conveyance Device Code (Elevator Code)
 - Title 14E Chicago Electrical Code, NFPA 70 (National Electrical Code, 2017)
 - Title 15 Fire Prevention
 - Title 17 Chicago Zoning Ordinance
 - Chapter 13-20 Signs
 - Chapter 18-28, Article XIV (2003 International Fuel Gas Code (ICC))
 - Chapter 18-28 Mechanical Code
 - Chapter 18-13 Energy Conservation Code (2015 International Energy Conservation Code (ICC))
 - Chapter 18-29 Plumbing Code
- NFPA 101, Life Safety Code, 2000 (LSC), and, as referenced by the 2000 NFPA 101:
 - 1997, NFPA 221, Standard for Fire Walls and Fire Barrier Walls
 - 1998 NFPA 10, Standard for Portable Fire Extinguishers
 - 1998 NFPA 88A, Standard for Parking Structures
 - 1999 NFPA 13, Standard for the Installation of Sprinkler Systems
 - 1999 NFPA 70, National Electrical Code
 - 1999 NFPA 72, National Fire Alarm Code
 - 1999 NFPA 80, Standard for Fire Doors and Fire Windows
 - 1999 NFPA 90A, Standard for the Installation of Air-Conditioning and Ventilating Systems
 - 1999 NFPA 99, Standard for Health Care Facilities
 - 1999 NFPA 110, Standard for Emergency and Standby Power Systems
 - 1999 NFPA 220, Standard on Types of Building Construction
 - 2000 NFPA 14, Standard for the Installation of Standpipe, Private Hydrants, and Hose Systems
- Illinois Accessibility Code, 2018
- IDPH Licensing Act (Illinois Administrative Code)

5. How the project will address or improve the previously reference issues, as well as the population's health status and well-being.

Advocate Illinois Masonic Medical Center has once again been named in 2018 to the 100 Top Hospitals list by IBM Watson Health™, formerly known as the Truven Health Analytics® 100 Top Hospitals. This was in recognition of its performance on patient safety, quality of care, financial stability, operational efficiency and patient satisfaction measures, Advocate Illinois Masonic was one of only two Chicago *Major Teaching Hospitals* to make the list.

Advocate Illinois Masonic Medical Center continues to expand its services to the markets it serves with additional clinicians, state-of-the-art diagnostic methodologies, and new treatment protocols. The expansion of the physical therapy/occupational therapy department is an important service on that list. The next step is to provide these services in a state-of-the-art facility, in a patient convenient location. The benefits are clear:

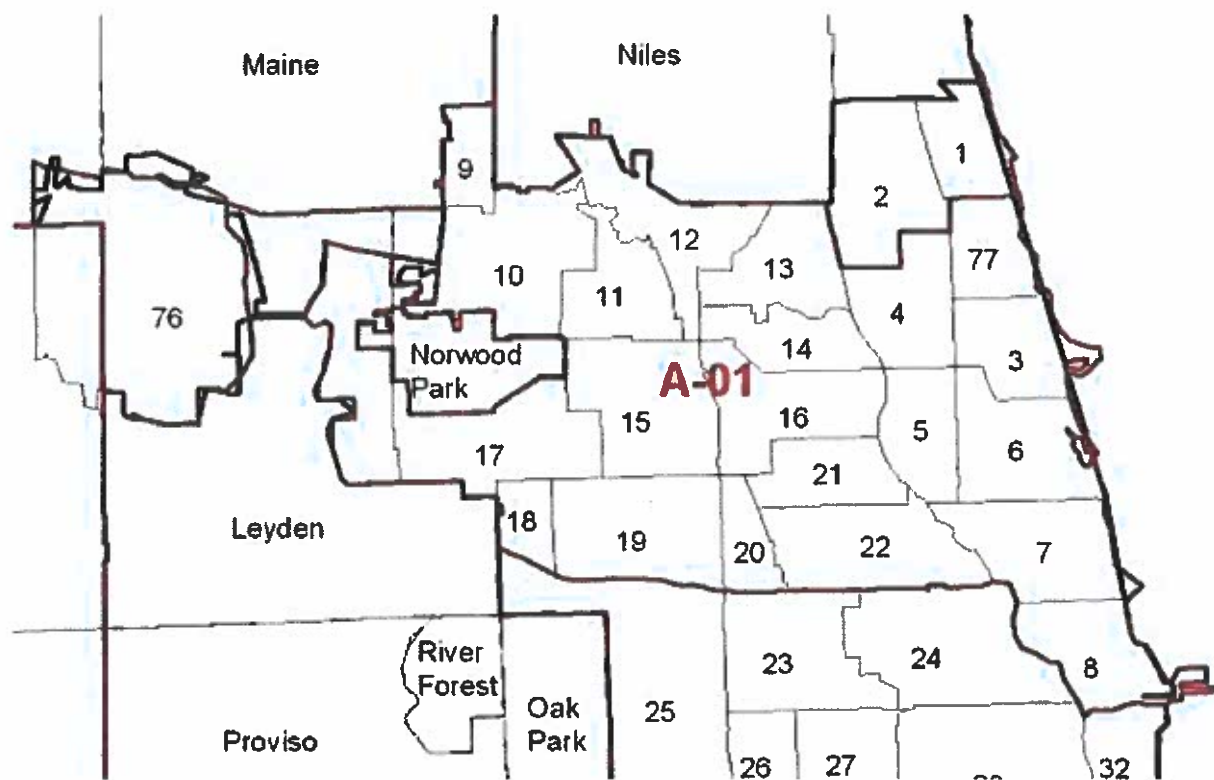
- Modern, well-designed private treatment rooms and a modern gym will allow therapists to focus the patients' attention on the treatment modalities.
- The proposed project will offer physician examination rooms where physicians can see a patient for an initial assessment for treatment planning or follow-up visits.
- An imaging unit will be co-located with the examination rooms, providing radiographic films to help the physician make an informed assessment.
- Patients will have the opportunity to access care in a setting that has been designed for efficient throughput and coordinated care.
- Ease of access to the building with inside parking will be an advantage for all, especially those with physical limitations.

6. Goals with Quantified and Measurable Objectives, with Specific Timeframes to Relate to Achieving the Stated Goals, as Appropriate.

The most pressing goal addressed by the project is to relocate the outpatient rehabilitation into a facility that can offer the expanded level of care to an increasing number of outpatients coming to AIMMC for diagnosis and treatment.

- Goal 1 – Implement a carefully conceived plan to build new accommodations for outpatient physical therapy/occupational therapy and address the need for more parking.
- Goal 2 – Continue to engage the neighborhoods around the hospital about the plans.
- Goal 4 – Plan the transition process; engaging the clinical and support departments.
- Goal 5 – Relocate department to the new facility by 2021.

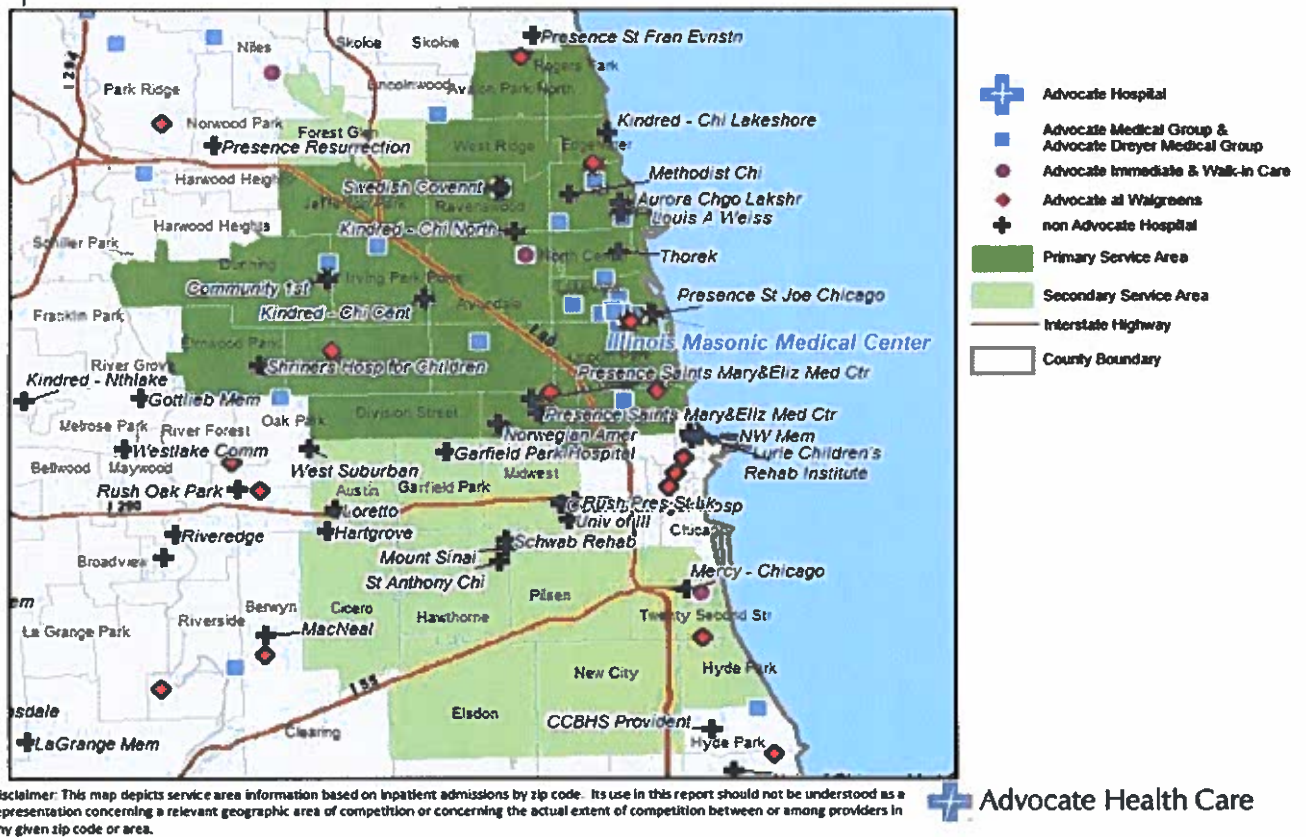
Map of Planning Area A-01



Source: HFSRB

Note: Lincoln Park where AIMMC is located is in Area 7

Advocate Illinois Masonic Medical Center



Source: Hospital records

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.

As part of the overall Advocate Illinois Masonic Medical Center Master Facility Planning process it was determined that it was critical to address Rehabilitation services in the next phase. The conclusions of administration were as follows:

There was an immediate need to create the appropriately sized space for ambulatory rehabilitation services to provide improved access and growth to support the Orthopedic and Neuroscience centers of Excellence at AIMMC. This service should be co-located with complementary physicians and other providers to increase collaboration and the continuum of care to provide the best outcomes and enhance patient convenience.

Alternative One – Continue to operate Outpatient Rehabilitation services in current location

The option to continue to provide outpatient rehabilitation services in the current location would not provide the space needed to increase access needed for patients to receive Physical Therapy and Occupational Therapy care. It is not the best course of treatment to have patients waiting to receive care for days and weeks. As the number of patients in the service area requiring outpatient rehabilitation services continues to grow this will increase the delays to receive treatment. The existing space does not allow for services such as the pre-surgical classes for elective joint patients and fall prevention classes that are significantly needed in the community.

With outpatient rehabilitation services at the current location, orthopedic and neurosurgery patients, including trauma patients, need to follow up with physicians throughout the Chicagoland area and coordinating their transportation is especially challenging given the nature

of their conditions. Patients would need to either wait for treatment or seek treatment in other areas that would be challenging to travel and would not provide the continuity of care.

Cost: No construction cost, but would experience a loss of patients

Alternative Two — Utilize and refer to other outpatient rehabilitation locations

The option for the hospital and physicians to refer to other outpatient rehabilitation locations is not feasible. The physicians seeing these patients are principally located near Advocate Illinois Masonic Medical Center. This would decrease the ability to manage the cost and continuum of care for these patients. Without this connection, patients would potentially duplicate services such as evaluations and imaging with each new provider. This is disruptive for patients that have a long-established pattern of coming to the Medical Center for their comprehensive care.

Cost: No construction cost, but would experience a significant loss of patients

Alternative Three — Proposing a Project of greater scope and cost

Adding more floors to house other departments located in older parts of the existing hospital was briefly considered. However, this scale met the critical clinical need and the parking need. This project was designed to meet the needs of the patients in this community based on the projected growth for patients living in the service area. The scope of this project was planned based on forecasting the increasing needs in the community based on demographics and changes in care being delivered such as the continued shift from inpatient care to outpatient care and the shift from skilled nursing care to outpatient rehabilitation services.

As good financial stewards of Advocate Aurora Health Care, the plan to build beyond the scope of this project at this time was determined to be a significant undertaking and the plan was abandoned for a scaled down project.

Cost: \$60,000,000 Rejected

Alternative Four — Proposing a Project of lesser scope and cost

This option to build only outpatient rehabilitation services without the space for physician clinics was an option. It does not provide for the complete continuity of care. The collaboration by streamlining care for patients has been demonstrated to improve clinical outcomes: increase compliance and follow up, lower post-op readmissions and complications. Providing less space than needed for projected volume or proposed services does not address the growing demand for services in this community.

Cost: \$39,000,000 Rejected

Alternative Five: Utilize other Health Care Resources

Upon review for options, there were no other nearby comparative spaces that would fit the criteria defined for this growing program.

**Cost: No options to price
stroke**

Alternative Six – Build a new building for Physical Rehabilitation services and for Physician Office and Clinic space

This option was selected as it allowed the organization to provide the appropriate space needed and designate the correct location for each of these programs. This setting will allow for easier patient access, adequate space for newer treatment modalities, and economies of scale for efficient operations. The location selected is highly visible and accessible to patients and physicians. The design will address the parking needed for these patients. Furthermore, the site development could be a platform for an eventual replacement of older sections of the existing hospital.

Cost: 42,602,274 Accepted

Alternative	Description	Patient Access	Quality	Cost	Financial Benefit, Short Range	Financial Benefit, Long Range	Conclusion
1	Continue to operate OP Rehab services in current location	The current space would not increase patient access as patients would continue to need to wait for appointments due to a lack of space, limiting provider availability.	The quality of care would not be improved for the majority of cases. Patients would continue to wait for appointments and travel between sites to receive OP services.	There would be no construction cost to the hospital. But the problems with lack of space could result in loss of patients.	This option would see a loss or shift of patients.	This option would see a loss of patients. As service area long range challenge will intensify.	Rejected
2	Utilize and refer to other OP Rehab locations	Patients would not have continuity of care as their providers are on staff at Advocate Illinois Masonic Medical Center. Many would need to travel outside of the community to receive comparable services. This would improve patient access.	The quality of care would not be improved as physicians would not be able to follow their patients and provide continuity of care. Patients may be challenged to find services in the community.	No construction cost but expect to have significant loss of patients.	This option would see a loss of patients.	This option would see a loss of patients.	Rejected
3	Proposing a Project of greater scope and cost		This option would improve quality of clinical services.	\$60,000,000	As good financial stewards of Advocate Aurora Health Care, the plan to build beyond the scope of this project at this time was determined to be a significant financial investment.	This option would not provide greater access or clinical quality and would be a challenge to forecast the return on such a large investment.	Rejected
4	Proposing a Project of lesser scope and cost	Problems with access to would continue for an extended timeframe. Without the space for physician clinics, this does not provide for the complete continuity of care.	The quality of care would not be improved as the advantages of co-locating services would not be achieved in the short term, if at all.	\$39,000,000	There would be lower cost in the short term, although services would need to be provided elsewhere on campus, not allowing for the efficiencies and increased access provided in this project.	The need for these services will continue to grow in the service area and the issues of access will continue to increase long term.	Rejected
5	Utilize other Health Care Resources	There were no other nearby comparative spaces to assess impact on patient access. This would improve patient access by creating easier patient access and parking. Co-locating OP Rehab service areas with providers and clinical services will improve access for patients and their families.	Possibly equal or better but nothing to compare	No option to price	Could be good if a facility was nearby and adequate in size and access	In the long range, it is important to have services near the main hospital	Rejected
6	Build a new building for OP Rehabilitation Services and for Physician Office and Clinic space		Quality of care would be improved due to increased availability of services. Co-locating of services provides increased efficiencies, collaboration and continuum of care.	\$42,502,274	This option will build on synergy by having OP Rehab services and associated providers in one location; sharing support staff and equipment.	Clinical areas will be properly designed and built for both immediate and long term hospital needs. This will provide more efficient operations, and address the space needed to allow patients to see a providers in a shorter time frame.	✓ Accepted

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE**Criterion 1110.120 - Project Scope, Utilization, and Unfinished/Shell Space**

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

3. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative and it shall include the basis used for determining the space and the methodology applied.**
4. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:
 - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies and certified by the facility's Medical Director.
 - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.
 - c. The project involves the conversion of existing space that results in excess square footage.
 - d. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
OP Physical/Occupational Therapy	8,420	N/A		N/A
Physicians' Examination Rooms	660	N/A		N/A
OP Diagnostic Radiology	325	1,300	-975	Yes

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

The Physical Therapy Center will have three clinical services, with only one having state standards for size. The physical therapy/occupational therapy department will have 25 gym treatment areas with bikes, treadmills, and other equipment including elliptical machines, alternative terrain, and free weights. There will be 8 treatment plinths, 14 private rooms and a large open gym area. The plan also includes six physician examination rooms. Those areas have no state standards for size.

The diagnostic radiology service will have one unit available to physicians who want an immediate assessment of the patient's condition or to monitor change. It is within the state standards for size.

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110. Appendix B. A narrative of the rationale that supports the projections must be provided.

A table must be provided in the following format with Attachment 15.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MEET STANDARD?
YEAR 1	Diagnostic Radiology	N/A	3,000	8,000	N/A
YEAR 2	Diagnostic Radiology	N/A	4,000	8,000	N/A

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

The proposed project includes one diagnostic radiology unit. Consistent with HFSRB practices, and because only one unit is to be provided, utilization standards do not apply. The state standards are usually applied to hospital settings. The utilization projections are estimates, forecast on information from several physicians who expect to see patients in the Examination Rooms.

M. Criterion 1110.270 - Clinical Service Areas Other than Categories of Service

- Applicants proposing to establish, expand and/or modernize Clinical Service Areas Other than categories of service must submit the following information:
- Indicate changes by Service: Indicate # of key room changes by action(s):

Service	# Existing Key Rooms	# Proposed Key Rooms
<input checked="" type="checkbox"/> Physical Therapy/ Occupational Therapy	N/A	N/A
<input checked="" type="checkbox"/> Physicians Examination Rooms	N/A	6
<input checked="" type="checkbox"/> Diagnostic Radiology	N/A	1

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

Project Type	Required Review Criteria
New Services or Facility or Equipment	(b) – Need Determination – Establishment
Service Modernization	(c)(1) – Deteriorated Facilities
	AND/OR
	(c)(2) – Necessary Expansion
	PLUS
	(c)(3)(A) – Utilization – Major Medical Equipment
	OR
	(c)(3)(B) – Utilization – Service or Facility
APPEND DOCUMENTATION AS <u>ATTACHMENT 30</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

SECTION 1110.270 – Clinical Service Areas Other Than Categories of Service – Review Criteria

Clinical Service Area

Physical Therapy/Occupational Therapy

b) Need Determination – Establishment.

This is not a new service.

c) Service Modernization

The applicant shall document that the proposed Project meets one of the following:

1) Deteriorated Equipment or Facilities

The proposed project will result in the replacement of equipment or facilities that have deteriorated and need replacement. Documentation shall consist of, but is not limited to: historical utilization data, downtime or time spent out of service due to operational failures, upkeep and annual maintenance costs, and licensure or fire code deficiency citations involving the proposed project.

There is no deteriorated equipment or facilities

2) Necessary Expansion

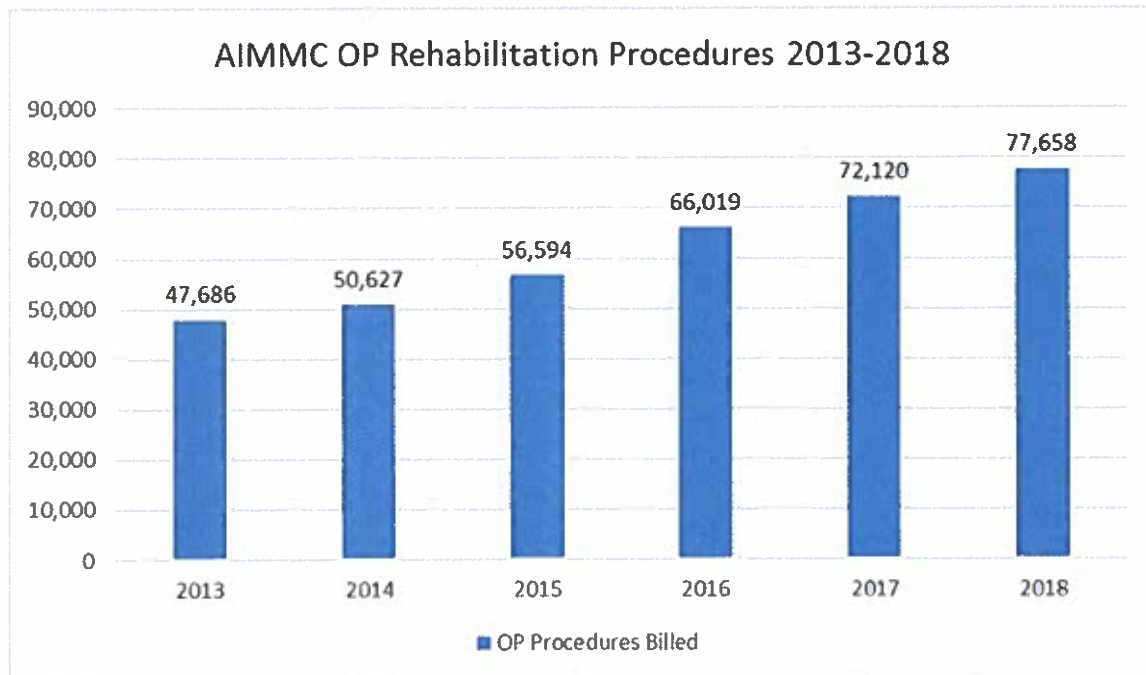
The proposed project is necessary to provide expansion for diagnostic treatment, ancillary training or other support services to meet the requirements of patient service demand. Documentation shall consist of, but is not limited to: historical utilization data, evidence of changes in industry standards, changes in the scope of services offered, and licensure or fire code deficiency citations involving the proposed project.

The physical therapy and occupational therapy services at Advocate Illinois Masonic Medical Center (AIMMC) are currently located on the third floor of the Medical Center. The department serves both inpatients and outpatients. The inpatient rehabilitation service will remain in the current location while moving outpatient services to a space with greater accessibility.

The number of new Outpatient rehabilitation patients and procedures provided below outlines the growth of the Outpatient rehabilitation services at AIMMC.

Number of new Outpatient Rehabilitation Patients each Year	
2017	4,458
2018	5,037

	2013	2014	2015	2016	2017	2018
OP PT/OT Procedures	47,686	50,627	56,594	66,019	72,120	77,658
% Growth Over Prior Yr.		6.2%	11.8%	16.7%	9.2%	7.7%



Source: Hospital Records

There are 19 licensed therapists on staff. The ratio of Physical Therapists to Physical Therapy Assistants is 7:1. There are 2 Occupational Therapists on staff. The medical staff oversight is provided by a board-certified Psychiatrist who is a member of the Department of Internal Medicine. A support staff of 7 patient service representatives and a therapy aide are involved daily. The department is open for patients six days a week.

Needed Treatment Space

Due to the increase of 7-11% each year in outpatient therapy services provided, the program has outgrown the current space. AIMMC has increased staffing and scheduling to provide greater access as demand has increased. Hours have expanded into the evenings and weekends and office space has been converted for clinical use. The current therapy location in the middle of the hospital limits any further expansion.

As a result of these space limitations, new patients may wait 5-6 days to be seen. The Advocate Aurora standard of care mirrors industry standards and patient expectations to be seen within 48 hours. The importance of early access has been demonstrated to improve outcomes and shorten recovery time. The proposed space to accommodate additional providers would allow patients to receive the timely outpatient therapy services needed and meet the expectations of the patients and their physicians.

During 2018, over half of the AIMMC physicians referred patients to other outpatient physical therapy providers due to the lack of availability at AIMMC.

(Source: Advocate internal data 2018YTD Medicare attributed patients)

Currently visual privacy during a treatment is achieved within curtained areas. Some treatment bays have been added as the volume of patients has grown, however are visible to the whole department. The proposed project would provide space with appropriate privacy for patient registration, assessment, and therapy sessions.

Patient access would further benefit by co-locating the outpatient rehab services near the physician examination rooms. The increased collaboration would improve clinical care delivery plans and enhance patient convenience. That is not feasible in the current configuration and location.

The proposed design of the building provides more convenient access for patients with parking in the building and immediate access to public transportation. Registration, scheduling and patient care will all be in one location.

The proposed space would allow expanded and new services to be offered to patients and the community such as:

- Spine Multi-Disciplinary Clinic (physicians and therapists)
- Stroke Clinic (stroke prevention and follow-up.)
- Joint Replacement Education (pre-surgical classes for elective joint patients)
- Functional capacity assessments and work conditioning
- Educational/outreach classes – fall and injury prevention, balance training
- Sports performance classes

This space includes occupational therapy that focuses primarily on hand and upper extremity diagnoses. Approximately 10% of the outpatient rehabilitation volume is for occupational therapy.

A significant growth in physical therapy services is related to initial evaluations. Therapists now have an increasing role in patient triage, providing initial consultation for musculoskeletal conditions. This change is due to House Bill 4643, signed by the Governor last year. This legislation “allows consumers to begin Physical Therapy services without a doctor’s referral allowing physical therapists to evaluate and determine a treatment plan, speeding up the relief and healing”. Source: Illinois Physical Therapy Association.

3) Utilization

A) Major Medical Equipment

Proposed projects for the acquisition of major medical equipment shall document that the equipment will achieve or exceed any applicable target utilization levels specified in Appendix B within 12 months after acquisition.

Not applicable. There is no equipment in this component of the Project that meets or exceeds the major medical threshold.

B) Service or Facility

Projects involving the modernization of a service or facility shall meet or exceed the utilization standards for the service, as specified in Appendix B. The number of key rooms being modernized shall not exceed the number justified by historical utilization rates for each of the latest two years, unless additional key rooms can be justified per subsection (c)(2) (Necessary Expansion).

There are no utilization standards for this service.

- C) If no utilization standards exist, the applicant shall document in detail its anticipated utilization in terms of incidence of disease or conditions, or population use rates.

Sg2, a national health care consulting company, in their Service Line Forecast document, is forecasting that outpatient rehabilitation volume will continue to grow by 7% over the next 5 years; with 22% growth in initial physical and occupational evaluations and 6% growth in follow-up procedures. The Sg2 model for AIMMC's primary service area, forecasts growth of over 9% (100,000 visits); the majority are OT/PT visits.

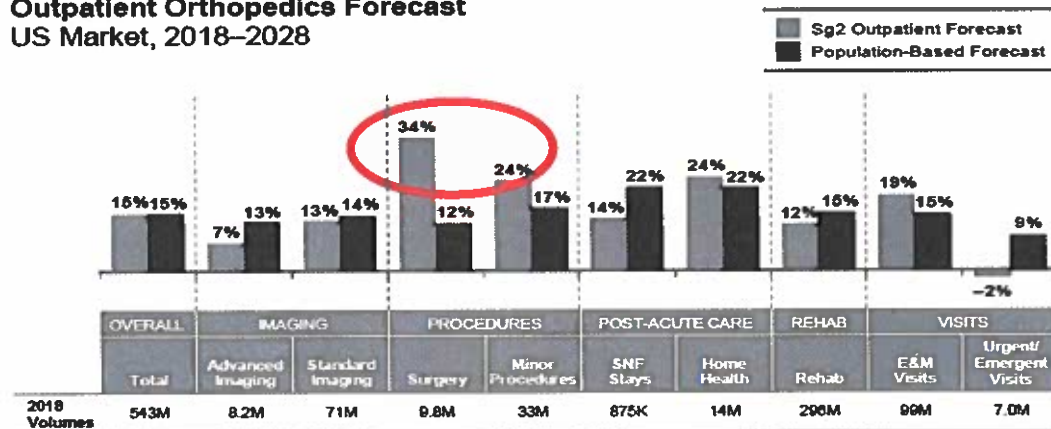
Sg2 indicated that the growth in Outpatient rehabilitation services is projected due to several factors:

- Population growth
- Prevalence of obesity
- Patient seeking non-surgical treatment options
- Payer requirements for early access and more conservative treatment prior to approving more invasive treatment
- Physical therapy direct access legislation approved in 2018

There is significant growth in the OP Orthopedic service line according to Sg2 (as highlighted below) and OP procedure volume is projected to outpace the population growth in most categories.

OUTPATIENT OVERVIEW

Outpatient Orthopedics Forecast US Market, 2018–2028



Note: Analysis excludes D–17 age group. Outpatient forecast indicates volumes. Advanced Imaging includes CT, MRI and positron emission tomography. Standard Imaging includes nuclear medicine/single photon emission CT, ultrasound and x-ray. Surgery includes endoscopy and major procedures. Minor Procedures includes arthrocentesis. Home Health includes home nurse visits. Rehab includes PT/OT and chiropractic care. E&M = evaluation and management. Sources: Impact of Change®, 2018; OptumInsight, 2016; The following 2016 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Claritas Pop-Facts®, 2018; Sg2 Analysis, 2018.

There are no state utilization standards. However, based on the historic growth and the forecasts, the Hospital has demonstrated the need for this component of the project.

Advocate Illinois Masonic Medical Center has justified the need for a larger Outpatient Physical Therapy and Occupational Therapy department

SECTION 1110.270 – Clinical Service Areas Other Than Categories of Service – Review Criteria

Clinical Service Area

Physicians' Examination Rooms

b) Need Determination – Establishment.

1). Service to Planning Area Residents.

- A) The primary purpose of this proposed clinical service area is to serve the patients of the primary and secondary service area for Advocate Illinois Masonic Medical Center. This is a new service to provide examination rooms for physicians to see patients. Physicians with practices focused on musculoskeletal issues such as Orthopedics, Neurosurgery, Sports Medicine and Physiatry will likely use the rooms.

The 2018 outpatient rehabilitation data for AIMMC shows 80% of the patients live in the zip codes included in the primary service area and an additional 6% live in the secondary service area.

Primary Service Area	8,572	80.4%
Secondary Service Area	623	5.8%
Other	1,422	13.3%
Out of State	39	0.4%
TOTAL	10,656	100.0%

Source: Hospital Records

- B) The projection of demand for the examination rooms is based on the representative sample of physicians' letters stating the volume they expect to generate. Patient access will benefit by the exam rooms being co-located near the outpatient physical therapy/occupational therapy department. The increased collaboration would improve clinical care delivery plans and enhance patient convenience. Opening a physician's exam area near the existing physical therapy/occupational therapy department is not feasible in the current configuration of the therapies in the middle of the hospital.

The incidence of musculoskeletal health problems is demonstrated in the rising number of patients needing physical and occupational therapy at AIMMC.

	Base Year 2013	2014	2015	2016	2017	2018
OP PT and OT Procedures	47,686	50,627	56,594	66,019	72,120	77,658
% Growth Over Prior Year		6.2%	11.8%	16.7%	9.2%	7.7%

Source: Hospital Records

2) Service Demand

B) Physician Referrals

A representative sample of physicians who expect to see or refer patients there have prepared letters indicating the volume of visits they anticipate bringing to the site. The table below shows they will use the examination rooms as a musculoskeletal clinic and outlines the number of visits that they expect to see in year 2 of the facility opening.

These first four physicians are estimating they will see approximately 5,736 patient visits in the second full year the facility is open.

Physician	Specialty	Projected Number of Office Visits	Imaging referrals
Philip Skiba, DO, PhD	Sports Medicine	2,000	1,000
Kaleigh Suhs DO	Sports Medicine	2,000	1,000
Sara Brown MD	Family Med/Sports Medicine	736	368
Van Do MD	Physical Med & Rehab	500	25
TOTAL		5, 236	2,393

The following physicians will refer to this space and expect the following volume of referrals:

Physician	Specialty	Projected Number of Office Referrals	Imaging referrals
Jose Elizondo MD	Family Practice	200	300
Richard Guthmann MD	Family Practice	100	50
Julie Varga, MD	Emergency Medicine, (refer)	200	0
TOTAL		500	350

The total impact of patient visits and imaging ordered due to these seven physicians will be:

Patient Visits: **5,736**
Imaging **2,743**

Attachment #30, Exhibits 1-7.

Additional physicians have identified that they expect to see or refer to the musculoskeletal clinic. Other providers in the area have indicated a need and their support for this service.

Based on Sports Performance clinics at other Advocate locations, the patient visits are expected to increase by 15% by year 3. This projected visit volume supports the design for 6 examination rooms in the clinic.

3) Impact of the Proposed Project on Other Area Providers

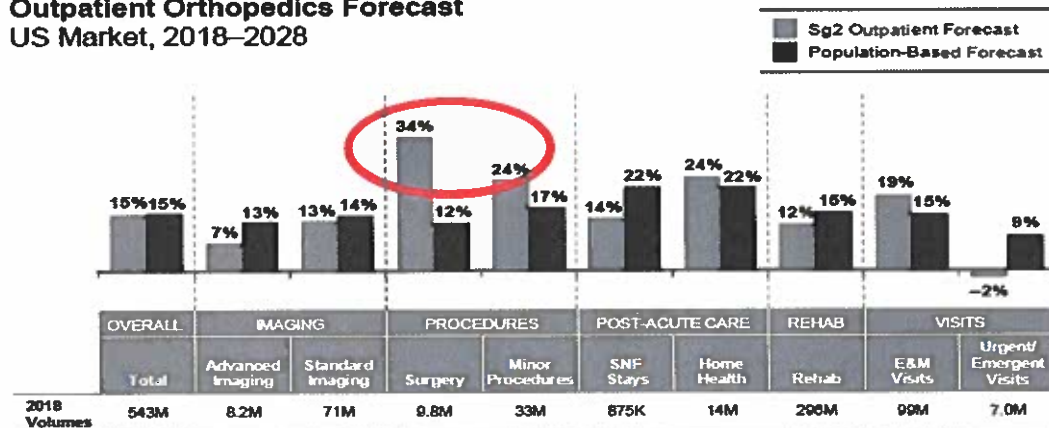
Because this service is for the patients being seen in the Physical Therapy Center, it is not expected to have any impact on other health care providers in the Planning Area. This service is to make the physicians more accessible to patients needing a diagnosis or an assessment following a musculoskeletal injury or procedure

4) Utilization

There are no utilization standards for physicians' examination rooms. However, there is significant growth in the outpatient orthopedic service line according to Sg2 (as highlighted below) and outpatient procedure volume is projected to outpace the population growth in most categories.

OUTPATIENT OVERVIEW

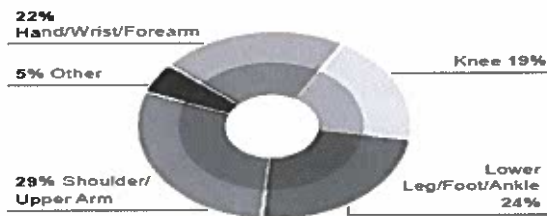
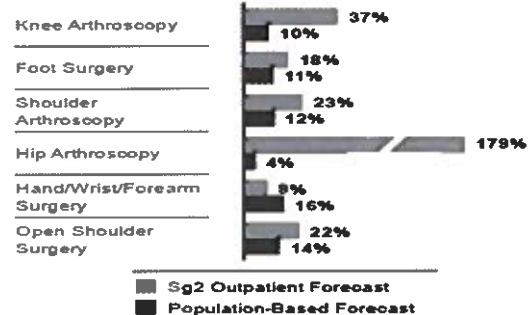
Outpatient Orthopedics Forecast US Market, 2018–2028



Note: Analysis excludes 0–17 age group. Outpatient forecast indicates volumes. Advanced Imaging includes CT, MRI and positron emission tomography. Standard Imaging includes nuclear medicine/single photon emission CT, ultrasound and x-ray. Surgery includes endoscopy and major procedures. Minor Procedures includes arthrocentesis. Home Health includes home nurse visits. Rehab includes PT/OT and chiropractic care. E&M = evaluation and management. Sources: Impact of Change®, 2018; Optuminsight, 2016; The following 2016 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Claritas Pop-Facts®, 2018; Sg2 Analysis, 2018.

The growth in the OP Sports Medicine as reported by Sg2 is shown below.

TRENDS IN SPORTS MEDICINE AND EXTREMITY

**OP Sports Medicine and Extremity
Volumes, US Market, 2018**
 Total Volume: 8.7M

**OP Sports Medicine and Extremity
Forecast, US Market, 2018–2028**


Note: Analysis excludes D–17 age group. Pie chart. Includes major procedures and endoscopy—arthroscopy. Other includes pelvis/hip/femur and other musculoskeletal injuries and conditions. Total does not equal 100% due to rounding. Forecast: Knee Arthroscopy includes Knee—Arthroscopy CARE Group; Foot Surgery includes Lower Leg/Foot/Ankle—Major Procedures and Endoscopy CARE Group; Shoulder Arthroscopy includes Shoulder/Elbow/Upper Arm—Arthroscopy CARE Group; Hip Arthroscopy includes Pelvis/Hip/Femur—Arthroscopy CARE Group; Hand/Wrist/Forearm Surgery includes Hand/Wrist/Forearm—Major Procedures CARE Group; Open Shoulder Surgery includes Shoulder/Elbow/Upper Arm—Major Procedures CARE Group. Sources: Impact of Change®, 2018; OptumInsight, 2016; The following 2016 CMS Limited Data Sets (LDS): Carrier; Denominator; Home Health Agency; Hospice; Outpatient; Skilled Nursing Facility; Claritas Pop-Facts®, 2018; Sg2 Analysis, 2018.

There are no state utilization standards for physicians' examination rooms. However, based on the forecasts, the Hospital has demonstrated the need for this component of the project.

**Advocate Illinois Masonic Medical Center has justified the need for six
Physicians' Examination Rooms**



1775 Dempster Street || Park Ridge, IL 60068 || T 847.723.2210 || advocatehealth.com

May 8, 2019
Ms. Courtney Avery
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761

Dear Ms. Avery,

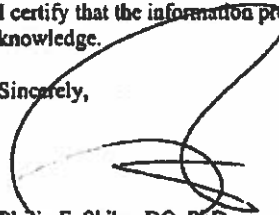
I am a physician specializing in Sports Medicine. I am writing in support of the addition of physicians' examination rooms in the proposed Advocate Illinois Masonic Medical Center's Physical Therapy Center.

I expect to use the examination rooms for 2000 new and established outpatient visits per year by the second year the new facility is open. There are many advantages to seeing patients in that location near the new Outpatient Physical Therapy/Occupational Therapy department.


I also expect to use the proposed imaging unit for 1000 diagnostic radiographic studies on my patients in the second year of operation. I appreciate the value in having that capability on site to make timely evaluations of my patients.

I certify that the information provided in this letter is true and correct to the best of my knowledge.

Sincerely,


Philip F. Skiba, DO, PhD
Program Director - Sports Medicine
Advocate Lutheran General Hospital
1775 Ballard Rd
Park Ridge, IL 60068

Subscribed and sworn before me this 8th day of May, 2019


Notary Public

Official Seal:



A faith-based health system serving individuals, families and communities

Recipient of the Magnet award for excellence in nursing services by the American Nurses Credentialing Center





1775 Dempster Street || Park Ridge, IL 60068 || T 847.723.2210 || advocatehealth.com

May 8, 2019

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

Dear Ms. Avery,

I am a physician specializing in Sports Medicine. I am writing in support of the addition of physicians' examination rooms in the proposed Advocate Illinois Masonic Medical Center's Physical Therapy Center.

I expect to use the examination rooms for ³⁰⁰⁰ new and established outpatient visits per year by the second year the new facility is open. There are many advantages to seeing patients in that location near the new Outpatient Physical Therapy/Occupational Therapy department.

I also expect to use the proposed imaging unit for ¹⁰⁰⁰ diagnostic radiographic studies on my patients in the second year of operation. I appreciate the value in having that capability on site to make timely evaluations of my patients.

I certify that the information provided in this letter is true and correct to the best of my knowledge.

Sincerely,

Kaleigh Suhs, DO
Assistant Fellowship Director - Sports Medicine
Advocate Lutheran General Hospital
1775 Ballard Rd
Park Ridge, IL 60068

Subscribed and sworn before me this 8th day of May, 2019

Notary Public

Official Seal:



A faith-based health system serving individuals, families and communities

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Family Medicine - Ravenswood

May 9, 2019

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

Dear Ms. Avery,

I am a physician specializing in Primary Care Sports Medicine. I am writing in support of the addition of physicians' examination rooms in the proposed Advocate Illinois Masonic Medical Center's Physical Therapy Center. I expect to use the examination rooms for 736 new and established outpatient visits per year by the second year the new facility is open. There are many advantages to seeing patients in that location near the new Outpatient Physical Therapy/Occupational Therapy department. I also expect to use the proposed imaging unit for 368 diagnostic radiographic studies on my patients in the second year of operation. I appreciate the value in having that capability on site to make timely evaluations of my patients. I certify that the information provided in this letter is true and correct to the best of my knowledge.

Sincerely,

Sara Brown, DO
Advocate Sports Medicine
1460 N. Halsted
Suite 401
Chicago, IL 60642

A family-based health system serving individuals, families and communities



May 13, 2019

Ms. Courtney Avery

Illinois Health Facilities and Services Review Board

525 West Jefferson Street, 2nd Floor

Springfield, IL 62761

Dear Ms. Avery,

I am a physician specializing in physical medicine and rehabilitation. I am writing in support of the addition of physicians' examination rooms in the proposed Advocate Illinois Masonic Medical Center's Physical Therapy Center.

My practice expects to use the examination rooms for 500 new and established outpatient visits per year by the second year the new facility is open. There are many advantages to seeing patients in that location near the new Outpatient Physical Therapy/Occupational Therapy department.

My practice also expects to use the proposed imaging unit for 25 diagnostic radiographic studies on my patients in the second year of operation. I appreciate the value in having that capability on site to make timely evaluations of my patients.

I certify that the information provided in this letter is true and correct to the best of my knowledge.

Sincerely,

Van Do, MD

836 W Wellington Ave.

Chicago, IL 60657

Subscribed and sworn before me this 13th day of May, 2019

Deborah A. Moore Official Seal:

Notary Public



Advocate Illinois
Masonic Medical
Center

Department of Family Medicine
836 W. Wellington Avenue
Chicago, Illinois 60657-3192
Phone: 773-234-7829
Fax: 773-234-3050

José F. Elizondo, MD
Chair

Robert Martinez, DO
Vice-Chair and
Chief, Section of Outpatient
Family Medicine

Robert Martinez, DO
Continuing Medical Education
Director

Richard Gochman, MD
Undergraduate Education
Director

Teresa Johnson
Assistant to Chair and
Continuing Medical Education
Coordinator

May 9, 2019

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

Dear Ms. Avery:

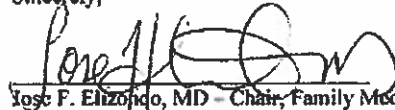
I am a physician specializing in Family Medicine. I am writing in support of the addition of physicians' examination rooms in the proposed Advocate Illinois Masonic Medical Center's Physical Therapy Center.

I expect to use the examination rooms for 200 new and established outpatient visits per year by the second year the new facility is open. There are many advantages to seeing patients in that location near the new Outpatient Physical Therapy/Occupational Therapy department.

I also expect to use the proposed imaging unit for 300 diagnostic radiographic studies on my patients in the second year of operation. I appreciate the value in having that capability on site to make timely evaluations of my patients.

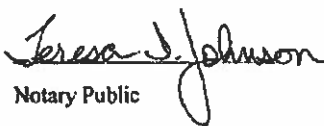
I certify that the information provided in this letter is true and correct to the best of my knowledge.

Sincerely,



José F. Elizondo, MD - Chair, Family Medicine
Advocate Illinois Masonic Medical Center
836 W. Wellington Avenue
Chicago, IL 60657

Subscribed and sworn before me this 9th day of May, 2019



Notary Public

Official Seal:



 Advocate Health Care

Related to the Evangelical Lutheran Church in America and the United Church of Christ

www.advocatehealth.com

836 West Wellington Avenue
Chicago, Illinois 60657-5193
Telephone 773.296.8248
Facsimile 773.296.3425



Advocate Illinois Masonic Medical Center

Inspiring medicine. Changing lives.

May 13th, 2019

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

Dear Ms. Avery,

I am a physician specializing in Family Medicine. I am writing in support of the addition of physicians' examination rooms in the proposed Advocate Illinois Masonic Medical Center's Physical Therapy Center.

I expect to use the examination rooms for 100 new and established outpatient visits per year by the second year the new facility is open. There are many advantages to seeing patients in that location near the new Outpatient Physical Therapy/Occupational Therapy department.

I also expect to use the proposed imaging unit for 50 diagnostic radiographic studies on my patients in the second year of operation. I appreciate the value in having that capability on site to make timely evaluations of my patients.

I certify that the information provided in this letter is true and correct to the best of my knowledge.

Sincerely,

Richard Guthmann, MD, MPH
4600 N. Ravenswood Ave
Chicago, IL 60640

Subscribed and sworn before me this 13th day of May, 2019

Notary Public

Official Seal:



**Advocate Illinois Masonic Medical Center**836 West Wellington Avenue || Chicago, IL 60657 || T 773 975 1600 || advocatehealth.com

May 14, 2019

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

Dear Ms. Avery:

I am a physician specializing in Emergency Medicine and the Vice Chair of the Emergency Department at Advocate Illinois Masonic Medical Center. I am writing in support of the addition of physicians' examination rooms in the proposed Advocate Illinois Masonic Medical Center's Physical Therapy Center.

I expect the Emergency Department to refer 200 new patients to the examination rooms for outpatient visits per year by the second year the new facility is open. The Emergency Department strongly supports having nearby access to these services for our patients in that location near the new Outpatient Physical Therapy/Occupational Therapy department.

I certify that the information provided in this letter is true and correct to the best of my knowledge.

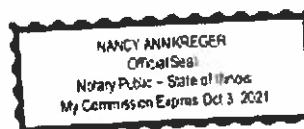
Sincerely,

Julie L. Varga, MD
Vice Chair, Emergency Medicine
Vice President, Medical Staff
Advocate Illinois Masonic Medical Center

Subscribed and sworn before me this 14 day of may, 2019

Notary Public

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Clinical Service Area

Diagnostic Radiology

b) Need Determination – Establishment.

1). Service to Planning Area Residents.

A) The primary purpose of this proposed clinical service area is to serve the patients of the primary and secondary service area for Advocate Illinois Masonic Medical Center. This is a new service to provide immediate access to general diagnostic radiology for patients seeing physicians in the proposed Physical Therapy Center. These are anticipated to be physicians with practices focused on musculoskeletal issues such as Orthopedics, Neurosurgery, Sports Medicine and Physiatry. The physicians have indicated it will be important to be able to have what is referred to as “flat plate” diagnostic radiographic studies on their patients.

B) The projection of demand is based on the Physicians’ statement of volume they expect to generate. Patient access will benefit by the general diagnostic radiology service being co-located within the physicians’ examination room area and adjoining the physical therapy/occupational therapy department. The increased collaboration would improve clinical care delivery plans and enhance patient convenience.

2) Service Demand

B) Physician Referrals

Some of the physicians who expect to see patients in the Physical Therapy Center have prepared letters indicating the volume of general diagnostic radiology (imaging) studies they expect to bring to the site. Here is a representative sample of physicians intending to order diagnostic radiology (imaging referrals). Letters from these physicians are found as Attachment 30, Exhibits 1-7 on previous pages.

Physician	Specialty	Imaging referrals
Philip Skiba, DO, PhD	Sports Medicine	1,000
Kaleigh Suhs DO	Sports Medicine	1,000
Sara Brown MD	Family Med/Sports Medicine	368
Van Do MD	Physical Med & Rehab	25
Jose Elizondo MD	Family Practice	300
Richard Guthmann MD	Family Practice	50
Julie Varga, MD	Emergency Medicine, (refer)	0
TOTAL		2,743

Source: Letters from physicians.

The physicians' examination area is proposed to have open access for patients including self-referrals for exams and treatment for pain and/or injuries, and consultations. Any of those patients can generate orders for general radiology studies.

3) Impact of the Proposed Project on Other Area Providers

Because this service is for the patients being seen in the Physical Therapy Center, it is not expected to have any impact on other general radiology services in the Planning Area.

4) Utilization

Consistent with Review Board practices, and because only one unit of general radiology is to be provided, utilization standards do not apply.

Based on the representative sample of physicians' expectations of demand for imaging capability, the Hospital has demonstrated the need for this component of the project.

**Advocate Illinois Masonic Medical Center has justified the need for
one General Diagnostic Radiology Unit**

N/A, Advocate Aurora Health, Inc has AA long-term bond ratings from Fitch and Standard & Poors.

The following Sections **DO NOT** need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18-month period prior to the submittal of the application):

- Section 1120.120 Availability of Funds – Review Criteria
- Section 1120.130 Financial Viability – Review Criteria
- Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)

VI. 1120.120 - AVAILABILITY OF FUNDS

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]:

_____	a)	Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:
	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;
_____	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.
_____	c)	Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
_____	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:
	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.
_____	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;
	f)	Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____	g)	All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
	TOTAL FUNDS AVAILABLE	
APPEND DOCUMENTATION AS ATTACHMENT 33, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.		

FitchRatings

Fitch Rates Advocate Aurora Health's Taxable CP Program 'F1+'; Affirms IDR and Rev Bond Rating

Fitch Ratings-Chicago-22 February 2019: Fitch Ratings has assigned an 'F1+' short-term rating to Advocate Aurora Health's (AAH) taxable commercial paper (CP) program. Fitch has also affirmed the following ratings for AAH:

- Issuer Default Rating (IDR) at 'AA';
- Revenue bonds issued by the Wisconsin Health and Educational Facilities Authority, Illinois Finance Authority, and Illinois Health Facilities Authority on behalf of AAH as well as taxable fixed-rate bonds issued directly by AAH at 'AA';
- Existing variable rate debt supported by self-liquidity at 'F1+'.

The Rating Outlook is Stable.

The taxable CP program will be supported by AAH's internal liquidity and used initially to refund \$49 million of outstanding series 2008-C-2A variable rate demand obligation (VRDO) bonds that are supported by a standby bond purchase agreement (SBPA). The taxable CP program will also be available for general corporate purposes.

SECURITY

Bonds are unsecured joint and several obligations of the obligated group. The obligated group consists of the vast majority of AAH hospitals, the Advocate Aurora Health parent, and the Advocate Health Care Network and Aurora Medical Group physician practices.

ANALYTICAL CONCLUSION

The long-term 'AA' rating on AAH is driven by the system's very strong financial profile assessment, leading market position over a broad and diversified service area covering the population centers of two states (albeit with competition in many key markets), and expectations for maintenance of a strong operating profile. The Stable Outlook reflects Fitch's expectation that AAH will sustain strong capital-related ratios through the cycle in the stressed rating case of Fitch's FAST scenario analysis.

The 'F1+' short-term rating is based on AAH maintaining a long-term rating of at least 'AA-' as well as adequate internal liquidity and written procedures consistent with Fitch's criteria. AAH has "eligible" discounted cash, U.S. Treasuries, municipal bonds, and corporate bonds in excess of the 125% threshold of its maximum self-liquidity funding exposure for assignment of the 'F1+' rating.

KEY RATING DRIVERS

Revenue Defensibility: 'bbb'; Largest Health System in Two States

AAH's revenue defensibility is midrange. The system has a broad market reach operating in multiple markets across Illinois and Wisconsin, and is the largest health system in both states.

Operating Risk: 'a'; Expectation of Strong Operating Margins with Manageable Capital Plans

AAH's operating risk profile is strong. The combined system has a track-record of generating double-digit operating EBITDA margins. Capital spending plans are manageably elevated.

Financial Profile: 'aa'; Strong Capital-Related Ratios

AAH's financial profile is strong. Continued profitability and strong operating EBITDA margins should lead to maintenance of favorably negative net adjusted debt-to-adjusted EBITDA and strong cash-to-adjusted debt.

Asymmetric Additional Risk Considerations

There are no asymmetric risk factors identified with AAH's rating.

RATING SENSITIVITIES

EXPECTATION OF STRONG MARGINS AND CAPITAL-RELATED RATIOS: Fitch expects that the combined AAH system will maintain strong operating margins, as Advocate Health Care and Aurora Health Care did separately for years. On a combined basis, AAH's operating EBITDA margin averaged over 11% over the last six years. Fitch expects AAH to sustain an operating EBITDA margin in the 9% range or better in Fitch's FAST base case. Even under the stressed rating case, Fitch expects AAH to maintain strong capital-related ratios through the cycle. Unexpected material integration challenges leading to sustained weakening of operating margins and capital-related ratios could pressure the rating downward.

CREDIT PROFILE

AAH is the result of the April 2018 merger between Advocate Health Care (IL) and Aurora Health Care (WI). The system includes 25 hospitals, approximately 3,500 employed physicians, and operates roughly 500 outpatient locations and 100 retail clinics in contiguous markets stretching from Bloomington/Normal in central Illinois in the south, through Chicago and Milwaukee, to Green Bay in the north. AAH is the largest healthcare provider in both Illinois and Wisconsin. AAH is utilizing a co-CEO management model. Combined, AAH recorded \$11.5 billion in revenue in 2017 and was on-track to approach \$12 billion in 2018.

Revenue Defensibility

AAH's payor mix is midrange. Combined Medicaid and self-pay accounted for 18% of 2017 combined gross revenues (18.2% through nine months 2018), and Fitch expects the system will sustain payor mix well in-line with mid-range characteristics (under 25%). Illinois expanded Medicaid

under the Affordable Care Act (ACA). While Wisconsin did not expand Medicaid under the ACA guidelines, the state did expand eligibility in prior years.

AAH's market position is midrange. The system operates 25 hospitals and more than 500 outpatient locations covering multiple markets between central Illinois and north Wisconsin. AAH is the market share leader in both states. Despite the leading position, the system operates in many competitive service areas, notably Chicago (where AAH is the market share leader in a crowded market) and Milwaukee, the population hubs of the combined service area. AAH's largest competitor is Ascension Health (AA+), which also operates multiple facilities in both the Milwaukee and Chicago markets. AAH also has one of the largest and most sophisticated physician integration models in the industry with broad population health management capabilities, including employing approximately 3,500 physicians.

Like most large multi-market health systems, AAH operates in varying service area profiles. The system's service area characteristics are generally stable supporting a midrange assessment. Much of suburban Chicago (e.g., Lake County), suburban Milwaukee, and other markets such as Brown County, WI (Green Bay) demonstrate generally favorable characteristics such as median household income levels in-line with or better than the national average and low poverty rates. Fitch does not expect AAH's payor mix to change materially in the coming years.

Operating Risk

AAH's operating cost flexibility is strong. Combining Advocate's and Aurora's financial statements, over the last six years (through nine months fiscal 2018) the combined system's operating EBITDA margin averaged over 11% (including 10.1% in fiscal 2017 and 9.7% through nine months fiscal 2018).

Looking forward, Fitch expects that AAH's operating EBITDA margin may be somewhat compressed as the system merges functions and executes strategies. Nevertheless, we assume in the base case of Fitch's FAST scenario analysis that AAH will sustain an operating EBITDA margin in the 9% range -- if not better -- in the coming years.

Fitch expects AAH's capital expenditure requirements to be only elevated in the coming years. The system has approximately \$1.3 billion of capital spending plans in 2019 (translating to a capital spending ratio of more than 2.2x). Capital spending is expected to remain high in 2020 with a capital spending ratio of approximately 2x. After 2020, the capital spending ratio is expected to moderate to the 1.3x-1.4x range. AAH's capital spending is focused on continued ambulatory development. Fitch believes the system's capital plans are flexible, and management would have the ability to downsize/defer projects if needed. While AAH does not currently have new money debt plans, Fitch expects a system of AAH's scope and scale will access the capital markets from time-to-time.

Financial Profile

AAH has approximately \$3 billion of debt outstanding. Unrestricted cash and investments measured nearly \$7.9 billion at Sept. 30, 2018 (unaudited).

AAH's debt equivalents are manageable, measuring roughly \$705 million at fiscal year-end 2017. Combined, AAH has three defined benefit pension plans, two of which are frozen. The three plans combined were only \$67 million underfunded at year-end 2017 relative to a projected benefit

obligation of just over \$2.6 billion, translating to a funded status of 97%. Because the pension plan is more than 80% funded, Fitch does not include the underfunded status in calculating adjusted debt. Operating lease expenses totaled \$141 million in fiscal 2017, translating to a debt equivalent of \$705 million (based on 5x lease expense). Consequently, AAH's adjusted debt (direct debt plus underfunded defined benefit pension plan below 80% funded plus operating leases) measures \$3.7 billion. Net adjusted debt (adjusted debt minus unrestricted cash and investments) is negative at \$4.2 billion, and Fitch expects it to remain favorably negative, including through the cycle in the rating case over the next five years.

Per Fitch's FAST scenario analysis, AAH's capital-related ratios should be consistent with the broad 'AA' category, including in the stressed rating case. Based on combined fiscal 2017 results, AAH's net adjusted debt-to-adjusted EBITDA measures nearly negative 3x and cash-to-adjusted debt is over 200%. In the rating case (which assumes a modest recession in year one followed by a recovery and then stability), net adjusted debt-to-adjusted EBITDA remains below negative 1x through the cycle and cash-to-adjusted debt does not fall below 150% and measures nearly 200% by year five.

The 'F1+' short-term rating is based on AAH maintaining a long-term rating of at least 'AA-' and is consistent with Fitch's "U.S. Public Finance Short-Term Debt Rating Criteria." AAH maintains sufficient discounted internal liquid resources (composed of cash, U.S. Treasuries, municipal bonds, and corporate bonds) and has implemented written procedures to fund any un-remarketed put on the \$545 million of maximum potential pro forma debt supported by self-liquidity. AAH's self-liquidity supported demand debt is comprised of \$70 million of series 2011B VRDO bonds in Windows mode (due seven months after a put) as well as the \$475 million maximum authorized under the expected taxable CP program (management notes that initially AAH will only draw \$50 million of the CP). Based on Fitch's rating criteria related to U.S. Public Finance Short-Term Debt, AAH had "eligible" cash, U.S. Treasuries, municipal bonds and corporate bonds in excess of the 125% threshold of its maximum self-liquidity funding exposure for assignment of the 'F1+' rating. Using Fitch's Criteria, coverage of self-liquidity debt measures 2.6x. Management notes further that the CP program is structured that only \$50 million of CP can be called within a seven day period. AAH also has \$275 million of bank lines of credit available.

Asymmetric Additional Risk Considerations

There are no asymmetric risk factors associated with AAH's rating.

The senior management team is deep and is comprised of members of both the legacy Advocate and Aurora systems. The combined system currently is utilizing a co-CEO model. AAH's chief medical officer retired in late 2018. The system does not have any additional near-term senior management retirements planned.

AAH will have approximately \$3 billion of debt outstanding. The initial \$50 million draw on the CP program will refund the series 2008-C-2A bonds that are supported by an SBPA. AAH's pro forma variable rate debt is comprised of the planned taxable CP, mandatory tender bonds, floating-rate notes, Windows, direct loans, and VRDO bonds. The VRDO bonds are supported by standby bond purchase agreements (SBPA) that expire in August 2020 and August 2021, respectively. Maximum annual debt service (MADS) is \$191 million. Based on nine months fiscal 2018 results (unaudited, as of Sept. 30, 2018), MADS coverage is 7.5x and does not pose an asymmetric risk. The MTI includes

a minimum historical debt service coverage covenant of 1.10x.

AAH has fixed payor swaps with Wells Fargo Bank and PNC Bank. The notional amount of the swaps outstanding is roughly \$325 million and they will mature in November 2038. The swaps had a net termination value of negative \$74 million to AAH at Dec. 31, 2017 and negative \$57 million at Sept. 30, 2018.

AAH had over 260 days cash on hand at Sept. 30, 2018, and cash on hand does not pose an asymmetric risk.

Contact:

Primary Analyst
Mark Pascaris
Director
+1-312-368-3135
Fitch Ratings, Inc.
70 West Madison Street
Chicago, IL 60602

Secondary Analyst
Kevin Holloran
Senior Director
+1-512-813-5700

Committee Chairperson
Joanne Ferrigan
Senior Director
+1-212-908-0723

In addition to the sources of information identified in Fitch's applicable criteria specified below, this action was informed by information from Lumesis.

Media Relations: Elizabeth Fogerty, New York, Tel: +1 212 908 0526, Email:
elizabeth.fogerty@thefitchgroup.com

Additional information is available on www.fitchratings.com

Applicable Criteria

Fitch Internal Liquidity Worksheet (pub. 15 Feb 2019)

Rating Criteria for Public-Sector, Revenue-Supported Debt (pub. 26 Feb 2018)

U.S. Not-For-Profit Hospitals and Health Systems Rating Criteria (pub. 04 Feb 2019)

U.S. Public Finance Short-Term Debt Rating Criteria (pub. 01 Nov 2017)

Additional Disclosures

Dodd-Frank Rating Information Disclosure Form

Solicitation Status

Endorsement Policy

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S&P Global Ratings

(/en_US/web/guest/home) Advocate Aurora Health, IL Series 2019 Taxable Commercial Paper Notes Rated 'A-1+'

25-Feb-2019 19:26 EST

[View Analyst Contact Information](#)

CHICAGO (S&P Global Ratings) Feb. 25, 2019--S&P Global Ratings assigned its 'A-1+' short-term rating to Advocate Aurora Health (AAH), Ill.'s series 2019 taxable commercial paper (CP) notes, authorized for up to \$475 million.

Similar to AAH's other bonds outstanding, AAH's CP debt will be secured by the general, unsecured joint, and several obligations of the AAH obligated group (also known as Advocate Aurora Health Credit Group).

AAH maintains 'AA' long-term ratings on various series of debt. AAH also maintains an existing 'A-1+' short-term component of the dual rating on the series 2011B (Windows) bonds, which are also backed by self-liquidity.

"The short-term rating on the CP reflects our view of the credit strength inherent in the 'AA' long-term rating on AAH's existing debt, and the sufficiency of AAH's unrestricted reserves to provide liquidity support for the bonds," said S&P Global Ratings credit analyst Suzie Desai.

Specifically, the 'AA' long-term rating reflects our expectation that AAH will continue to build on its already excellent enterprise profile and leading market position in the broad Chicagoland and eastern Wisconsin markets. AAH now has considerable size and scale, with more than \$11 billion in revenue and more than \$16 billion in assets, servicing a very large population base.

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.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

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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 N/A, Advocate Aurora Health, Inc has AA long-term bond ratings from Fitch and Standard & Poors.

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

5. "A" Bond rating or better
6. All of the project's capital expenditures are completely funded through internal sources
7. 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
8. 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 34, 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.

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 35, 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 N/A, Advocate Aurora Health, Inc has AA long-term bond ratings from Fitch and Standard & Poors.

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:

3. 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

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.

F. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

APPEND DOCUMENTATION AS ATTACHMENT 36, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

See Attachment #36, Exhibits 1 and 2.

May 8, 2019

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

RE: Advocate North Side Health Network – d/b/a Advocate Illinois Masonic Medical Center
Physical Therapy Center

Dear Ms. Avery:

This letter is to attest to the fact that the selected form of debt financing for the proposed Advocate Illinois Masonic Medical Center project will be at the lowest net cost available, or if a more costly form of financing is selected, that form is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional debt, term financing costs, and other factors.

Respectfully,

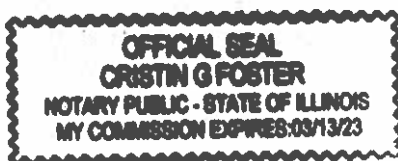


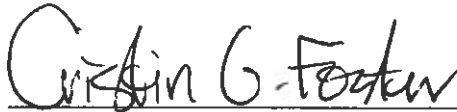
William Santulli
Chief Operating Officer
Advocate Aurora Health

Notarization:

Subscribed and sworn to before me
This 8th day of May, 2019.

(Seal of Notary)





Signature of Notary

The Physical Therapy Center									
COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department	A	B	C	D	E	F	G	H	Total Cost
(list below)	Cost/Sq. Ft		Gross Sq. Ft.		Gross Sq. Ft.		Const. \$	Mod. \$	(G + H)
	New	Mod.	New	Circ.*	Mod.	Circ.*	(A x C)	(B x E)	
REVIEWABLE									
Outpatient Physical/Occupational Therapy	\$ 268		8,420	15%			\$ 2,256,037		\$ 2,256,037
Physicians' Examination Rooms (6)	\$ 288		660	5%			\$ 190,100		\$ 190,100
Outpatient Digital Radiography	\$ 954		325	5%			\$ 309,900		\$ 309,900
NON-REVIEWABLE									
Administrative offices	\$ 264		2,795	15%			\$ 739,186		\$ 739,186
Visitor/Public Support	\$ 258		4,120	15%			\$ 1,065,000		\$ 1,065,000
Circulation, Connectors	\$ 294		5,177	100%			\$ 1,520,000		\$ 1,520,000
Building Systems	\$1,217		3,140	5%			\$ 3,820,000		\$ 3,820,000
Parking for 408 vehicles	\$ 123		139,578	15%			\$ 17,226,000		\$ 17,226,000
Contingency							\$ 2,707,457		\$ 2,707,457
TOTALS							\$ 29,833,680		\$ 29,833,680

Projected Operating Costs

	2022	Cost Per Equivalent Patient Day
Operating Costs	\$ 2,653,718	\$20

Impact of Project on Capital Costs

	2022	Cost Per Equivalent Patient Day
Capital Costs	\$ 2,820,109	\$21

PREMIUM COSTS

This Project has several items that are unusual for a typical outpatient center and have added significantly over the expected cost.

Elements of the plan which were affected by that include the following:

Project Premiums	Cost
This project is planned on a very tight urban site with many limitations such as no lay down area for materials.	\$ 200,000
The project will be challenged by meeting the requirements for construction adjoining a Chicago Transit Authority line and station.	\$ 250,000
Because this site is surrounded by residential property, there will be significantly more landscaping than usual for an outpatient center, in keeping with the expectations of the neighbors.	\$ 30,000
The design of the parking garage will need to meet the expectations of the neighbors to "not look like a garage". That will require considerable exterior wall elements.	\$ 4,500,000
The mechanical, electrical, and plumbing costs will be higher due to extra investment for LEED requirements.	\$ 40,000
Low voltage wiring is typically done by the owner. However, it is included with construction cost in this project because the Project is being constructed as an Integrated Project Delivery (IPD). The IPD approach is to eliminate waste and incorporate the LEAN principles in constructing the new Building. It is more cost effective to have one electrician manage the low voltage system then three to four subcontractors working directly under the owner.	\$ 85,000
Construction within a residential neighborhood requires later starting and earlier stopping times, which in turn can limit the efficiency of the process. The noise ordinance prohibits major noise before 8 am. There is a premium to the cost when the worker cannot start early in the day as they do in other parts of the City.	\$ 100,000
Project Premium Costs	\$ 5,205,000

SECTION IX. SAFETY NET IMPACT STATEMENT

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 37.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	2015	2016	2017
Inpatient	187	141	226
Outpatient	3,401	3,430	1,320
Total	3,588	3,571	1,546
Charity (cost in dollars)	2015	2016	2017
Inpatient	\$ 4,634,000	\$ 3,194,000	\$ 4,624,000
Outpatient	\$ 3,388,000	\$ 2,453,000	\$ 2,623,000
Total	\$ 8,022,000	\$ 5,647,000	\$ 7,247,000
MEDICAID			
Medicaid (# of patients)	2015	2016	2017
Inpatient	4,230	4,061	3,330
Outpatient	40,509	37,679	37,061
Total	44,739	41,740	40,391
Medicaid (revenue)	2015	2016	2017
Inpatient	\$ 50,299,837	\$ 44,242,454	\$ 34,605,594
Outpatient	\$ 16,850,125	\$ 11,354,922	\$ 11,611,164
Total	\$ 67,149,962	\$ 55,597,376	\$ 46,216,758

APPEND DOCUMENTATION AS ATTACHMENT 37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM

SafetyNet Relevant Services

Advocate Illinois Masonic Medical Center (AIMMC) has a long history of serving the Northside of Chicago. The hospital takes great pride in the relationship it has with the neighborhood, communities, organizations and agencies its services. The following illustrates some of the ways that the Medical Center addresses the needs of the people in their service area.

Advocate Illinois Masonic Medical Center has a strong relationship with the Hispanic community. As Chicago's Hispanic population has grown over the past decades, the Medical Center has stayed current with the community's health care needs. The Hispanic Latino Task Force provides community outreach and education for the Hispanic community.

The medical center partners with many social service agencies to support the Asian population in Chicago, specifically the Vietnamese and Chinese communities. In collaboration with the Parish Nurse program, services are provided including education and information for the Pilsen and Logan Square communities.

AIMMC offers interpretation services and translation services in almost every language through one of several methods including in person services for Spanish, Polish, Vietnamese, Cantonese and Mandarin; translation services through registry agencies and video conferencing and dedicated lines.

The Medical Center is located in one of the largest LGBTQ communities in the nation. In 2018, Advocate Illinois Masonic Medical Center was named a "Leader" in LGBTQ equality in the Human Rights Campaign Foundation's Health Care Equality Index (HEI) for the eleventh consecutive year.

AIMMC was one of only 10 facilities in Illinois to have been recognized as a Leader, demonstrating protection of LGBTQ patients and employees from discrimination. In 2016, Illinois Masonic Medical Center created an internal LGBTQ Task Force and external LGBTQ Community Advisory Council to address the needs of the hospital's LGBTQ patient population. As part of the accreditation, the medical center began a process for implementing gender conforming identification and signage. Advocate Illinois Masonic led the way and coordinated for 11 hospitals within the Advocate Aurora Health network to participate in the HEI survey in 2018, affecting positive inclusive change for millions of patients across Illinois and Wisconsin.

AIMMC has a referral and coordination of care agreement for HIV positive and other patients experiencing disparities, primarily Lesbian, Gay, Bisexual, Transgender and Gender Non-Conforming developing clinical and culturally competent services.

AIMMC's Cancer Institute offers multitude of to serve patients, their families and community members.

- Partnership with ALAS-Wings, a bicultural, bilingual support community for Latin-American women and their families – offering education, support groups, yoga and other programming free to patients - funded through philanthropy
- Free education for cancer prevention and screening
 - Partnership with Digestive Health Institute – includes distribution of free FIT tests for colon cancer screening

- Partnership with A Silver Lining Foundation - access for free diagnostic breast imaging
 - Partnership with Amber Coalition - to provide -outreach to the Polish-American community
- Focused community engagement to address health access/education disparities identified by AIMMC's Health Task Forces, e.g. Latin-American, Chinese Vietnamese, African-American communities. Offering bilingual programming when appropriate.
- Donor and grant funded Patient Assistance Fund. Helps patients including medication assistance, car repair, access to food (through a partnership with the Lakeview Food Pantry) and other life needs which can impact cancer care.
- Psychosocial program- AIMMC provides crisis intervention, counseling and other support
- Free survivorship support to patients after treatment
 - Funded through philanthropy
 - Support groups, gatherings, education by providers, e.g. recent "Survivor Social" focused on educating women on sexual health needs during and after cancer treatment
- Community partnerships
 - Partnership with the Lakeview Food Pantry - offer food bags to patients who are food insecure
 - Partnership with Courage to Quit (Support Groups) to help people quit smoking

The Medical Center's Medication Assistance Program which began in 2009, helps patients unable to afford medication who often forgo treatment and their conditions worsen, resulting in higher health care costs. AIMMC's Pharmacy department envisioned this program to help patients secure prescriptions they were unable to afford. The program prevents patients from costly hospital admissions by providing medication assistance directly in the hospital's Emergency Department. The goal of the program is to match AIMMC patients who cannot afford much-needed medications with pharmaceutical programs that provide free and discounted prescription drugs to fulfill their doctor's orders.

Advocate Illinois Masonic Medical Center is the lead hospital for the city of Chicago in the event of a disaster. It is one of only 11 hospitals to be responsible for coordinating disaster medical response upon the activation of the Emergency Medical Disaster Plan. To achieve this assignment the Medical Center is the designated resource hospital, designated Level 1 Trauma hospital that leads coordination of disaster response activities.

AIMMC has strong ties with several universities and operates a robust residency program to train physicians in various medical specialties including family medicine, obstetrics and gynecology and surgery. The medical center also offers a nurse residency program providing new nurses with the skills and confidence to have successful careers.

AIMMC conducts a Community Health Needs Assessment every three years to identify health needs for low income, and underserved communities and help identify programming to meet those needs with measurable impact Other Community programs include:

- Cleveland Elementary School Obesity Program- partnership with a local school in the Avondale community to provide technical support around building and sustaining a healthy school environment for parents, teachers and students.
- Howard Brown partnership
- Workforce Development Program

- Advocate Workforce Initiative - Developed in 2017, provides supports to our partnering job training programs and colleges:
 - Curriculum review of training and certifications -align with industry standards
 - Preferred access to internships and clinical rotations (depending on availability)
 - Job-readiness training workshops and on-campus workshops
 - Guaranteed HR interviews for participants who complete the AWI.
- AIMMC has a referral and coordination of care agreement with Heartland Health Centers, a FQHC offering a pediatric clinic and midwifery clinic in Uptown.
- Senior Resource Fairs
- Food Pantry Program- IMMC partners with Lakeview Food Pantry to provide dry goods to food insecure patients.
- Mental Health First Aid- Community Health works with various community organizations and institutions to implement the mental health first aid training, which is a training that teaches people how to identify mental illness and what to do once they've identified this issue.
- Transition Support Program- This program helps increase access and transition to care through Patient Navigators, which work one-on-one with each patient to ensure access to follow-up care once discharged. Navigators also link patients to social service programs in the community to ensure patients' social barriers are being addressed.
- Acclivus - This is a violence prevention/interruption program that works with ED patients who have been admitted due to violent trauma (e.g. gun violence, domestic violence, etc.).

For almost 50 years, the Special Care Dentistry Program at Illinois Masonic Medical Center has provided quality and comprehensive oral health care to approximately 2,000 patients adults and children with moderate to severe physical and developmental disabilities. These patients have challenges that may not allow them to receive needed dental services elsewhere. This program provides unique training to IMMC's dental residents in treating this underserved population and instills in them the skills and compassion to continue such care post residency.

Since 1999, the Mobile Dentistry Program provides quality oral health care to underserved adults and children throughout Chicago, with limited access to care due to physical or financial barriers. This program focuses on senior citizens, people with disabilities and the homeless population. Partnering with 18 organizations, the custom mobile van travels to these partner sites to provide needed dental care for these populations. This program provides additional training in treating underserved populations to our dental residents.

The Dental Anesthesiology Residency Program provides advanced out-patient dental anesthesiology to enhance the quality of care for pediatric dental patients and improve access to care for our Special Care Dental Program. This provides advanced training in dental anesthesiology to our dental anesthesiology residents that will continue post residency.

In summary, the impact of the Medical Center is far reaching and is a critical organization supporting the communities of Chicago. The communities have come to rely on many of these programs outlined to meet the special needs of the population in the service area. IMMC and team members are aware of changes in health care and in the community and have been developing new partnerships and services to support the health and wellbeing of all that they serve.

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 38.

CHARITY CARE			
	2015	2016	2017
Net Patient Revenue	\$ 417,997,172	\$ 436,677,329	\$ 450,137,813
Amount of Charity Care (charges)	\$ 37,115,490	\$ 26,187,580	\$ 31,932,425
Cost of Charity Care	\$ 8,022,000	\$ 5,647,000	\$ 7,247,000

APPEND DOCUMENTATION AS ATTACHMENT 38, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.