

**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.

Facility/Project Identification

Facility Name: HSHS St. John's Hospital-ICU Renovation and Medical Surgical Expansion Project		
Street Address: 800 E. Carpenter Street		
City and Zip Code: Springfield, 62769		
County: Sangamon	Health Service Area: 3	Health Planning Area: E-01

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

Exact Legal Name: St. John's Hospital of the Hospital Sisters of the Third Order of St. Francis	
Street Address: 800 E. Carpenter St.	
City and Zip Code: Springfield, 62769	
Name of Registered Agent: Amy Bulpitt	
Registered Agent Street Address: 4936 Laverna Rd.	
Registered Agent City and Zip Code: Springfield, 62707	
Name of Chief Executive Officer: EJ Kuiper	
CEO Street Address: 800 E. Carpenter St.	
CEO City and Zip Code: Springfield, 62769	
CEO Telephone Number: (217) 535-3989	

Type of Ownership of Applicants

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

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Amy Bulpitt
Title: Vice President & General Counsel
Company Name: Hospital Sisters Health System
Address: 4936 Laverna Rd., Springfield, IL 62707
Telephone Number: (217) 492-9167
E-mail Address: amy.bulpitt@hshs.org
Fax Number: 217-523-0542

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

Name: Daniel Lawler
Title: Partner
Company Name: Barnes & Thornburg LLP
Address: One North Wacker Drive, Suite 4400, Chicago, IL 60606
Telephone Number: 312-214-4861 (Direct)
E-mail Address: Daniel.Lawler@btlaw.com
Fax Number: 312-759-5646

Post Permit Contact

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

Name: Jill Tomich
Title: Strategic Planning Manager
Company Name: Hospital Sisters Health System
Address: 4936 Laverna Rd., Springfield, IL 62707
Telephone Number: (217) 492-6156
E-mail Address: jill.tomich@hshs.org
Fax Number: 217-523-0542

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City and Zip Code: Springfield, 62707		
Name of Registered Agent: Amy Bulpitt		
Registered Agent Street Address: 4936 Laverna Rd.		
Registered Agent City and Zip Code: Springfield, 62707		
Name of Chief Executive Officer: Mary Starmann-Harrison		
CEO Street Address: 4936 Laverna Rd.		
CEO City and Zip Code: Springfield, 62707		
CEO Telephone Number: (217) 788-6288		

Type of Ownership of Applicants

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Street Address: 800 E. Carpenter St.		
City and Zip Code: Springfield, 62769		
County: Sangamon	Health Service Area: 3	Health Planning Area: E-01

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

Exact Legal Name: Hospital Sisters Services, Inc.		
Street Address: 4936 Laverna Rd.		
City and Zip Code: Springfield, 62707		
Name of Registered Agent: Amy Bulpitt		
Registered Agent Street Address: 4936 Laverna Rd.		
Registered Agent City and Zip Code: Springfield, 62707		
Name of Chief Executive Officer: Mary Starmann-Harrison		
CEO Street Address: 4936 Laverna Rd.		
CEO City and Zip Code: Springfield, 62707		
CEO Telephone Number: (217) 788-6288		

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Telephone Number: (217) 492-6156
E-mail Address: jill.tomich@hshs.org
Fax Number: 217-523-0542

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: St. John's Hospital of the Hospital Sisters of the Third Order of St. Francis

Address of Site Owner: 4936 Laverna Rd., Springfield, IL 62707

Street Address or Legal Description of the Site:

Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.

APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

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

Exact Legal Name: 4936 Laverna Rd., Springfield, IL 62707

Address: 800 E. Carpenter St., Springfield, IL 62769

- | | |
|--|--|
| <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.

HSHS St. John's Hospital proposes to renovate, expand and modernize its 56-bed, licensed Intensive Care Unit (ICU) at its current location of 800 E. Carpenter St., Springfield at a cost of \$17,232,236. The project will add eight ICU beds to bring the total count to 64 ICU beds. This project will enhance SJS' ability to provide the highest quality of care to its sickest patients and improve operational efficiencies by providing an optimal and safe work environment for caregivers.

Project scope for the ICU will include the following:

- Modernize space adjacent to the existing CVICU on the 3rd floor of the main hospital.
- Decommission ICU module D on the 2nd floor, these beds will be relocated to the 4th floor.
- Modernize ICU module A to update interiors and finishes on the 3rd floor.
- Demolition and remodel of ICU modules B and C on the 4th floor of the main hospital.
- The above changes will result in 24 adult ICU beds on the 3rd floor and 30 adult ICU beds on the 4th floor.
- Create a welcoming courtyard space with a rooftop garden for patients, visitors and staff on the roofed portion of the 3rd floor. This outdoor space will promote healing and provide a place for families to relax and reflect.
- New support spaces such as meds rooms are included in the scope of this project.

Along with the expansion and modernization of the ICU, St. John's Hospital proposes to increase the medical surgical bed capacity by 32 beds. Twenty-four of these beds will be located on the 4th floor, while the remaining 8 are located on the 3rd floor. This will increase the medical/surgical bed count from 200 to 232. In the course of several modernization projects over many years, the hospital has from time to time reduced its bed inventory but has maintained the rooms as they are occasionally needed as "staging areas" while some floors have undergone modernization, making those beds unavailable for use. As a result, the third and fourth floors of the hospital currently have rooms that meet licensing regulations for medical/surgical beds, and those beds can be brought back into the hospital's medical/surgical bed count without requiring modernization or additional costs.

This project encompasses a total of 44,283 sq. ft. and is substantive under Section 1110.40 of the Review Board's rules because it increases the total number of ICU beds by 8 and increases the total number of medical surgical beds by 32.

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.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)			
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS			
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities			
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS			
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Related Project Costs

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

Land acquisition is related to project <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Purchase Price: \$ _____ Fair Market Value: \$ _____
The project involves the establishment of a new facility or a new category of service <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, provide the dollar amount of all non-capitalized operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100. Estimated start-up costs and operating deficit cost is \$ _____.

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers. 1. 14-043 - St. Elizabeth's Hospital, O'Fallon- Hospital Replacement Project 2. 14-056 - St. Anthony's Hospital Ambulatory Care Center, Effingham 3. 16-053 - HSHS St. John's Hospital Women's and Children's Health Center Building, Springfield 4. 17-067 - HSHS St. John's Hospital, Springfield- 5 th Floor Renovation Project 5. 17-022 - St. Anthony's Memorial Hospital Ambulatory Care Center, Effingham 6. 18-021 - St. Elizabeth's Hospital Radiation Oncology Clinic, O'Fallon
Indicate the stage of the project's architectural drawings: <div style="display: flex; justify-content: space-around;"> <input type="checkbox"/> None or not applicable <input type="checkbox"/> Preliminary </div> <div style="display: flex; justify-content: space-around;"> <input checked="" type="checkbox"/> Schematics <input type="checkbox"/> Final Working </div>
Anticipated project completion date (refer to Part 1130.140): <u>July 31, 2023</u>
Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140): <div style="margin-left: 20px;"> <input type="checkbox"/> Purchase orders, leases or contracts pertaining to the project have been executed. <input type="checkbox"/> Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies <input checked="" type="checkbox"/> Financial Commitment will occur after permit issuance. </div>
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: HSHS St. John's Hospital		CITY: Springfield			
REPORTING PERIOD DATES:		From: 1/1/18		to: 12/31/18	
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical	200	10,393	60,179	+32	232
Obstetrics	38	2,318	7,163		43
Pediatrics	32	1,812	5,170		32
Intensive Care	56	3,452	13,996	+8	64
Comprehensive Physical Rehabilitation	0	0	0		0
Acute/Chronic Mental Illness	40*	133	2,199		0*
Neonatal Intensive Care	56	580	16,321		56**
General Long Term Care	0	0	0		0
Specialized Long Term Care	0	0	0		0
Long Term Acute Care	0	0	0		0
Other ((identify))	0	0	0		0
TOTALS:	422	18,688	105,028		427

* The hospital temporarily suspended its 40-bed AMI in the Summer of 2018. An exemption application to discontinue the service was submitted on July 30, 2019 and deemed complete on August 1, 2019 under project #E-035-19. The project is scheduled to be heard at the Review Board meeting on September 17, 2019.

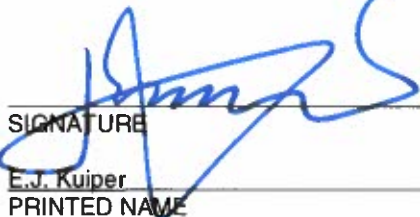
**Currently 56 Neonatal Intensive Care beds. The hospital filed a COE to increase the beds for this service in the spring of 2019. This exemption was approved by HFSRB under project E-012-19 on June 4th, 2019.

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.


This Application is filed on the behalf of St. John's Hospital of the Hospital Sisters of the Third Order of St. Francis* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.


 SIGNATURE
 E.J. Kuiper
 PRINTED NAME

CEO
 PRINTED TITLE


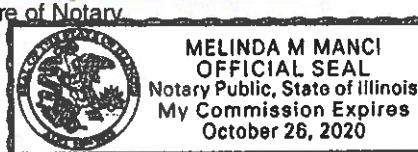
Notarization:
 Subscribed and sworn to before me
 this 11 day of September, 2019


 Signature of Notary
 Seal



 SIGNATURE
 Ann Carr
 PRINTED NAME

Treasurer
 PRINTED TITLE

Notarization:
 Subscribed and sworn to before me
 this 11 day of September, 2019


 Signature of Notary
 Seal


*Insert the EXACT legal name of the applicant

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This Application is filed on the behalf of Hospital Sisters Services, Inc.* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

Mary Starmann-Harrison
SIGNATURE

Mary Starmann-Harrison
PRINTED NAME

CEO
PRINTED TITLE

Ann Carr
SIGNATURE

Ann Carr
PRINTED NAME

Treasurer
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 11 day of September, 2019

Notarization:
Subscribed and sworn to before me
this 11 day of September, 2019

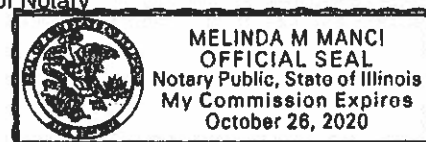
Melinda M. Mancini
Signature of Notary

Seal



Melinda M. Mancini
Signature of Notary

Seal



*Insert the EXACT legal name of the applicant

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Mary Starmann-Harrison
SIGNATURE

Mary Starmann-Harrison
PRINTED NAME

CEO
PRINTED TITLE

Ann M. Carr
SIGNATURE

Ann Carr
PRINTED NAME

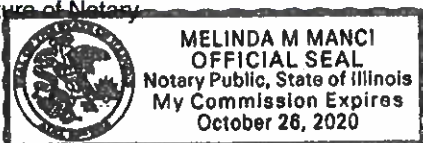
Treasurer
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 11 day of September, 2019

Notarization:
Subscribed and sworn to before me
this 11 day of September, 2019

Melinda M. Mancini
Signature of Notary

Seal



*Insert the EXACT legal name of the applicant

Melinda M. Mancini
Signature of Notary

Seal



SECTION II. DISCONTINUATION N/A

This Section is applicable to the discontinuation of a health care facility maintained by a State agency.

NOTE: If the project is solely for discontinuation and if there is no project cost, the remaining Sections of the application are not applicable.

Criterion 1110.290 – Discontinuation

READ THE REVIEW CRITERION and provide the following information:

GENERAL INFORMATION REQUIREMENTS

1. Identify the categories of service and the number of beds, if any that is to be discontinued.
2. Identify all of the other clinical services that are to be discontinued.
3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.
4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued and the length of time the records will be maintained.
6. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 90 days following the date of discontinuation.

REASONS FOR DISCONTINUATION

The applicant shall state the reasons for the discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.290(b) for examples.

IMPACT ON ACCESS

1. Document whether or not the discontinuation of each service or of the entire facility will have an adverse effect upon access to care for residents of the facility's market area.
2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within 45 minutes travel time of the applicant facility.

APPEND DOCUMENTATION AS **ATTACHMENT 10**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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	MET STANDARD?
YEAR 1					
YEAR 2					

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

UNFINISHED OR SHELL SPACE:

Provide the following information:

1. Total gross square footage (GSF) of the proposed shell space.
2. The anticipated use of the shell space, specifying the proposed GSF to be allocated to each department, area or function.
3. Evidence that the shell space is being constructed due to:
 - a. Requirements of governmental or certification agencies; or
 - b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.
4. Provide:
 - a. Historical utilization for the area for the latest five-year period for which data is available; and
 - b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

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

ASSURANCES:

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.
2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and
3. The anticipated date when the shell space will be completed and placed into operation.

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

SECTION V. SERVICE SPECIFIC REVIEW CRITERIA

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

A. Criterion 1110.200 - Medical/Surgical, Obstetric, Pediatric and Intensive Care

- Applicants proposing to establish, expand and/or modernize the Medical/Surgical, Obstetric, Pediatric and/or Intensive Care categories of service must submit the following information:
- Indicate bed capacity changes by Service: Indicate # of beds changed by action(s):

Category of Service	# Existing Beds	# Proposed Beds
<input checked="" type="checkbox"/> Medical/Surgical	200	232
<input type="checkbox"/> Obstetric		
<input type="checkbox"/> Pediatric		
<input checked="" type="checkbox"/> Intensive Care	56	64

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

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.200(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.200(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.200(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.200(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.200(b)(5) - Planning Area Need - Service Accessibility	X		
1110.200(c)(1) - Unnecessary Duplication of Services	X		
1110.200(c)(2) - Maldistribution	X	X	
1110.200(c)(3) - Impact of Project on Other Area Providers	X		
1110. 200(d)(1), (2), and (3) - Deteriorated Facilities			X
1110.200(d)(4) - Occupancy			X

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.200(e) - Staffing Availability	X	X	
1110.200(f) - Performance Requirements	X	X	X
1110.200(g) - Assurances	X	X	
APPEND DOCUMENTATION AS <u>ATTACHMENT 18</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>a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:</p> <p style="margin-left: 40px;">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</p> <p style="margin-left: 40px;">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>
<p>_____</p>	<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>_____</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>_____</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> <p style="margin-left: 40px;">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;</p> <p style="margin-left: 40px;">2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;</p> <p style="margin-left: 40px;">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.;</p> <p style="margin-left: 40px;">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;</p> <p style="margin-left: 40px;">5) For any option to lease, a copy of the option, including all terms and conditions.</p>

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

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT 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

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.

E. 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.

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)	Year	Year	Year
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Medicaid (revenue)	Year	Year	Year
Inpatient			

	Outpatient			
Total				

APPEND DOCUMENTATION AS ATTACHMENT 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	33-35
2	Site Ownership	36-47
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	48
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	49
5	Flood Plain Requirements	50-51
6	Historic Preservation Act Requirements	52-61
7	Project and Sources of Funds Itemization	62-63
8	Financial Commitment Document if required	64-68
9	Cost Space Requirements	69
10	Discontinuation	
11	Background of the Applicant	70-73
12	Purpose of the Project	74-82
13	Alternatives to the Project	83-85
14	Size of the Project	86
15	Project Service Utilization	87-88
16	Unfinished or Shell Space	
17	Assurances for Unfinished/Shell Space	
	Service Specific:	
18	Medical Surgical Pediatrics, Obstetrics, ICU	89-101
19	Comprehensive Physical Rehabilitation	
20	Acute Mental Illness	
21	Open Heart Surgery	
22	Cardiac Catheterization	
23	In-Center Hemodialysis	
24	Non-Hospital Based Ambulatory Surgery	
25	Selected Organ Transplantation	
26	Kidney Transplantation	
27	Subacute Care Hospital Model	
28	Community-Based Residential Rehabilitation Center	
29	Long Term Acute Care Hospital	
30	Clinical Service Areas Other than Categories of Service	
31	Freestanding Emergency Center Medical Services	
32	Birth Center	
	Financial and Economic Feasibility:	
33	Availability of Funds	102-109
34	Financial Waiver	
35	Financial Viability	
36	Economic Feasibility	110
37	Safety Net Impact Statement	111
38	Charity Care Information	112

Attachment 1- Certificate of Good Standing

File Number

3528-156-8

***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

ST. JOHN'S HOSPITAL OF THE HOSPITAL SISTERS OF THE THIRD ORDER OF ST. FRANCIS, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JUNE 03, 1955, 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 # 1832201808 verifiable until 10/29/2019
Authenticated by: <http://www.sos.state.il.us>

***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 29TH
day of OCTOBER A.D. 2018 .***

Jesse White

SECRETARY OF STATE

File Number 5163-355-5



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

HOSPITAL SISTERS HEALTH SYSTEM, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON DECEMBER 26, 1978, 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.



Authenticator # 153201900 verifiable until 10/29/2018
Authenticator at: <http://www.cyberdoctorsinc.com>

***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 29TH
day of OCTOBER A.D. 2018 .***

Jesse White

SECRETARY OF STATE

File Number

5325-639-2



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

HOSPITAL SISTERS SERVICES, INC., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON NOVEMBER 04, 1983, 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 #: 1830201305 - valid until 10/29/2019
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 29TH
day of OCTOBER A.D. 2018 .***

Jesse White

SECRETARY OF STATE

Attachment 2- Site Ownership

JUN 17, 2009 10:07AM CHICAGO TITLE

NO. 533 P. 2

ALTA Form - 1966

Commitment

American Land Title Association

**REVISED****Chicago Title Insurance Company***Providing Title Related Services Since 1847*

CHICAGO TITLE INSURANCE COMPANY, a Nebraska corporation, herein called the Company, for a valuable consideration, hereby commits to issue its policy/ies of title insurance, as identified in Schedule A (which policy or policies cover title risks and are subject to the Exclusions from Coverage and the Conditions and Stipulations as contained in said policy/ies) in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, upon payment of the premiums and charges therefor, all subject to the provisions of Schedules A and B hereof and to the "American Land Title Association Commitment - 1966" Conditions and Stipulations which are hereby incorporated by reference and made a part of this Commitment. A complete copy of the Commitment Conditions and Stipulations is available upon request and include, but are not limited to, the proposed Insured's obligation to disclose, in writing, knowledge of any additional defects, liens, encumbrances, adverse claims or other matters which are not contained in the Commitment; provisions that the Company's liability shall in no event exceed the amount of the policy/ies as stated in Schedule A hereof, must be based on the terms of this Commitment, shall be only to the proposed Insured and shall be only for actual loss incurred in good faith reliance on this Commitment; and provisions relating to the General Exceptions, to which the policy/ies will be subject unless the same are disposed of to the satisfaction of the Company.

This Commitment shall be effective only when the identity of the proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A hereof by the Company, either at the time of the issuance of this Commitment or by issuance of a revised Commitment.

This Commitment is preliminary to the issuance of such policy or policies of title insurance and all liability and obligations hereunder shall cease and terminate six months after the effective date hereof or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company.

This Commitment is based upon a search and examination of Company records and/or public records by the Company. Utilization of the information contained herein by an entity other than the Company for the purpose of issuing a title commitment or policy or policies shall be considered a violation of the proprietary rights of the Company of its search and examination work product.

This commitment shall not be valid or binding until signed by an authorized signatory.

Issued By:

CHICAGO TITLE INSURANCE COMPANY
1043 SOUTH FIFTH STREET
SPRINGFIELD, IL 62703

Refer Inquiries To:
(217) 789-9963

Fax Number:
(217) 789-9896

CHICAGO TITLE INSURANCE COMPANY

By

Authorized Signatory

Commitment No.:

710104374



JUL 17, 2008 10:07AM

CHICAGO TITLE

NO. 533 P. 3

**CHICAGO TITLE INSURANCE COMPANY
COMMITMENT FOR TITLE INSURANCE
SCHEDULE A**

YOUR REFERENCE:

ORDER NO.: 1271 710104374 SPR

EFFECTIVE DATE: JUNE 2, 2008

1. POLICY OR POLICIES TO BE ISSUED:

OWNER'S POLICY: ALTA OWNERS 2006
AMOUNT: TO COME
PROPOSED INSURED: St. John's Hospital of the Hospital Sisters of the Third
Order of St. Francis

**2. THE ESTATE OR INTEREST IN THE LAND DESCRIBED OR REFERRED TO IN THIS COMMITMENT
AND COVERED HEREIN IS A FEE SIMPLE UNLESS OTHERWISE NOTED.****3. TITLE TO SAID ESTATE OR INTEREST IN SAID LAND IS AT THE EFFECTIVE DATE VESTED IN:**

St. John's Hospital of the Hospital Sisters of the Third Order of St. Francis

4. MORTGAGE OR TRUST DEED TO BE INSURED:

NONE

JUN 17 2008 10:07AM

CHICAGO TITLE

NO. 533 P. 4

**CHICAGO TITLE INSURANCE COMPANY
COMMITMENT FOR TITLE INSURANCE
SCHEDULE A (CONTINUED)**

ORDER NO.: 1271 710104374 SPR

5. THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED AS FOLLOWS:

Parcel I:

The property bounded on the North by the South line of Carpenter Street, on the South by the North line of Mason Street, on the West by the East line of Seventh Street and on the East by the West line of Ninth Street, legally described as:

All of Blocks 5 & 6 of J. Adams Addition lying South of the South line of Carpenter Street,

Lots 1, 2, 3 and 4 of J. Leber's Addition.

Block 2 of J. Mitchell's Addition.

Lots 6, 7, 8, 9, 10 and 11 of Block 1 of J. Mitchell's Addition.

Lots 1, 2, 3, 4, 5, 6, 12, 13, 14, 15 and 16 of Block 12 of Wells and Peck's Addition.

Block 3 of J. Mitchell's Addition, (except leased portion per tax assessment bill).

Block 4 of J. Mitchell's Addition and Lots 1, 2, 3, 4, 5, 12, 13, 14, 15 and 16 of Block 13 of Wells and Peck's Addition, in Springfield, Sangamon County, Illinois.

Parcel II:

The property bounded on the North by the North line of Mason Street, on the South by the North line of Madison Street, on the West by the East line of Seventh Street and on the East by the West line of Ninth Street, legally described as follows:

Lots 5, 6, 7, 8, 9, 10, 11 and 12 of Block 5 of J. Mitchell's Addition and Lots 1, 2, 3, 4, 5, 12, 13, 14, 15 and 16 of Block 18 of Wells and Peck's Addition, including the vacated alley lying therein.

All of the lots of Block 6 of J. Mitchell's Addition, in Springfield, Sangamon County, Illinois, (except 36¢ of land value and office area as per tax assessor bill), including the vacated alley lying therein.

Parcel III:

The property bounded on the North by Reynolds, on the South by Madison, on the East by 7th Street and on the West by 6th Street, legally described as:

All of the lots of Block 1 of E. Mitchell's Addition, including the vacated alley lying within.

All of the lots of Block 2 of E. Mitchell's Addition, (except 24¢ taxable portion

CONTINUED ON NEXT PAGE

JUN 17 2008 10:28AM

CHICAGO TITLE

NO. 533 P. 5

**CHICAGO TITLE INSURANCE COMPANY
COMMITMENT FOR TITLE INSURANCE
SCHEDULE A (CONTINUED)**

ORDER NO.: 1271 710104374 SPR

as per real property tax assessment bill).

Parcel IV:

Block 11 of Wells and Peck's Addition.

Lots 5, 6, 7, 8, 9, 10, 11 and 12 of Block 14 of Wells and Peck's Addition.

Lots 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13 of Block 17 of Wells and Peck's Addition.

Lots 1, 2, 3, 4, 13, 14, 15 and 16 of Block 3 of J. Whitney's Addition, in Springfield, Sangamon County, Illinois.

Parcel V:

St. John's Centrum North - Tract A: (Parcel I and II) The North 50 feet of Lot 4, the South 10 feet of Lot 5 and the North 70 feet of Lot 5, all in John Taylor's Northwest Addition to the City of Springfield, according to the plat thereof recorded August 15, 1833 in Plat Book 6 on page 180. Also, that part of the East 9 feet of Lot 49 in Assessor's Subdivision of part of the West Half of Section 27 and part of the East Half of Section 28, according to the plat thereof recorded October 7, 1868 in Plat Book 8 on page 20, lying South of the Westerly extension of the North line of Lot 5 in said John Taylor's Northwest Addition and lying North of the Westerly extension of the North line of the South 10 feet of said Lot 5, being in Township 16 North, Range 5 West of the Third Principal Meridian, Sangamon County, Illinois, and more particularly described as follows:

Commencing at the Southeast corner of Lot 1 of said John Taylor's Northwest Addition; thence North 00 degrees 11 minutes 32 seconds East along the East line of said John Taylor's Northwest Addition, 271.15 feet to the Southeast corner of the North 50 feet of said Lot 4, said point being the point of beginning; thence South 89 degrees 52 minutes 18 seconds West along the South line of the North 50 feet of said Lot 4, 161.02 feet to the Southwest corner of the North 50 feet of said Lot 4; thence North 00 degrees 13 minutes 44 seconds East along the West line of said John Taylor's Northwest Addition, 60.00 feet to the Northwest corner of the South 10 feet of said Lot 5; thence South 89 degrees 52 minutes 18 seconds West along the North line of the South 10 feet of said Lot 5 extended, 9.00 feet; thence North 00 degrees 13 minutes 44 seconds East along the West line of the East 9 feet of said Lot 49, 70.19 feet to a point on the North line of said Lot 5 extended; thence North 89 degrees 50 minutes 23 seconds East along said North line, 9.00 feet to the Northwest corner of said Lot 5; thence North 89 degrees 50 minutes 23 seconds East along the North line of said Lot 5, 160.94 feet to the Northeast corner of said Lot 5; thence South 00 degrees 11 minutes 32 seconds West along the East line of said John Taylor's Northwest Addition, 130.29 feet to the point of beginning.

Parcel VI:

St John's North - Lots 1, 2, 3 and 4 of Assessors Sub of 1914; Lots 11, 12 and 13 of Block 5, Lots Wells and Peck Addition; Lots 9 and 10 of J. Adams Addition, Block 4.

Parcel VII:

Lots 3, 4, 5, 6, 7 and 8 of Block 2 of J. Adams.

Parcel IX:

JUL 17 2009 10:03AM

CHICAGO TITLE

NO. 533 P. 6

**CHICAGO TITLE INSURANCE COMPANY
COMMITMENT FOR TITLE INSURANCE
SCHEDULE A (CONTINUED)**

ORDER NO.: 1271 710104374 S2R

Reynolds Street, between Seventh Street and Ninth Street. Eighth Street between Carpenter Street and the South side of Reynolds Street, Mason Street between the East line of Seventh Street and the West line of Ninth Street and Eighth Street between the North line of Mason Street and the North line of Madison Street have been vacated and thus is the property of St. John's Hospital (Mason Street Vacation Ordinance 124-2-86).

Parcel X:

Lot 1 James Adams Addition;

Lots 1, 2, 4, 5 and 6, 7 and 8 and the South 40 feet of Lot 3 E. Mitchell's Addition;

Lot 2 of Assessor's Subdivision of part of the South Half of Section 27 and of the North Half of Section 34.

Parcel XI:

Lots 1, 2, 3, 4, 13, 14, 15, 16 and part of a vacated alley in Block 14 of Wells and Peck's Addition.

Parcel XII:

Air rights lease as per ordinance 124-2-86 providing for an elevated, enclosed pedestrian walkway across 7th Street between Parcels III and Parcel IX, all conditions pertaining thereto.

All parcels located in Sangamon County, Illinois.

JUN.17.2008 10:03AM

CHICAGO TITLE

NO.533 P.7

**CHICAGO TITLE INSURANCE COMPANY
COMMITMENT FOR TITLE INSURANCE
SCHEDULE B**

ORDER NO. 1271 710104374 SPR

GENERAL EXCEPTIONS

The owner's policy will be subject to the following exceptions:

- (1) rights or claims of parties in possession not shown by the public records;
- (2) encroachments, overlaps, boundary line disputes and any matters which would be disclosed by an accurate survey and inspection of the premises;
- (3) easements, or claims of easements, not shown by the public records;
- (4) any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records;
- (5) taxes or special assessments which are not shown as existing liens by the public records.

SCHEDULE B

Schedule B of the policy or policies to be issued will not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of those matters appearing on the commitment jacket, the applicable General Exceptions (see above), and, if an owner's policy is to be issued, the encumbrance, if any, shown in Schedule A, and exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the Proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
2. An ALTA Loan Policy will be subject to the following exceptions (a) and (b), in the absence of the production of the data and other essential matters described in our Form 3735:
 - (a) Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records;
 - (b) Consequences of the failure of the lender to pay out properly the whole or any part of the loan secured by the mortgage described in Schedule A, as affecting:
 - (i) the validity of the lien of said mortgage, and
 - (ii) the priority of the lien over any other right, claim, lien or encumbrance which has or may become superior to the lien of said mortgage before the disbursement of the entire proceeds of the loan.
3. Taxes for the years 2008, not yet due and payable.
Taxes for the year 2007 are as follows:
 - I.
 - 14-27-337-032 (exempt)
 - 14-27-337-034 (exempt)
 - 14-27-409-011 (exempt)
 - 14-27-413-001 (exempt)
 - 14-27-413-003 (exempt)

JUN. 17. 2008 10:09AM

CHICAGO TITLE

NO. 533 P. 8

**CHICAGO TITLE INSURANCE COMPANY
COMMITMENT FOR TITLE INSURANCE
SCHEDULE B (CONTINUED)**

ORDER NO. 1 1271 710104374 SPR

14-27-413-011 (exempt)

II.

14-27-337-031 (exempt)

14-27-337-033 (exempt)

14-27-378-012 (exempt)

14-27-378-014 (exempt)

III.

14-27-336-003 (exempt)

14-27-336-004 (exempt)

14-27-336-014 (exempt)

14-27-336-015 (exempt)

14-27-377-011 (exempt)

IV.

14-27-410-009 (exempt)

14-27-410-020 (exempt)

14-27-414-016 (exempt)

14-27-451-021 (exempt)

14-27-451-022 (exempt)

V.

14-27-308-020 2007 taxes \$43,278.00 and are ONE HALF PAID. (\$21,639.00)

14-27-308-033 2007 taxes \$ 1,525.34 and are ONE HALF PAID (\$ 762.67)

14-27-308-037 2007 taxes \$ 70.60 and are ONE HALF PAID. (\$ 35.30)

VI.

14-27-333-008 (exempt)

VII.

14-27-328-009 (exempt)

14-27-328-010 (exempt)

IX.

14-27-337-032 (Part) (exempt)

14-27-337-033 (Part) (exempt)

X.

14-27-335-022 (exempt)

14-27-335-005 (exempt)

14-27-335-006 (exempt)

14-27-335-007 (exempt)

14-27-335-008 (exempt)

14-27-335-009 (exempt)

14-27-335-010 (exempt)

14-27-335-015 (exempt)

14-27-335-017 (exempt)

14-27-335-021 (exempt)

XI.

14-27-414-012 (exempt)

4. At customers request, we have examined the following alleyways and state an

JUN 17 2009 10:03AM

CHICAGO TITLE

NO. 533 P. 9

**CHICAGO TITLE INSURANCE COMPANY
COMMITMENT FOR TITLE INSURANCE
SCHEDULE B (CONTINUED)**

ORDER NO.: 1271 710104374 SPR

follows:

A. Alleyway running North and South, mid-block, between Sixth Street and Seventh Street, Reynolds Street and Mason Street, designated "4A" on the map attached as "Alleyways"; We find no recorded document vacating said alley. The properties lying on both sides and adjacent to said alley are owned by St. John's Hospital of the Hospital Sisters of the Third Order of St. Francis.

B. Alleyway running North and South, mid-block, between Sixth Street and Seventh Street, Carpenter Street and Reynolds Street, designated "4B" on the map attached as "Alleyways"; We find no recorded document vacating said alley. The properties lying to the East and adjacent to said alley are owned by St. John's Hospital of the Hospital Sisters of the Third Order of St. Francis. The properties lying to the West and adjacent to said alley are owned by St. John's Hospital of the Hospital Sisters of the Third Order of St. Francis (as to the Southern portion, lots 14-27-335-005, 006, 007, 008, 009 & 010) and owned by the Salvation Army (as to the Northern portion, Lots 14-27-335-001, 002, 003 & 004).

C. Alleyway running East and West, mid-block off of 19th Street, between Reynolds Street and Mason Street (vacated), designated "4C" on the map attached as "Alleyways"; We find said alley to have been vacated pursuant to document recorded as Doc. #483035.

D. Alleyway running East and West, mid-block between 9th Street and 10th Street, Reynolds Street and Mason Street (vacated), designated "4D" on the map attached as "Alleyways"; We find no recorded document vacating said alley. The properties lying on both sides and adjacent to said alley are owned by St. John's Hospital of the Hospital Sisters of the Third Order of St. Francis.

E. Alleyway running East and West, mid-block between 9th Street & 10th Street, Mason Street (vacated) and Madison Street, designated "4E" on the map attached as "Alleyways". We find no recorded document vacating said alley. The properties lying on both sides and adjacent to said alley are owned by St. John's Hospital of the Hospital Sisters of the Third Order of St. Francis.

or 5. At customer's request, we have examined the foregoing parcels and state as follows:

A. On Reynolds Street, between Sixth & Seventh Streets, the properties lying on both sides of Reynolds Street are owned by St. John's Hospital of the Hospital Sisters of the Third Order of St. Francis, comprising the following:

North Side:

14-27-335-009

14-27-335-010

14-27-335-021

South Side:

14-27-336-014

14-27-336-003

14-27-336-004

B. On Reynolds Street, between Ninth Street and the railroad tracks, the properties lying on both sides of Reynolds Street are owned by St. John's Hospital of the Hospital Sisters of the Third Order of St. Francis, comprising the following:

North Side:

14-27-410-009

JUN 17 2008 10:09AM

CHICAGO TITLE

NO. 533 P. 10

**CHICAGO TITLE INSURANCE COMPANY
COMMITMENT FOR TITLE INSURANCE
SCHEDULE B (CONTINUED)**

ORDER NO. 1271 710104374 SPR

14-27-410-020

South Side:

14-27-414-012

14-27-414-016.

Said parcels are noted on the map attached as "Reynolds Street Vacation".

- AN 6. Lease recorded April 12, 2005 as document 2005R13750 by St. John's Hospital to Subway Real Estate. (Affects Parcel I).
- AO 7. Reservation by the Illinois Central Gulf Railroad Company of the right for continued maintenance, replacement and use of all existing conduits, sewer, water mains, gas lines, electric power lines, wires and other utilities and easements on said premises whether or not of record including the repair, reconstruction and replacement thereof and Grantee agrees not to interfere with the rights herein reserved or any facilities used pursuant thereto, as disclosed by Quit Claim Deed recorded December 22, 1975 in Book 690 of Deeds at page 503 as Document Number 374430. (For further particulars, see record.) (Affects Parcel V).
- AP 8. NOTE: Concerning the removal of minerals under the North 50 feet of the Lot 4 and the South 10 feet of Lot 3, we find the following in a Quit Claim Deed recorded December 22, 1975 in Book 690 at page 503 as Document Number 374430 running from Illinois Central Gulf Railroad Co. to Martin Tieskos and Marinilla Tieskos: "Grantee will release for itself, its successors or assigns, the Grantor, its successors or assigns, from any liability for any damages attributable to removing said minerals and this release shall run with the land. (For further particulars, see record.) (Affects Parcel V).
- AO 9. Reservation contained in Quit Claim Deed dated September 30, 1986 and recorded October 15, 1986 as Document Number 41294, made by Illinois Central Gulf Railroad Company, a Delaware corporation, Grantor, to Peter Albanese, as follows:
Grantor reserves for itself, its successors and assigns, all coal, oil, gas, ores, and any other minerals whether similar or dissimilar or now known to exist or hereafter discovered of every kind in, on or under said premises, together with the right at any time to explore, drill for, mine, remove and market all such products in any manner which will not damage structures on the surface of the premises. Grantee will release itself, its successors or assigns for any damages attributable to removing said minerals and this release shall run with the land. (Affects Parcel V).
- AP 10. Encroachment of improvement from Tract A over and across the West line of Tract A as shown on unrecorded survey dated May 14, 1996 by Vasconcelles Engineering Corporation being Job No. 480-951 (being shown therein as "Detail C"). (Affects Parcel V).
- AS 11. Terms, provisions, conditions and limitations contained in the Parking, Ingress and Egress Easement dated May 24, 1996 and recorded May 24, 1996 as Document Number 96-21015 (For further particulars, see record.) (Affects

JUN 17 2008 10:09AM

CHICAGO TITLE

NO. 533 F. 11

**CHICAGO TITLE INSURANCE COMPANY
COMMITMENT FOR TITLE INSURANCE
SCHEDULE B (CONTINUED)**

ORDER NO.: 1271 710104374 SPR

Parcel V).

12. Rights of other parties to the Parking and Ingress and Egress Agreement recorded May 24, 1996 as Document Number 96-21015 to the concurrent use thereof, as specified in said agreement. (For further particulars, see record.) (Affects Parcel V).
13. We find no conveyance of title to Lots 9 and 10 of Block 4, although the Tax Assessment billing indicates that ownership lies with St. John's Hospital. (Affects Parcel VI).
14. Note: The following item, while appearing on this commitment/policy, is provided solely for your information.
The following environmental disclosure document(s) for transfer of real property appear of record which include a description of the land insured or a part thereof:
Document Number: 90J011341 Date of Recording: May 3, 1990
Document Number: 92054675 recorded December 30, 1992.
(Affects Parcel XI).
15. Illinois EPA Letter of Remediation recorded July 5, 2005 as Document 2005R26804. (Affects Parcel XII).
16. Terms, conditions and provisions contained in an air rights lease as provided in Ordinance 124-2-86. (Affects Parcels II, III and XIII).
17. Confirmed special assessments, if any, constructive note of which is not imparted by the records of the Recorder of Deeds.
- NOTE: Drainage assessments, drainage taxes, water rentals and water taxes are included in General Exception (5) herein before shown and should be considered when dealing with the land.
- Financing Statements, if any.
- Rights of the public, the State of Illinois, the county, the township and the municipality in and to that part of the premises in question taken, used or dedicated for roads or highway.
- Rights of way for drainage ditches, drain tiles, feeders, laterals and underground pipes, if any.
- Rights of parties in possession, encroachments, overlaps, boundary line disputes, and any such matters as would be disclosed by an accurate survey and inspection of the land, and easements or claims of easements not shown by the public records.
18. Note: It appears that the amount of insurance stated in Schedule A may be less than 80 percent of the lesser of: (1) the value of the insured estate or

JUN 17 2008 10:10AM CHICAGO TITLE

NO. 533 F. 12

CHICAGO TITLE INSURANCE COMPANY
COMMITMENT FOR TITLE INSURANCE
SCHEDULE B (CONTINUED)

ORDER NO.: 1271 710104374 SPR

interest or (2) the full consideration paid for the land. Your attention is directed to those provisions of paragraph 7(b) of the conditions and stipulations of the owner's policy which provide that in such case, the company may only be obligated to pay part of any loss insured against under the terms of the policy.

The above note is shown for your information with respect to the owner's policy only and will not appear on such policy. Nevertheless, such omission should not be construed to mean that such policy is not subject to those provisions of Paragraph 7(b) of the conditions and stipulations referred to in the note. If, however, the note is stamped "waived" on the face of this commitment, such waiver shall be deemed an acknowledgment by the company that the amount of insurance stated in schedule a herein is, for the purposes of said paragraph 7(b), not less than 80 percent of the lesser of the value of the insured estate or interest or the full consideration paid for the land.

19. We note reference to the possible vacation of the alley running North and South through Block 3 of E. Mitchell's Addition to the City of Springfield, in favor of St. John's Hospital. We find no evidence of said vacation at this time. (Affects Parcel X).
20. Easement Agreement for Ingress and Egress recorded August 23, 2005 as Document 2005R14346, by and between St. John's Hospital and The Salvation Army, providing for use by the Salvation Army of an easement lying within Parcel X herein.
21. NOTE: Do to time constraints and parameters established by the Owner, the search results and examination conducted herein are preliminary, and cannot be relied upon for the issuance of an Owners or Lenders Policy at this time.
22. Copies of the commitment have been sent to:

Graham And Graham
1201 South 8th Street
Springfield, Illinois 62703
Richard Wilderson

Graham And Graham
1201 South 8th Street
Springfield, Illinois 62703
Nancy Martin

JUL 17, 2008 10:10AM CHICAGO TITLE

NO. 533 P. 13

Effective Date: May 1, 2008

Fidelity National Financial, Inc. Privacy Statement

Fidelity National Financial, Inc. and its subsidiaries ("FNF") respect the privacy and security of your non-public personal information ("Personal Information") and protecting your Personal Information is one of our top priorities. This Privacy Statement explains FNF's privacy practices, including how we use the Personal Information we receive from you and from other specified sources, and to whom it may be disclosed. FNF follows the privacy practices described in the Privacy Statement and, depending on the business performed, FNF companies may share information as described herein.

Personal Information Collected

- We may collect Personal Information about you from the following sources:
- Information we receive from you on applications or other forms, such as your name, address, social security number, tax identification number, asset information and income information;
- Information we receive from you through our Internet websites, such as your name, address, Internet Protocol address, the website links you used to get to our website, and your activity while using or reviewing our websites;
- Information about your transactions with or services performed by us, our affiliates, or others, such as information concerning your policy, premiums, payment history, information about your home or other real property, information from lenders and other third parties involved in such transactions, account balances, and credit card information; and
- Information we receive from consumer or other reporting agencies and publicly recorded.

Disclosure of Personal Information

- We may provide your Personal Information (excluding information we receive from our consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:
- To insurance agents, brokers, representatives, support organizations, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;
- To third-party contractors or service providers for the purpose of determining your eligibility for an insurance benefit or payment and/or providing you with services you have requested;
- To an insurance regulatory, or law enforcement or other governmental authority, in a civil action, in connection with a subpoena or a governmental investigation;
- To companies that perform marketing services on our behalf or to other financial institutions with which we have had joint marketing agreements and/or
- To lenders, lien holders, judgement creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

We may also disclose your Personal Information to others when we believe, in good faith, that such disclosure is reasonably necessary to comply with the law or to protect the safety of our customers, employees, or property and/or to comply with a judicial proceeding, court order or legal process.

Disclosure to Affiliated Companies - We are permitted by law to share your name, address and facts about your transaction with other FNF companies, such as insurance companies, agents, and other real estate service providers to provide you with services you have requested, for marketing or product development research, or to market products or services to you. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

Disclosure to Nonaffiliated Third Parties - We do not disclose Personal Information about our customers or former customers to nonaffiliated third parties, except as outlined herein or as otherwise permitted by law.

Confidentiality and Security of Personal Information

We restrict access to Personal Information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulation to guard Personal Information.

Access to Personal Information/

Requests for Correction, Amendment, or Deletion of Personal Information

As required by applicable law, we will afford you the right to access your Personal Information, under certain circumstances to find out to whom your Personal Information has been disclosed, and request correction or deletion of your Personal Information. However, FNF's privacy policy is to maintain customers' Personal Information for no less than your state's required record retention requirements for the purpose of handling future claims.

For your protection, all requests made under this section must be in writing and must include your notarized signature to establish your identity. Where permitted by law we may charge a reasonable fee to cover the costs incurred in responding to such requests. Please send requests to:

Chief Privacy Officer
Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, FL 32204

Changes to this Privacy Statement

This Privacy Statement may be amended from time to time consistent with applicable privacy laws. When we amend this Privacy Statement we will post a notice of such changes on our website. The effective date of this Privacy Statement, as stated above, indicates the last time this Privacy Statement was revised or materially changed.

Attachment 3- Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership

File Number

3528-156-8



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

ST. JOHN'S HOSPITAL OF THE HOSPITAL SISTERS OF THE THIRD ORDER OF ST. FRANCIS, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JUNE 03, 1955, 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.



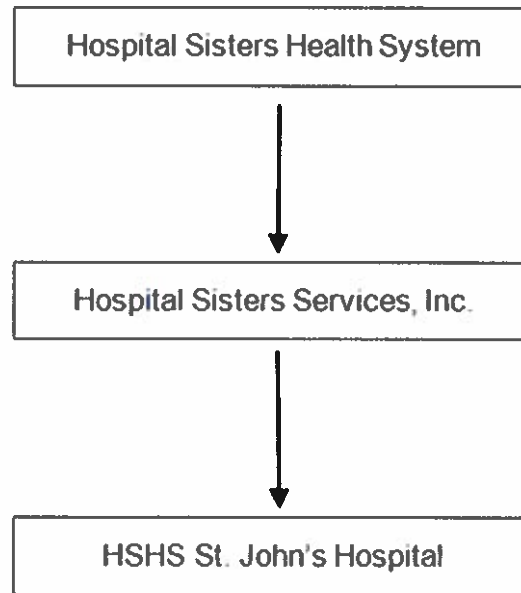
Authentication # 1630001808 verifiable until 10/29/2019

Authenticable at <https://www.cybertrust.state.il.us>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 29TH day of OCTOBER A.D. 2018 .

Jesse White

SECRETARY OF STATE

Attachment 4- Organizational Relationships

Attachment 5- Flood Plain Requirements



Attestation for Flood Plain Requirements


September 11, 2019

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

Dear Ms. Avery:

I, E.J. Kuiper, do hereby attest that St. John's Hospital in Springfield, Illinois, is not a flood plain (see attached: FEMA's National Flood Hazard Layer map), and that the location of the proposed project complies with the Flood Plain Rule under Illinois Executive Order #2006-5. This project does not involve any new construction, but modernization of an existing facility.

Sincerely,

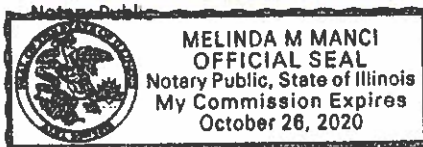

E.J. Kuiper, MHA, DPT, FACHE
President & CEO, HSHS St. John's Hospital

Notarization:

Subscribed and sworn to before me

This 11 day of September, 2019.


Melinda M. Mancini



[illegible]

Data from Flood Insurance Rate Maps (FIRMs) where available digitally. New NFHL FIRMette print app available: <http://tinyurl.com/y4xwp5e>

USGS The National Map: Orthoimagery | National Geospatial-Intelligence Agency (NGA): Delta State University; Esri | Print here Instead:
<http://tinyurl.com/jacmpSe> Support: FEMAMapSpecialist@niskmapeds.com | Sangamon County, Missouri Dept. of Conservation. Esri, HERE, Garmin,
 INCREMENT P, USGS, EPA, NPS, US Census Bureau, USDA

Attachment 6- Historic Preservation Compliance



**HSHS
CENTRAL
ILLINOIS**

St. John's Hospital - Springfield
St. Mary's Hospital - Decatur
St. Francis Hospital - Litchfield
Good Shepherd Hospital - Shelbyville
Prairie Heart Institute of Illinois
St. John's College

July 9, 2019

VIA OVERNIGHT MAIL

Robert F. Appleman, Deputy State Historic Preservation Officer
Illinois Historic Preservation Agency
IDNR – One Natural Resources Way
Springfield, Illinois 62702

Re: Illinois Certificate of Need ("CON") Clearance Letter Request

Dear Mr. Appleman:

We represent HSHS St. John's Hospital in Springfield, Illinois (the "Applicant") in pursuing a CON from the Health Facilities & Services Review Board to modernize its Intensive Care Unit (ICU). The Illinois State Agency Historic Resources Preservation Act, 20 ILCS 34201/1 et seq. (the "ACT"), provides that written notice of a proposed undertaking shall be given to the Director of the Illinois Historic Preservation Agency ("HPA") either by a State agency or a recipient of its funds, licenses or permits when the proposed undertaking might affect historic, architectural or archaeological resources. In addition, the CON application process requires a letter from HPA regarding any construction project's impact on possible architecturally significant or historical structure.

Enclosed is the information necessary for the HPA to conduct a review of the Project to determine whether any historic, architectural or archaeological sites might be impacted by the Project. Specifically, we provide the following information to you for review:

1. General project description and address: The project will include renovating approximately 24,723 GSF on the 3rd and 4th floors of the hospital building located at 800 E. Carpenter Street.
2. Topographic or metropolitan map showing the general location of the project: See attached.
3. Photographs of any standing buildings/structure within the project area: See attached.
4. Address for building/structures, if present: 800 E. Carpenter Street, Springfield, Illinois.

Upon review of the information provided in this letter, kindly forward confirmation to my attention indicating whether, in the HPA's opinion, the Project will have any impact on a historical or architecturally significant building or structures.

Mailing address: 800 E. Carpenter St., Springfield, IL 62769
Physical address: 850 E. Madison St., Suite 300, Springfield, IL 62702

Robert F. Appleman

July 9, 2019

Page 2

To our knowledge, there are no historical buildings in the area. Further, there are no state-designated historical sites in the vicinity of the proposed medical office building.

Thank you for your consideration. If you have questions, please contact me at (217) 814-8467.

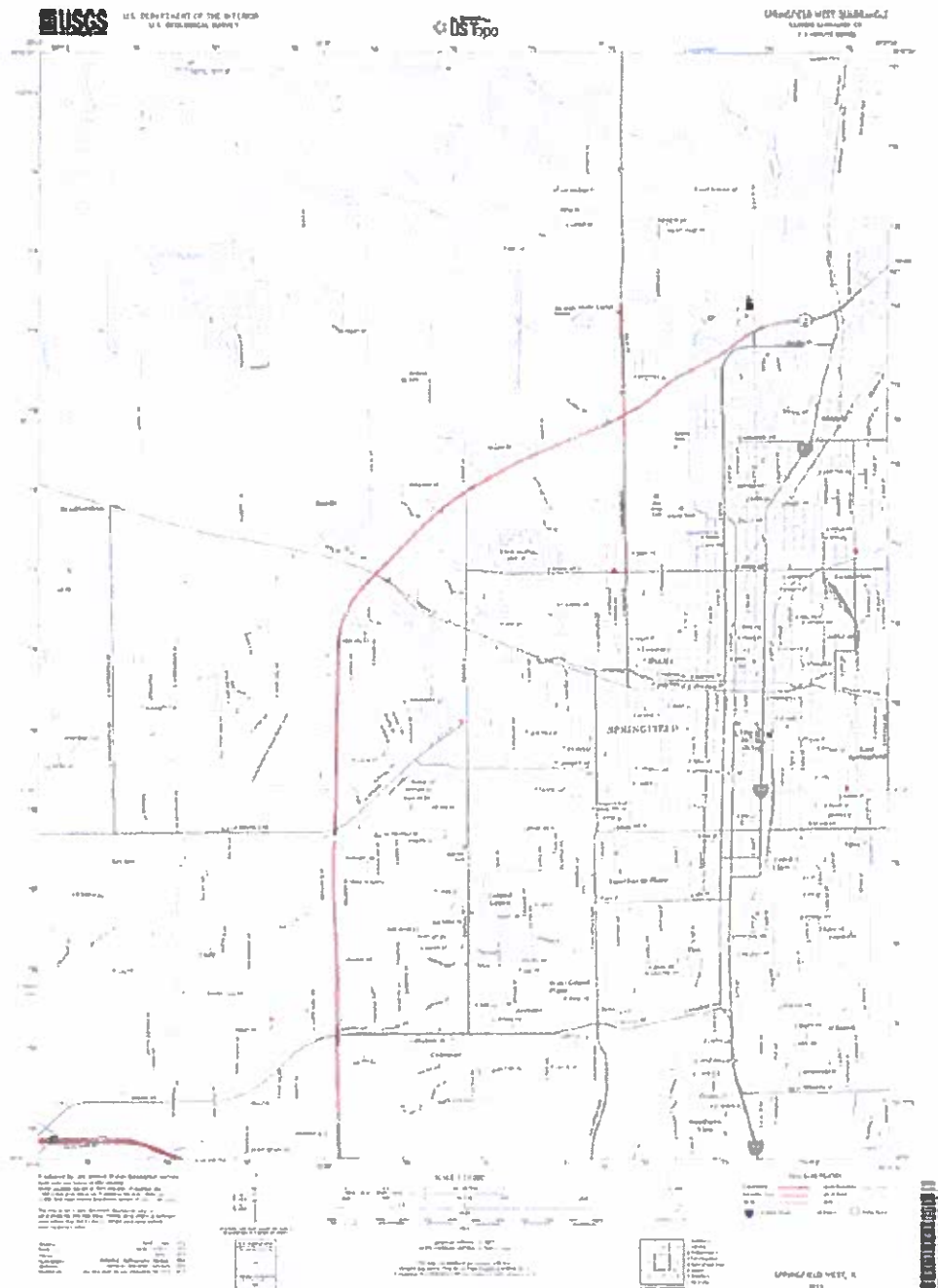
Sincerely,

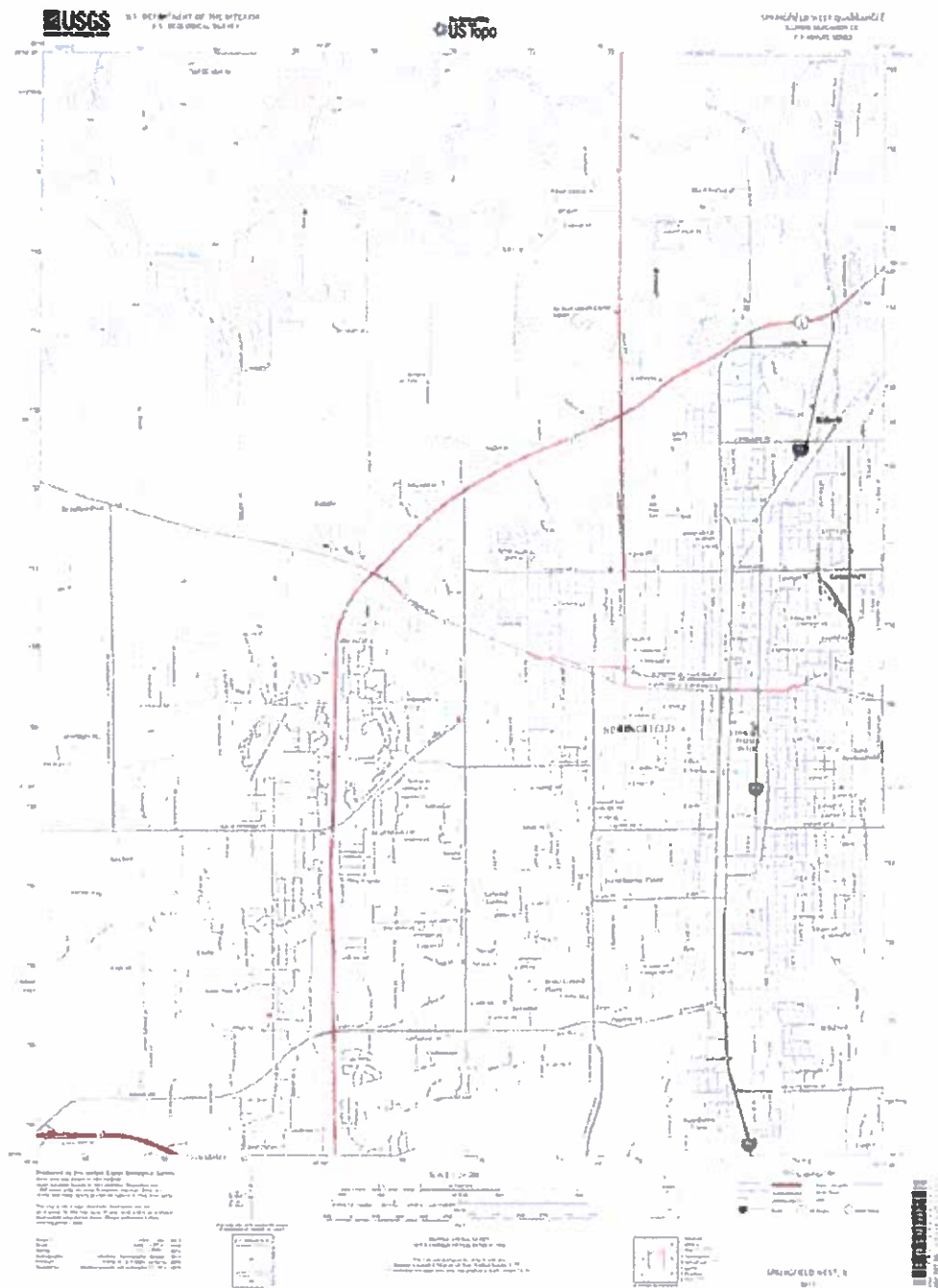


Michelle Clatfelter

Vice President Legal Affairs, HSHS Central Illinois Division
Associate General Counsel, Hospital Sisters Health System

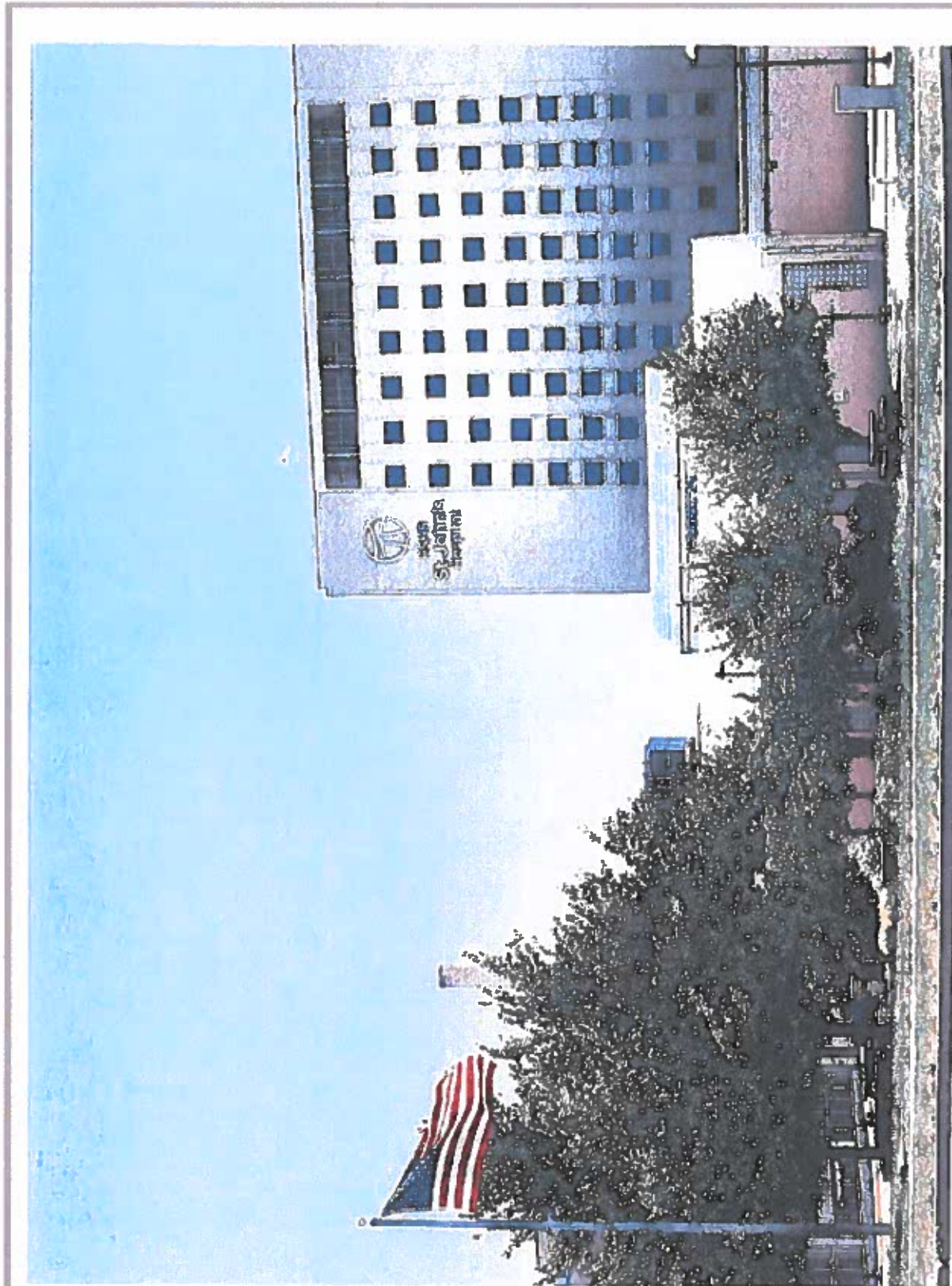
Enclosures

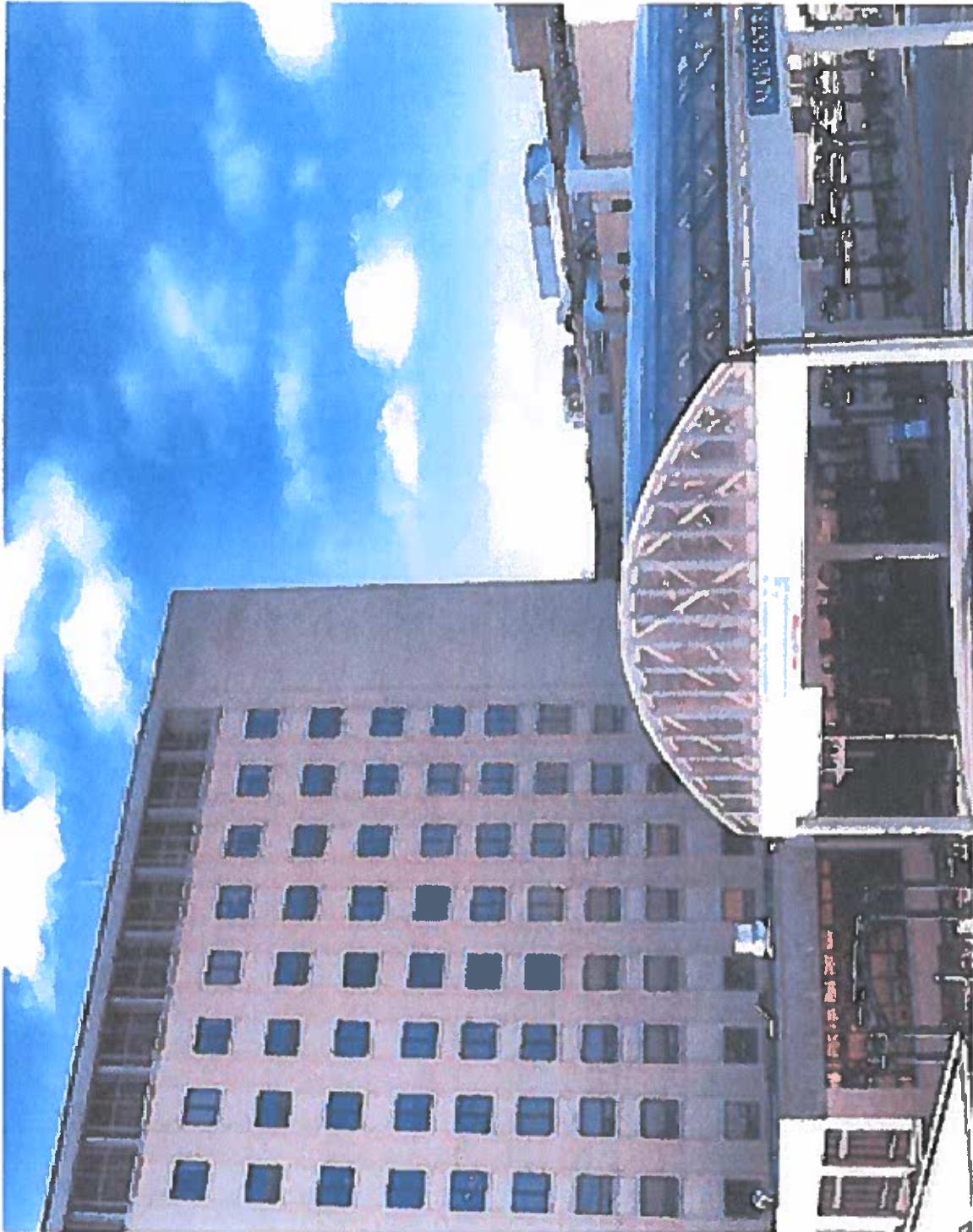
















Illinois Department of Natural Resources

One Natural Resources Way Springfield, Illinois 62702-1271

www.dnr.illinois.gov

Mailing Address: 1 Old State Capitol Plaza, Springfield, IL 62701

JB Pritzker, Governor

Wayne A. Rosenthal, Director

FAX (217) 524-7523

Sangamon County
Springfield

CON - Modernization of Neonatal Intensive Care Unit, HSHS St. John's Hospital
800 E. Carpenter St.
SHPO Log #006111518

January 17, 2019

Michelle Clatfelter
Hospital Sisters Health System
800 E. Carpenter St.
Springfield, IL 62769

Dear Ms. Clatfelter:

We have reviewed the information provided for the above referenced project. St. John's Main Hospital is eligible for listing on the National Register of Historic Places. In our opinion the project meets The Secretary of the Interior's "Standards for Rehabilitation and Guidelines for Rehabilitation of Historic Buildings" and we concur in a finding of no adverse effect.

Carrying out the project in accordance with these plans constitutes compliance with the Illinois State Agency Resources Preservation Act.

If you have any questions, please call 217/782-4836.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert F. Appleman".

Robert F. Appleman
Deputy State Historic
Preservation Officer

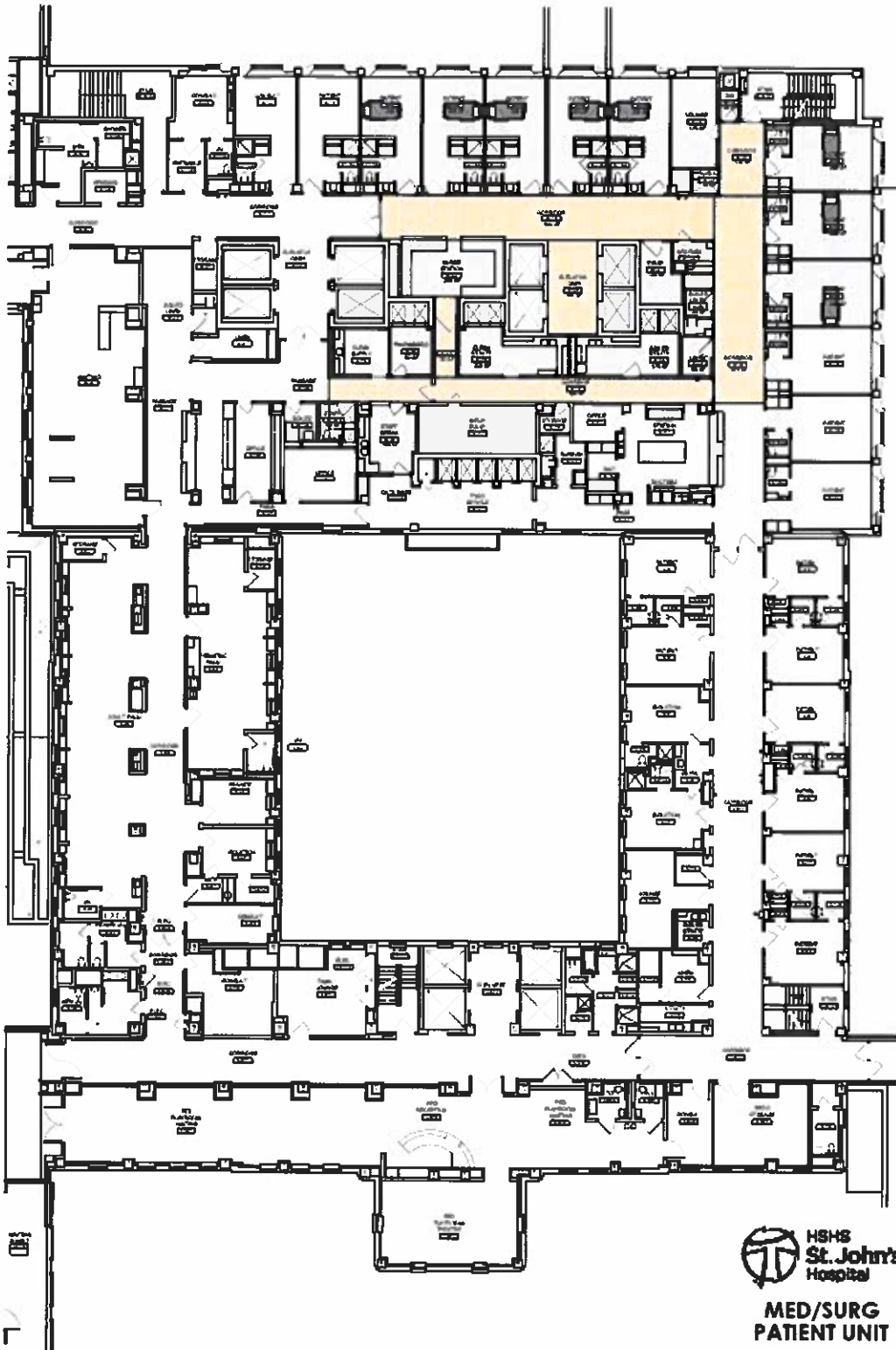
Attachment 7-Project Costs and Source of Funds

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	\$ 14,300	\$ 7,700	\$ 22,000
Site Survey and Soil Investigation	\$ -	\$ -	\$ -
Site Preparation	\$ -	\$ -	\$ -
Off Site Work	\$ -	\$ -	\$ -
New Construction Contracts	\$ -	\$ -	\$ -
Modernization Contracts	\$ 8,009,329	\$ 4,312,715	\$ 12,322,044
Contingencies	\$ 942,500	\$ 507,500	\$ 1,450,000
Architectural/Engineering Fees	\$ 587,690	\$ 316,449	\$ 904,139
Consulting and Other Fees	\$ 178,135	\$ 95,919	\$ 274,054
Movable or Other Equipment (not in construction contracts)	\$ 1,455,999	\$ 784,000	\$ 2,239,999
Bond Issuance Expense (project related)	\$ -	\$ -	\$ -
Net Interest Expense During Construction (project related)	\$ -	\$ -	\$ -
Fair Market Value of Leased Space or Equipment	\$ -	\$ -	\$ -
Other Costs To Be Capitalized	\$ 13,000	\$ 7,000	\$ 20,000
Acquisition of Building or Other Property (excluding land)	\$ -	\$ -	\$ -
TOTAL USES OF FUNDS	\$ 11,200,953	\$ 6,031,283	\$ 17,232,236
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$ 11,200,953	\$ 6,031,283	\$ 17,232,236
Pledges	\$ -	\$ -	\$ -
Gifts and Bequests	\$ -	\$ -	\$ -
Bond Issues (project related)	\$ -	\$ -	\$ -
Mortgages	\$ -	\$ -	\$ -
Leases (fair market value)	\$ -	\$ -	\$ -
Government Appropriations	\$ -	\$ -	\$ -
Grants	\$ -	\$ -	\$ -
Other Funds and Sources	\$ -	\$ -	\$ -
TOTAL SOURCES OF FUNDS	\$ 11,200,953	\$ 6,031,283	\$ 17,232,236
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

HSHS St. John's Hospital - ICU Renovation - Attachment #7	
9/3/2019	
	Amount
Preplanning	\$ 22,000
Site Survey and Soil Investigation	\$ -
Construction	\$ 12,322,044
Contingencies	\$ 1,450,000
Architectural/ Engineering Fees	\$ 904,139
Consulting and Other Fees	\$ 274,054
CON Consultant	\$ 10,000
CON Fees	\$ 40,000
Legal Fees	\$ 10,000
Commissioning Consultant	\$ 22,500
Other Consultants	\$ 191,554
Movable or Other Equipment	\$ 2,239,999
Signage/Graphics	\$ 49,446
Medical Equipment	\$ 741,690
Telephone Equipment	\$ 123,615
Computer Equipment	\$ 370,845
Television Equipment	\$ 28,000
Nurse Call Equipment	\$ 197,784
Furniture and Furnishings	\$ 703,896
Artwork	\$ 24,723
Bond Issuance Expense (project related)	\$ -
Net Interest Expense During Construction (project related)	\$ -
Other Costs to be Capitalized	\$ 20,000
State Fees	\$ 20,000
Fair Market Value of Leased Space and Equipment	\$ -
Grand Total	\$ 17,232,236

Attachment 8- Project Status and Completion Schedules

Schematic Designs

Medical Surgical

**BERNERS
SCHUBER**
architects • engineers • interior designers



THIRD FLOOR PLAN - PATIENT TOWER
NO SCALE

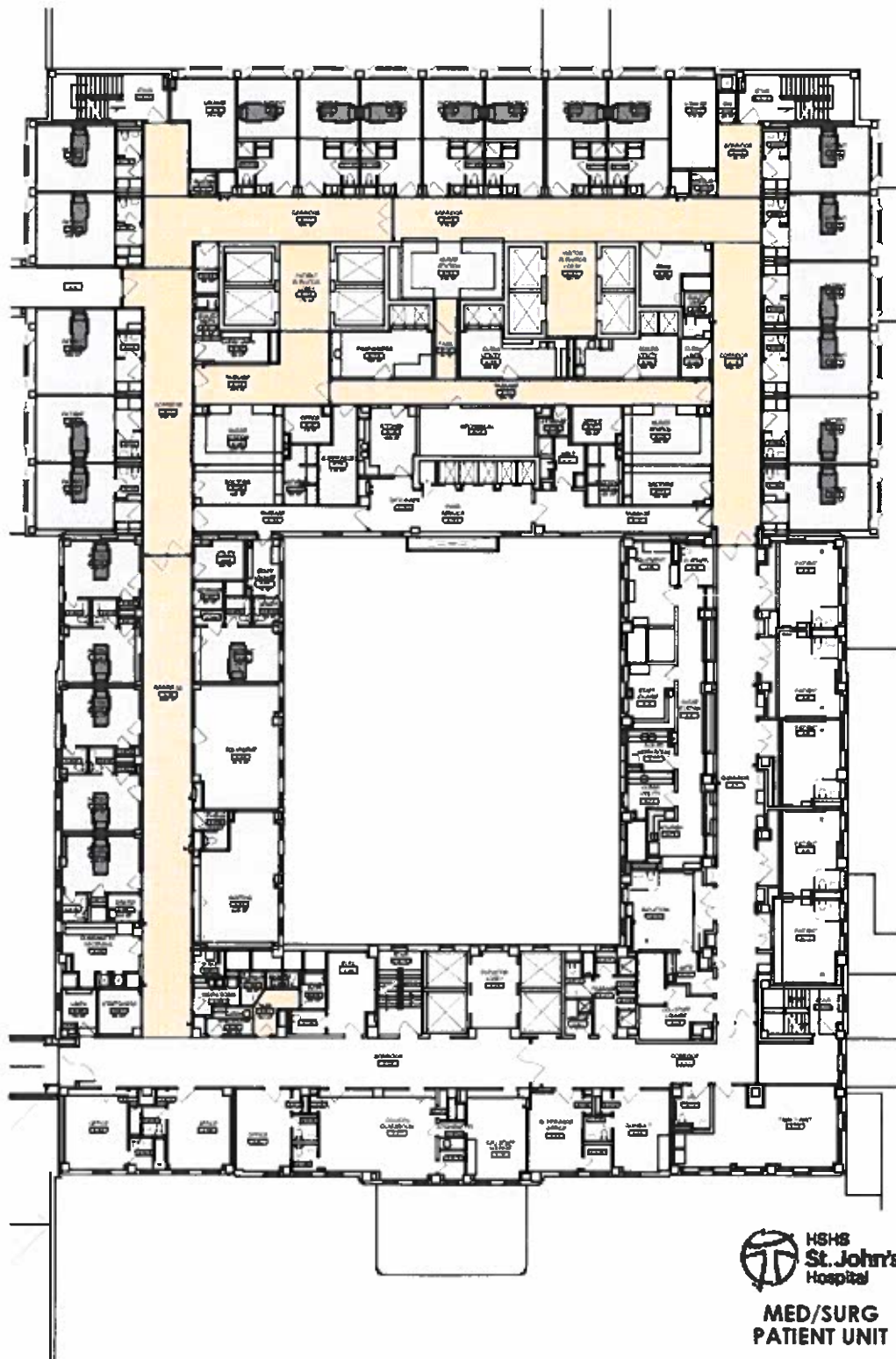


**MED/SURG
PATIENT UNIT**

EX3 CON
ROOM SF

6/4/20

8/29/19



**BERNERS
SCHUBER**
architects engineers interior designers

FOURTH FLOOR PLAN - PATIENT TOWER
NO SCALE

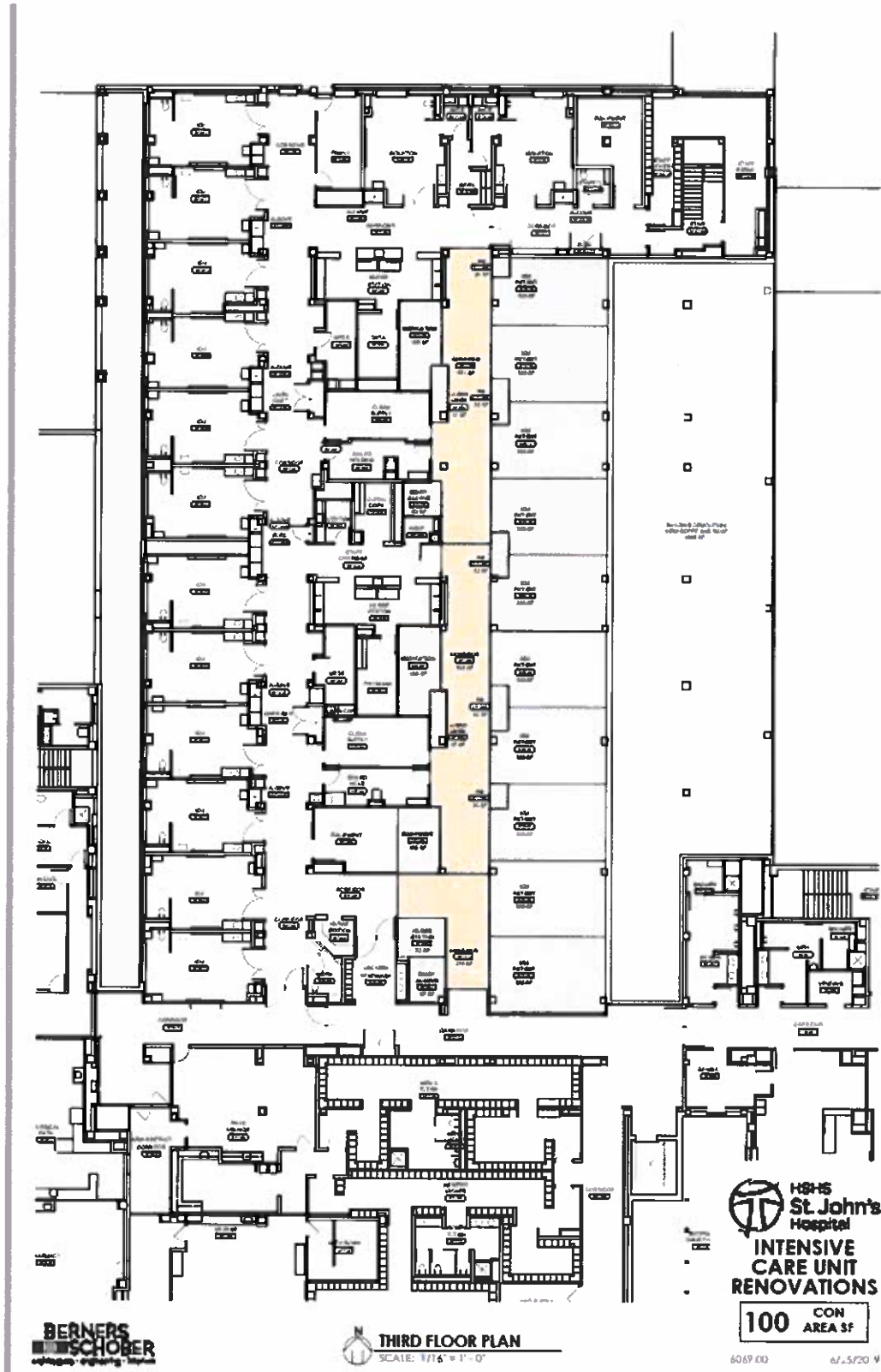


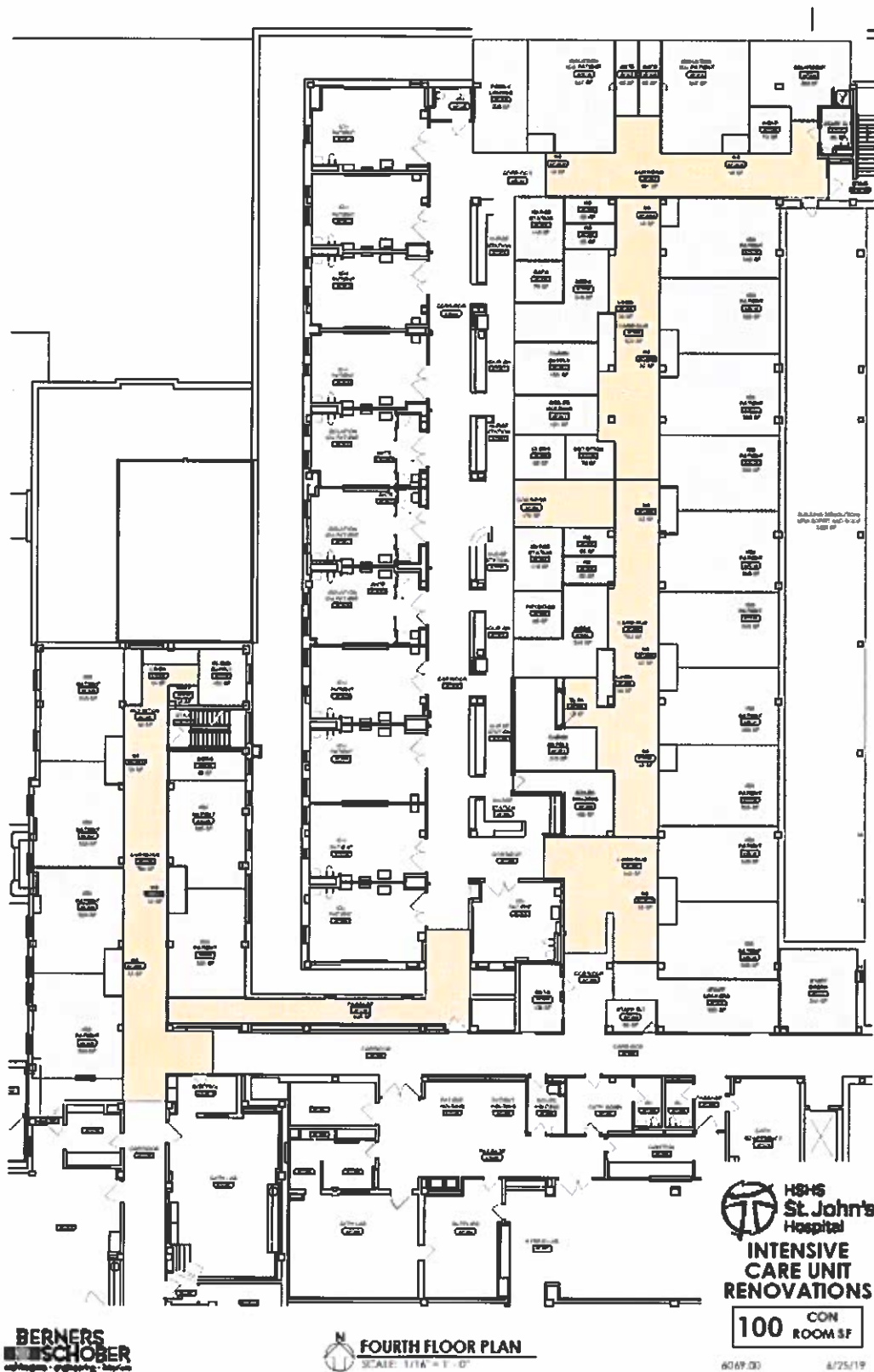
**MED/SURG
PATIENT UNIT**

EX4 CON ROOM SF

6249.00 8/29/19

ICU





Attachment 8- Financial Commitment Document

Due to the HSHS Bond rating this is not a required document. Please reference Attachment 33 on pg. 102.

Attachment 9- Cost Space Requirements

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							
ICU Room & Associated Area	\$ 11,200,953	24,723	18,458		18,458	0	0
Medical/Surgical Rooms	\$ -	19,560				19,560	
Total Clinical	\$ 11,200,953	44,283	18,458	-	18,458	19,560	-
NON REVIEWABLE							
Floor Area being converted to roof	\$ 6,031,283		6,265				6,265
Total Non-clinical	\$ 6,031,283	-	6,265		-		
TOTAL	\$ 17,232,236	44,283	24,723	-	18,458	19,560	-
APPEND DOCUMENTATION AS ATTACHMENT-9 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.							

Attachment 11-Background

Facility	Location	Illinois License Number	Expiration Date	Joint Commission Accreditation Number
St. John's Hospital	Springfield	0002451	6/30/20	ID #7432
St. Elizabeth's Hospital	O'Fallon	0006064	11/03/19	ID #7242
St. Anthony's Memorial Hospital	Effingham	0002279	12/31/19	ID #7335
St. Joseph's Hospital	Highland	0005892	8/22/19	ID #2825
St. Francis Hospital	Litchfield	0002386	12/31/19	ID #7374
St. Joseph's Hospital	Breese	0002527	6/30/20	ID #7250
St. Mary's Hospital	Decatur	0002592	6/30/20	ID #4605
HSBS Holy Family Hospital	Greenville	0005355	10/25/19	*ID #189268
HSBS Good Shepherd Hospital	Shelbyville	0002154	6/30/20	**

*Accredited by HFAP (Health Facilities Accreditation Program)

**NIAHO Hospital Accreditation Program Certificate Number 151512 – 2014 – AHC – USA - NIAHO

Illinois Department of PUBLIC HEALTH

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

This 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.

Ngozi O. Ezike, M.D.
Director

Issued under the authority of the Illinois Department of Public Health

EXPIRATION DATE: 6/30/2020
LICENSE NUMBER: 0002451

General Hospital

Effective: 07/01/2019

St. John's Hospital
800 E Carpenter St
Springfield, IL 62702

The face of this license has a colored background. Printed by Authority of the State of Illinois • PD, 619-493-001 10M 6/16

← DISPLAY THIS PART IN A CONSPICUOUS PLACE

Exp. Date 6/30/2020
Lic Number 0002451

Date Printed 5/13/2019

St. John's Hospital
800 E Carpenter St
Springfield, IL 62702

FEE RECEIPT NO.

Illinois Department of PUBLIC HEALTH

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

This 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.

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← DISPLAY THIS PART IN A CONSPICUOUS PLACE

Exp. Date 6/30/2020
Lic Number 0002451

Date Printed 5/13/2019

St. John's Hospital
800 E Carpenter St
Springfield, IL 62702

FEE RECEIPT NO.

St. John's Hospital

Springfield, IL

has been Accredited by



The Joint Commission


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

November 19, 2016

Accreditation is customarily valid for up to 36 months.


Craig W. Jones, FACHE
Chair, Board of Commissioners

ID #7432
Print/Reprint Date: 03/14/2017


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

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



File Number

3528-156 &



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

ST. JOHN'S HOSPITAL OF THE HOSPITAL SISTERS OF THE THIRD ORDER OF ST. FRANCIS, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JUNE 03, 1953, 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 # 1437291495 verifiable until 10/29/2019
Further details at: <http://www.cybertrust.state.il.us/cybertrust>

***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 29TH
day of OCTOBER A.D. 2018***

Jesse White
SECRETARY OF STATE

- For Criterion 1110.230 Background; please see the following exhibits for Attachment 11.
- Exhibit 1 – St. John's Hospital License
 - Exhibit 2 – St. John's Hospital Accreditation

- Exhibit 3 – Attestation Letter regarding adverse actions and permission to access documents

Attachment 11-Background



Hospital Sisters
HEALTH SYSTEM

Breese, IL
HSHS St. Joseph's Hospital

Decatur, IL
HSHS St. Mary's Hospital

Effingham, IL
HSHS St. Anthony's Memorial
Hospital

Greenville, IL
HSHS Holy Family Hospital

Highland, IL
HSHS St. Joseph's Hospital

Litchfield, IL
HSHS St. Francis Hospital

O'Fallon, IL
HSHS St. Elizabeth's Hospital

Shelbyville, IL
HSHS Good Shepherd Hospital

Springfield, IL
HSHS St. John's Hospital

Chippewa Falls, WI
HSHS St. Joseph's Hospital

Eau Claire, WI
HSHS Sacred Heart Hospital

Green Bay, WI
HSHS St. Mary's Hospital
Medical Center
HSHS St. Vincent Hospital

Oconto Falls, WI
HSHS St. Clare Memorial
Hospital

Sheboygan, WI
HSHS St. Nicholas Hospital

HSHS Medical Group

Prairie Cardiovascular

P.O. Box 19456
Springfield, Illinois 62794-9456
P: 217-523-4747
F: 217-523-0642
www.hshs.org

Sponsored by
Hospital Sisters Ministries

Adverse Action Letter

September 11, 2019

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

Dear Ms. Avery,

I hereby certify under penalty of perjury as provided in §1-109 of the Illinois Code of Civil Procedures, 735 ILCS 5/1-109 that no adverse action has been taken against any facility owned or operated by the Hospital Sisters Health System during three years prior to filing this CON permit application.

To the best of my knowledge, neither Hospital Sisters Health System nor any of its corporate officers or directors:

- have been cited, arrested, taken into custody, charged with, indicted, convicted or tried for, or pled guilty to the commission of (1) any felony or misdemeanor or violation of the law, except for minor parking violations or (2) the subject of any juvenile delinquency or youthful offender proceeding; or
- has been charged with fraudulent conduct or any act involving moral turpitude; or
- has any unsatisfied judgements against him or her; or
- is in default in the performance or discharge of any duty or obligation imposed by a judgement, degree, order, or directive of any court or governmental agency.

Additionally, pursuant to 77 Ill. Admin Code §1110.1540(b)(3)(J), I hereby authorize the Health Facilities and Services Review Board ("HFSRB") and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify information submitted as part of this CON permit application. I further authorize HFSRB and IDPH to obtain any additional information or documents from other government agencies which HFSRB or IDPH deem pertinent to process this permit application.

Sincerely,

Mary Sturmann-Harrison
President and CEO
Hospital Sisters Health System

Notarization:

Subscribed and sworn to before me
This 11 day of September, 2019

Signature of Notary

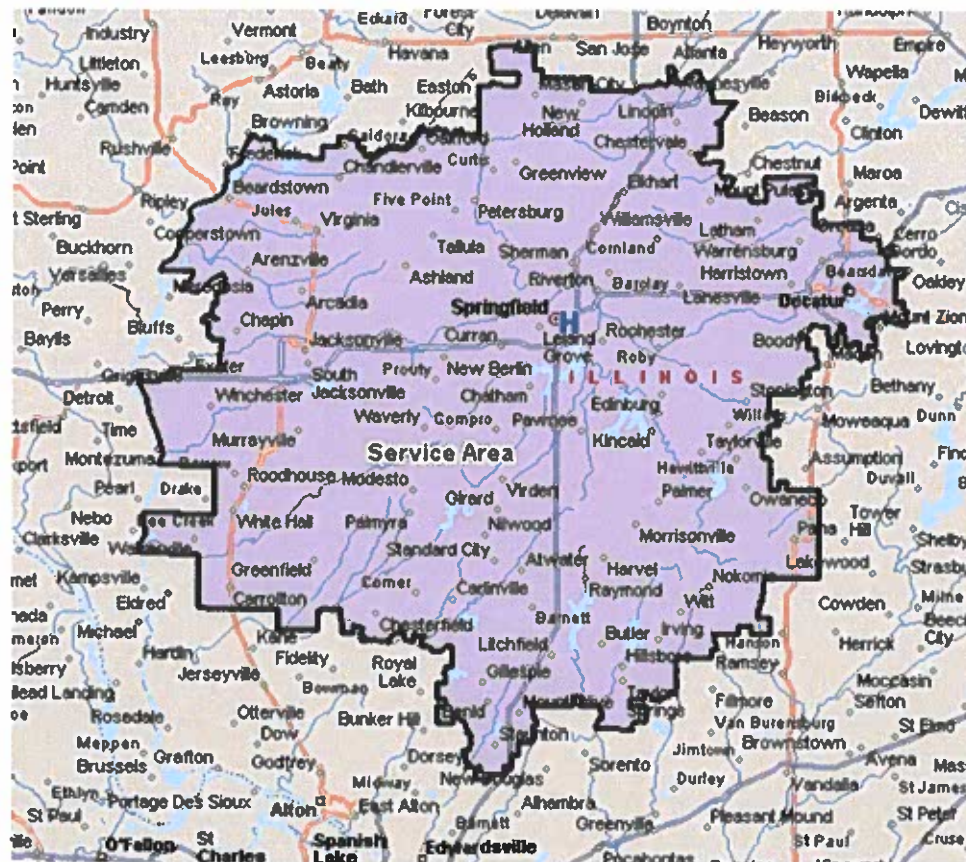


Attachment 12- Purpose of Project**1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.**

This project will greatly enhance St. John's Hospital's ability to provide the highest quality care to its most vulnerable patients and support continued growth. Over the last six years, St. John's ICU volumes have increased 26%, due in part to St. John's CONNECT program, a care coordination program through which a call center is used to efficiently facilitate the transfer of acutely ill patients to an appropriate higher level of care. The renovation and expansion of the ICU is necessary to provide adequate resources to accommodate the recent increased capacity as well as to support future growth initiatives. Medical Surgical volumes have also seen a large growth in volume as a result of to the CONNECT program. CY19 has already produced a peak census of 218 patients in this category of service. Since 1941, the ICU and medical surgical floors at St. John's Hospital have served patients in Central Illinois and have aimed to provide high quality care.

2. Define the planning area or market area, or other relevant area, per the applicant's definition.

St. John's Hospital's service area consists of 116 ZIP codes that are part of the Planning Area E-01 and Adjacent Planning Areas. A map of the service area is included below. The service area for the hospital consists of those ZIP codes in which 75% of its admitted patients reside.



A table of all hospital discharges (excluding Normal Newborns) is included in this attachment.

3. Identify the existing problems or issues that need to be addressed as applicable and appropriate for the project.

The existing intensive care units are extremely outdated, undersized, poorly configured and dark. Modules B and D have not been renovated in over 35 years, and the current room layouts offer no privacy for toileting and lack adequate support spaces. These facility deficiencies, along with numerous others, present several operational, safety, quality and privacy challenges within the units.

The ICU units have toilets that are out in the open in the middle of patient rooms, no storage spaces, wood paneling chipping off the nurses' stations and doors and little to no natural light. The rooms also do not offer enough space for families to visit their loved ones and the overall environment is not conducive to healing. There are also no adequate employee or visitor's lounges to support these units. Families who are visiting very ill patients could benefit from having a calm and comforting space to relax and reflect near the units during this stressful time. Furthermore, module D, located on the 2nd floor of the main hospital, is unable to be locked down and is isolated from the other units. All these deficiencies can negatively impact both patient and provider satisfaction.

Appropriately sizing patient rooms is a critical component of this project from a clinical perspective because many ICU patients require dialysis and ventilator treatments at the bedside. This equipment takes up a majority of the space in the smaller patient rooms, leaving little to no room for physicians and nurses to perform procedures and provide care. The floors also do not have storage spaces for the equipment, often causing delays in care as patients wait for the equipment to be brought up to their rooms. Patient rooms become especially cramped when a critically ill or injured patient requires multiple types of equipment at the bedside. These project plans would greatly support the goal of bringing all care to a patient's bedside in a timely and effective manner to further improve the quality of care.

Existing problems for the medical surgical category of service include running out of beds to place patients. Recent growth in the service has kept St. John's hospital at a max capacity throughout CY19. This has led to 122 regional denials due to no physical bed availability from Jan 1, 2019 to Aug 12, 2019. With additional growth anticipated, St. John's expects this problem to continue to increase.

St. John's Hospital must add ICU and medical surgical rooms to have the capacity support anticipated growth through the CONNECT program and strengthened physician partnerships in the region. Expanding the existing facilities to help accommodate the increased demand for services is also vital to the future success of the two programs. In order to provide patients and their families with a modernized environment that better meets today's standard-of-care and ensure that St. John's meets the needs for care in the region; the units will require expansions as well as extensive renovations and refreshes.

4. Cite the sources of the documentation

- a. Internal St. John's Hospital Records
- b. IHFSRB Individual Hospital Profiles

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

The objectives of this ICU project are five-fold:

- The completion of this project will support anticipated increases in volumes that will result from a closer alignment with regional hospitals and physician partners
- Updated, state-of-the-art units are crucial to provider satisfaction and engagement.
- A contemporary environment for delivery of care will support St. John's position as a regional referral center for tertiary and quaternary services.
- Relocation of beds will create efficiency by eliminating isolated ICU modules.
- Correct facility deficiencies and bring the ICU units up to a standard-of-care that meets the expectations of patients, physicians, families and staff.

When the above objectives are performed, St. John's will be able to provide their patients the highest level of care in a modernized unit. Evidence based medicine will be used to increase healing by keeping family and natural light accessible in the rooms, and space will be opened to adequately store equipment and give colleagues the room and efficiencies they need throughout their daily work. With the addition of 32 medical surgical beds, St. John's will be able to continue that quality of care to the additional demand for this category of service.

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

Project scope will include the following:

- Modernize space adjacent to the new CVICU on the 3rd floor of the main hospital.
- Decommission ICU module D on the 2nd floor, these beds will be relocated to the 4th floor.
- Modernization of ICU module A to update interiors and finishes.
- Demolition and remodel of modules B and C on the 4th floor of the main hospital.
- Create a welcoming courtyard space with a rooftop garden for patients, visitors and staff. This outdoor space will promote healing and provide a place for families to relax and reflect.
- New support spaces such as meds rooms are included in the scope of this project.
- Return 32 existing rooms to the hospital's medical/surgical inventory at no additional cost.

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.

The most recent module was built in 2010 with the remainder of the Modules being built in 1984 with no renovations since that time. In CY 2018, Press Ganey surveys for ICU units saw a downward trend in percentile rank for the "environment" category. One ICU patient reported, *"I was in a VERY SMALL and uncomfortable ICU unit - it was AWFUL!"* Some of the most cramped spaces, particularly in Module D, are beyond the capability of a cosmetic refresh. They will need to be expanded to allow for the demands of a customary ICU room. Other units will be modernized to keep consistency throughout the units to ensure colleagues are comfortable and knowledgeable on where items are in each room.

St. John's Hospital Inpatient Discharges (excluding Normal Newborns)
Jan 2018 – Dec 2018

Patient ZIP	Discharge Count
62702 - SPRINGFIELD	1,949
62703 - SPRINGFIELD	1,824
62704 - SPRINGFIELD	1,474
62650 - JACKSONVILLE	483
62656 - LINCOLN	467
62568 - TAYLORVILLE	431
62629 - CHATHAM	410
62711 - SPRINGFIELD	393
62056 - LITCHFIELD	372
62521 - DECATUR	339
62707 - SPRINGFIELD	330
62557 - PANA	319

62049 - HILLSBORO	278
62526 - DECATUR	267
62626 - CARLINVILLE	265
62561 - RIVERTON	257
62618 - BEARDSTOWN	229
62615 - AUBURN	225
62565 - SHELBYVILLE	220
62401 - EFFINGHAM	219
62712 - SPRINGFIELD	214
62471 - VANDALIA	212
62690 - VIRDEN	188
62563 - ROCHESTER	173
62675 - PETERSBURG	170
62033 - GILLESPIE	165
62681 - RUSHVILLE	154
62684 - SHERMAN	149
62640 - GIRARD	139
62363 - PITTSFIELD	136
62558 - PAWNEE	121
62075 - NOKOMIS	120
61455 - MACOMB	117
62082 - ROODHOUSE	108
62613 - ATHENS	108
62016 - CARROLLTON	105
62691 - VIRGINIA	101
62522 - DECATUR	100
62088 - STAUNTON	96
62670 - NEW BERLIN	91
62092 - WHITE HALL	89
62246 - GREENVILLE	88
61938 - MATTOON	87
62069 - MOUNT OLIVE	85
62301 - QUINCY	79
62692 - WAVERLY	79
62644 - HAVANA	76
62664 - MASON CITY	76
62677 - PLEASANT PLAINS	75
61727 - CLINTON	74
62612 - ASHLAND	74
62530 - DIVERNON	67
62353 - MOUNT STERLING	65
62701 - SPRINGFIELD	64
62009 - BENLD	62

62531 - EDINBURG	62
61951 - SULLIVAN	61
62080 - RAMSEY	61
62540 - KINCAID	60
62448 - NEWTON	57
62571 - TOWER HILL	57
62548 - MOUNT PULASKI	56
62549 - MT ZION	56
62560 - RAYMOND	55
62661 - LOAMI	53
62674 - PALMYRA	52
62694 - WINCHESTER	50
62665 - MEREDOSIA	49
62017 - COFFEEN	48
62533 - FARMERSVILLE	48
62546 - MORRISONVILLE	48
62839 - FLORA	48
62458 - SAINT ELMO	47
62515 - BUFFALO	46
62520 - DAWSON	46
61920 - CHARLESTON	45
62642 - GREENVIEW	45
62411 - ALTAMONT	44
62418 - BROWNSTOWN	44
62044 - GREENFIELD	43
62467 - TEUTOPOLIS	37
62051 - IRVING	36
62414 - BEECHER CITY	36
62510 - ASSUMPTION	36
62539 - ILLIOPOLIS	35
62545 - MECHANICSBURG	35
62668 - MURRAYVILLE	35
62094 - WITT	34
62340 - GRIGGSVILLE	33
62693 - WILLIAMSVILLE	33
62431 - HERRICK	32
62625 - CANTRALL	32
62688 - TALLULA	32
62550 - MOWEAQUA	31
62638 - FRANKLIN	31
62305 - QUINCY	30
62685 - SHIPMAN	30
62428 - GREENUP	29

62708 -	29
62627 - CHANDLERVILLE	28
62032 - FILLMORE	27
62086 - SORENTO	27
62447 - NEOGA	27
62513 - BLUE MOUND	27
62463 - STEWARDSON	25
62567 - STONINGTON	25
62089 - TAYLOR SPRINGS	24
62535 - FORSYTH	24
62689 -	24
61937 - LOVINGTON	23
62422 - COWDEN	23
62262 - MULBERRY GROVE	22
62536 - GLENARM	22
62634 - ELKHART	22
62838 - FARINA	22
61957 - WINDSOR	21
62366 - PLEASANT HILL	21
62534 - FINDLAY	21
62551 - NIAN TIC	21
62858 - LOUISVILLE	21
61501 - ASTORIA	20
62052 - JERSEYVILLE	20
62321 - CARTHAGE	20
62473 - WATSON	20
62570 -	20
62572 - WAGGONER	20
62666 - MIDDLETOWN	20
61723 - ATLANTA	19
62015 - BUTLER	19
62326 - COLCHESTER	19
62014 - BUNKER HILL	18
62093 -	18
62424 - DIETERICH	18
62443 - MASON	18
62468 - TOLEDO	18
62611 - ARENZVILLE	18
62058 - LIVINGSTON	17
62621 - BLUFFS	17
62881 - SALEM	17
61422 - BUSHNELL	16
61914 - BETHANY	16

62019 - DONNELLSON	16
62624 - BROWNING	16
62556 - PALMER	15
62649 - HETTICK	15
62655 - KILBOURNE	15
62538 - HARVEL	14
62885 - SHOBONIER	14
61701 - BLOOMINGTON	13
61756 - MAROA	13
61911 - ARTHUR	13
62284 - SMITHBORO	13
62445 - MONTROSE	13
62544 - MACON	13
62553 - OCONEE	13
62801 - CENTRALIA	13
62899 - XENIA	13
62091 - WALSHVILLE	12
62275 - POCAHONTAS	12
62312 - BARRY	12
62367 - PLYMOUTH	12
62573 - WARRENSBURG	12
62651 -	12
61856 - MONTICELLO	11
62074 - NEW DOUGLAS	11
62426 - EDGEWOOD	11
62547 - MOUNT AUBURN	11
62601 - ALEXANDER	11
62617 - BATH	11
62630 - CHESTERFIELD	11
62667 - MODESTO	11
62671 - NEW HOLLAND	11
62824 - CLAY CITY	11
62854 - KINMUNDY	11
62864 - MOUNT VERNON	11
61818 - CERRO GORDO	10
62011 - BINGHAM	10
62050 - HILLVIEW	10
62077 -	10
62097 - WORDEN	10
62231 - CARLYLE	10
62361 - PEARL	10
62450 - OLNEY	10
62465 - STRASBURG	10

62480 - WILLOW HILL	10
62501 - ARGENTA	10
62517 - BULPITT	10
62643 - HARTSBURG	10
62672 - NILWOOD	10
61821 - CHAMPAIGN	9
62083 - ROSAMOND	9
62085 -	9
62378 - VERSAILLES	9
62461 - SHUMWAY	9
62479 - WHEELER	9
62512 - BEASON	9
62518 - CHESTNUT	9
62554 - OREANA	9
62555 - OWANECO	9
62705 -	9
61364 - STREATOR	8
61482 - TABLE GROVE	8
61520 - CANTON	8
61761 - NORMAL	8
62249 - HIGHLAND	8
62420 - CASEY	8
62462 - SIGEL	8
62628 - CHAPIN	8
62880 - SAINT PETER	8
61401 - GALESBURG	7
61542 - LEWISTOWN	7
61704 - BLOOMINGTON	7
61749 - KENNEY	7
62027 - ELDRED	7
62253 - KEYESPORT	7
62314 - BAYLIS	7
62438 - LAKEWOOD	7
62631 - CONCORD	7
62635 - EMDEN	7
62639 - FREDERICK	7
62663 -	7
62695 -	7
62791 -	7
62794 -	7
62868 - NOBLE	7
62875 - PATOKA	7
61443 - KEWANEE	6

61450 - LA HARPE	6
61554 - PEKIN	6
61604 - PEORIA	6
61611 - EAST PEORIA	6
61802 - URBANA	6
61910 - ARCOLA	6
61913 - ATWOOD	6
62053 - KAMPSVILLE	6
62323 - CHAMBERSBURG	6
62355 - NEBO	6
62362 - PERRY	6
62444 - MODE	6
62519 -	6
63401 -	6
61416 - BARDOLPH	5
61420 - BLANDINSVILLE	5
61441 - IPAVA	5
61452 - LITTLETON	5
61470 - PRAIRIE CITY	5
61567 - TOPEKA	5
61820 - CHAMPAIGN	5
61866 - RANTOUL	5
61912 - ASHMORE	5
61928 - GAYS	5
61956 - VILLA GROVE	5
62025 - EDWARDSVILLE	5
62374 - TENNESSEE	5
62432 - HIDALGO	5
62436 - JEWETT	5
62523 - DECATUR	5
62525 -	5
62633 - EASTON	5
62849 - IUKA	5
62896 - WEST FRANKFORT	5
Other ZIPS with Less than 5 Discharges Each	658
TOTAL	19,154

Attachment 13- Project 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.

Attachment 13- Project Alternatives**ALTERNATIVES-ICU**

The following alternatives to the proposed project were considered and found to be infeasible.

- 1) Modernize the Intensive Care units included in this project in its existing space without changing the configuration and size of patient rooms and nursing stations. Modernization would only occur by providing minimal renovation of the floor plan and not "gutting" the unit. This alternative would include cosmetic upgrading of finishes in patient rooms, toilet rooms, nursing stations, support space, and corridors.
 - a) Capital Costs - \$12,000,000
 - b) This alternative was infeasible because the project is designed to correct a number of issues beyond cosmetic upgrades which have resulted in the increasing functional obsolescence of the Intensive Care units. It would be financially imprudent for St. John's to only provide cosmetic upgrades to this unit.
 - i. These issues to be addressed include:
 - 1. Inadequate floor-to-ceiling height.
 - 2. Patient rooms of various size and configuration.
 - 3. Relocating ICU rooms to adjacent areas in the hospital.
 - 4. Patient rooms of inadequate size to accommodate equipment to treat high-acuity patients.
 - 5. Patient rooms not including in-room showers.
 - 6. Patient toilet rooms not meeting current standards
 - 7. Patient rooms need to be expanded to create adequate space to accommodate families.
 - 8. Patient rooms need to be larger to accommodate students, residents, and fellows of SIU School of Medicine as well as nursing schools which use St. John's as a teaching affiliate.

- 2) Replace and expand the Intensive Care units by constructing a replacement bed tower.
 - a) Capital Costs - \$275,000,000
 - b) The capital costs required would exceed the amount allocated for this project.
 - c) St. John's has renovated 5 floors of the hospital patient tower in the past 9 years (Permits #10-042 and #17-067) at cost of over \$65,000,000. It would not be financially prudent to replace the hospital after the previous modernization project.
 - d) If this alternative were to be pursued, no plans have been put in place to demolish the current bed tower, so a plan for re-use of this space would need to be developed. Using the current bed tower for another purpose other than Medical/Surgical and Intensive Care nursing units would be difficult due to the low ceiling heights and narrow double-loaded corridors in the 1939 building.
- 3) Construct a replacement hospital and replace and expand the entire Intensive Care Category of Service in the replacement hospital.
 - a) Capital Costs - \$847,000,000
 - b) The capital costs required would exceed the amount allocated for this project.
 - c) Abandoning the existing hospital buildings would be imprudent and excessive since many hospital departments do not require replacement.
 - d) St. John's has renovated 5 floors of the hospital patient tower in the past 9 years (Permits #10-042 and #17-067) at cost of over \$65,000,000. It would not be financially prudent to replace the hospital after the previous modernization project.
 - e) As a major teaching affiliate of the SIU School of Medicine, St. John's Hospital does not want to leave its current location, which is an integral component of the medical corridor in close proximity to the school, its faculty, students, and residents. The current location is optimal for a major tertiary center involved in patient care, teaching, and research.
 - f) St. John's does not consider it appropriate to abandon the low-income community it serves by moving from its current location. It is not possible to assemble a parcel of land large enough to replace the hospital near its current location.
- 4) Modernize and expand Intensive Care units, including reconfiguring patient rooms and nursing stations. This also includes relocating all ICU beds into adjacent areas and modernizing non-clinical service areas and maintenance work.
 - a) Capital Costs - \$17,232,236
 - b) This preferred option is viewed as the best use of capital. It allows for correcting the deficiencies as listed in section 1 of this attachment while also updating patient care room finishes to today's standards.
 - c) The option allows for the hospital to utilize current facilities which have recently been upgraded, stay in close proximity to the SIU School of Medicine and to the low-income population it helps serve.

ALTERNATIVES-MEDICAL SURGICAL

- 1) The only alternative for the medical surgical part of the project points to continuing to function at 200 licensed medical surgical beds.
 - a) Capital Costs- None
 - b) The option does not respond to the growth St. John's has seen in medical surgical patients and referrals from the region.
 - c) St. John's denied 122 medical surgical patients from the region in the first half of the year and those denials would only grow leaving patients without the care that they need.
 - d) The existing 32 beds that would be used for medical surgical would sit empty on the 4th floor of St. John's until another purpose was found for that space.
 - e) The option does not save any money as the original suggestion does not have any capital costs associated with it.
- 2) Licensure of additional 32 medical surgical beds placed in existing space that is prepared for this category of service.
 - a) Capital costs- None
 - b) This preferred option is viewed as the best solution to the growth that St. John's is seeing in care coordination and referrals in the surrounding area.
 - c) The option provides the care that is needed by patients throughout the Central Illinois region.
 - d) The option does not have any capital costs associated with it.

Attachment 14- 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 (actual size)	MET STANDARD?
Clinical				
ICU Room & Associated Area (28 Beds)	18,458	600-685 dgsf/Bed	659 dgsf/Bed	Yes
Medical/Surgical Rooms (32 Beds)	19,560	500-660 dgsf/Bed	612/dgsf/Bed	Yes
Total Clinical	38,018			
Non-Clinical				
Floor Area being converted to roof	6,265	N/A	N/A	N/A
Total Non-Clinical	6,265			
TOTAL	44,283			

Attachment 15- Project Services Utilization

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 FY2018	Med/Surg	Patient Days	60,179	90%	No
YEAR 2 FY2019	Med/Surg	Patient Days	68,985	90%	No
YEAR 1 FY2018	ICU	Patient Days	13,996	60%	Yes
YEAR 2 FY2019	ICU	Patient Days	14,276	60%	Yes

Medical Surgical

From January 1 to Aug. 12, 2019, the medical surgical service has experienced an average daily census of 189 with a peak census of 218. The current average daily of 189 was annualized out to the projected utilization referenced above. Although the current average daily census is below the 209 needed to justify the additional 32 beds (232 in total), there has been drastic growth in the category of service and there are additional reasons that lead St. John's hospital to believe that these additional beds will be needed to meet the future demand of the service.

Length of Stay has increased from 4.762 to 4.971 days between CY2017 and 12 months ending 3/31/19. This increase reflects 2,815 additional patient days and keeps the length of stay comparable to other institutions in the market. Patient acuity has been a driver in the LOS as it has increased from 1.92 avg CMI to 1.95 CMI over the same period. In CY19, Jan 1-Aug. 12th St. John's hospital has denied 122 regional medical surgical transfers due to no physical bed availability.

Growth in regional transfers has increased the demand for medical surgical bed capacity at St. John's Hospital. The Hospital Sisters Health System has worked hard to increase care coordination within its ministry hospitals as well as with independent physician groups in the market. This effort was aimed to decrease the duplication of highly specialized resources and increase the comfort of our providers as they can have higher volumes of certain rare procedures in one location. Working closely with local providers will continue to be a key strategy for the hospital as St. John's works to provide the care that is needed for Sangamon County as well as the region surrounding it. Utilizing the 32 already existent medical surgical beds will come at no additional cost and will protect these beds from sitting dormant at the St. John's location.

St. John's is confident that with the continuation of a 7% historical growth rate seen in patient days from 2015 to 2018 as well as the other reasons listed above that the additional 32 beds will hit the target 90% utilization within the first 2 years of operation. The additional 32 beds will be available immediately, but it may take the entire project longer to complete.

The applicant respectfully notes that in the course of preparing this application, errors were found in how the patient days were calculated after the FY2018 data was submitted. To correct this, St. John's has adopted a consistent methodology for determining patient days dating back to Jan 1, 2019. Unfortunately, it is not possible for this methodology to be applied to prior years without reviewing all individual patient medical records, which is not feasible.

ICU

The projections in the above table represent a pattern of growth from the patient days and average length of stay values for Fiscal Year 2019. Fiscal Year 2018 was used as a baseline and a 2% annual growth projection was added.

A growth rate of 2% was utilized for the following reasons:

- A specific effort has been made to align with community physicians throughout the St. John's Hospital Service Area to improve care coordination efforts. The increasing alignment with area provider groups and continued regional growth through the CONNECT program will grow the number of hospital admissions.
- An aging population in the St. John's Hospital Service Area will increase volumes in most hospital facilities, including St. John's. As that aging population needs more specialized care, they will be transferred more often from small hospitals with the help of our CONNECT referral coordination program to our tertiary care center.
 - St. John's ICU admissions saw a 10.2% increase from CY16-18.
- 2% growth is a conservative estimate and is representative of growth we have seen over the most recent calendar year.

Although utilization does meet the state standard 60% occupancy rate using average daily census, a review of patient acuity also supports the need for additional beds.

St. John's Hospital partnership with the SIU School of Medicine for medical student, resident, and fellowship training as well as its partnership with multiple nursing schools across Central Illinois requires that there are enough patients for students to receive adequate clinical experience.

St. John's Hospital also operates one of the region's two Level I Trauma Centers. In the event of an emergent situation or a pandemic crisis, its ICU beds are necessary and can be immediately set up and staffed within 24-48 hours.

**Attachment 18- Medical/Surgical, Obstetric, Pediatric and Intensive Care
Expand and Modernize**

1110.200(b)(2)- Planning Area Need- Service to Planning Area Residents

A) The primary purpose of our expansion of ICU and medical surgical bed capacity at St. John's Hospital is to provide necessary health care to the residents of our service planning area which is listed in Attachment 12 on pg. 74.

B) and C)

St. John's Hospital Medical Surgical Patient Origin for CY18		
	Total Patients	Percentage of Total Patients
Market Area	7,701	73.2%
Extended Market Area	2,821	26.8%
Total	10,522	100%

St. John's Hospital ICU Patient Origin for CY18		
	Total Patients	Percentage of Total Patients
Market Area	4,356	71.4%
Extended Market Area	1,745	28.6%
Total	6,101	100%

St. John's Hospital Medical Surgical Patient Origin by Zip Code for CY18

Patient Zip	Discharge Count
62702	1026
62703	943
62704	747
62650	269
62656	247
62711	229
62056	212
62568	206
62629	204
62049	193
62707	192
62557	187
62471	156
62626	156
62561	149
62401	149
62565	147
62615	121
62618	119
62033	118
62712	113
62521	112

62690	91
62684	87
62563	84
62363	83
62681	82
62675	81
62075	81
62526	78
61455	73
62246	72
62088	71
62016	70
62640	66
62082	65
62691	61
62613	57
62092	56
62558	54
62353	52
61938	49
62069	49
62701	45
62448	43
62080	42
62677	41
62644	41
62670	39
62612	38
62664	37
62692	37
62540	37
62839	37
62530	36
62009	36
62661	34
62560	33
61727	33
62694	32
62458	32
61920	32
62411	31
62548	31
62531	30

62522	30
61951	30
62017	30
62665	27
62520	26
62571	26
62642	26
62418	25
62549	25
62431	24
62515	23
62688	23
62546	23
62301	23
62674	22
62089	21
62044	21
62340	20
61957	20
62539	19
62510	19
62414	18
62447	18
62668	18
62708	18
62051	18
62533	17
62467	17
62550	17
62838	17
62545	17
62262	17
62086	17
61501	17
62685	16
62625	16
62094	16
62627	15
62428	15
62536	15
62326	15
62019	15
62463	14

62443	14
62611	14
62015	14
62422	13
62693	13
62666	13
62052	13
62858	12
62468	12
62881	12
62014	12
62058	12
62885	11
62424	11
62572	11
62634	11
62689	10
62864	10
62705	10
62534	10
62556	10
62624	10
62513	10
62535	10
62445	10
62093	10
62284	10
62077	10
62801	9
62655	9
62621	9
62553	9
62567	9
62275	9
61422	9
61723	9
62011	9
62465	8
62321	8
62630	8
62473	8
62420	8
62667	8

62791	8
62672	8
62450	8
62378	8
62570	8
62651	8
62638	8
61821	8
61482	8
62074	8
62305	8
62426	7
62899	7
62824	7
62649	7
62444	7
62617	7
62361	7
62551	7
62643	7
62312	7
61818	7
62231	7
61364	7
61856	7
62097	7
62628	6
62479	6
62547	6
62512	6
62671	6
62436	6
62555	6
62854	6
62366	6
61937	6
61401	6
62032	6
61910	6
61914	6
61911	6
62794	5
62462	5

62868	5
61611	5
61913	5
61761	5
61749	5
61441	5
62253	5
62050	5
62053	5
61520	5
Other ZIPS with Less than 5 Discharges Each	612
TOTAL	10,522

St. John's Hospital ICU Patient Origin by Zip Code for CY18

Patient Zip	Discharge Count
62702	565
62703	545
62704	369
62521	154
62656	146
62056	145
62650	138
62568	129
62629	119
62049	109
62557	105
62711	105
62526	101
62707	94
62401	91
62565	88
62471	87
62626	83
62561	74
62615	71
62690	62
62618	62
62681	57
62033	52
62712	46
62675	44

61938	41
62563	40
62075	39
62082	39
62016	38
61455	38
62088	38
62092	37
62069	36
62522	36
62640	36
62691	34
62684	34
61951	34
62363	33
62613	30
62246	28
62558	27
62644	26
62677	25
62080	24
62664	24
62692	24
61727	23
62009	23
62458	23
62418	22
62467	22
62448	21
62670	21
62301	21
61920	20
62571	20
62353	20
62549	19
62017	19
62414	19
62839	19
62548	19
62560	18
62411	18
61937	17
62685	17

62520	17
62546	17
62051	16
62428	16
62044	16
62612	16
62674	15
62431	15
62693	15
62694	15
62701	15
62530	14
62642	13
62531	13
62550	13
62535	13
62032	13
62422	12
62366	12
62447	12
62424	12
62094	12
62665	12
62473	12
62305	11
62533	11
62014	11
62515	11
62321	11
62668	10
62838	10
62086	10
62340	10
62463	10
62513	10
62089	9
62093	9
62625	9
62854	8
62540	8
62534	8
62858	8
62468	8

62058	8
62661	8
62688	8
62572	8
61422	7
62881	7
62510	7
62567	7
62689	7
61501	7
62539	7
61723	7
62545	7
62262	7
62052	7
61911	7
62536	6
62880	6
62801	6
62627	6
62015	6
62634	6
62538	6
62367	6
62312	6
62666	6
61914	6
62885	6
62284	5
62011	5
62695	5
62465	5
62091	5
62551	5
62624	5
61364	5
61818	5
62899	5
62554	5
62326	5
62573	5
62461	5
62501	5

62443	5
62445	5
62426	5
62275	5
62438	5
Other ZIPS with Less than 5 Discharges Each	492
TOTAL	6,101

1110.200(b)(4)- Planning Area Need- Service Demand-Expansion of Existing Category of Service

A) Historical Service Demand

i) Utilization numbers calculated with the additional bed numbers included.

Med/Surg	CY17	CY18
AHQ Patient Days	55,597	60,179
Utilization	65.7%	71.1%

Although neither the CY17 or CY18 Utilization does not meet the 90% required by the state to show bed need with the additional 32 beds, St. John's Hospital has submitted data that shows that CY19 has had a utilization closer to 82% this year and expects the recent growth to continue with the reasons discussed in attachment 15 on pg. 87.

ICU	CY17	CY18
AHQ Patient Days	11,546	13,996
Utilization	56.5%	68.5%

Although the CY17 ICU Utilization does not fully reach the 60% required by the state to show bed need, St. John's Hospital has seen a large increase in patient days from CY18 which pushed the utilization well over the 60% requirement. Internal data supports the volume increases continuing so far in CY19.

1110.200(c)(2)- Maldistribution**Medical Surgical**

According to the Inventory of Health Care Facilities and Services and Need Determinations for Hospital (as updated 6/5/2019). Planning Area E-01 which contains St. John's Hospital, there is an excess of 259 beds. With the addition of the 32 requested beds, that excess would grow to 291 beds. However, even with the addition of these beds, the planning area's ratio of beds to population is 0.00235 which is below one and one-half times the State average of 0.00252, which is an indicator that the project would not result in maldistribution.

ICU

According to the Inventory of Health Care Facilities and Services and Need Determinations for Hospital Planning Area E-01 (as updated 6/5/2019) which contains St. John's Hospital, maldistribution should not be a problem as the planning area is in need of 24 additional beds in the Intensive Care Category of Service. Since this report was published, St. John's has added 6 ICU beds approved by the HFSRB.

ILLINOIS DEPARTMENT OF PUBLIC HEALTH
REVISED BED NEED DETERMINATIONS
6/5/2019

Hospital Planning Area	MEDICAL-SURGICAL/PEDIATRIC BEDS				INTENSIVE CARE BEDS				OBSTETRIC BEDS			
	Beds	Calculated Bed Need	Bed Need	Excess	Beds	Calculated Bed Need	Bed Need	Excess	Beds	Calculated Bed Need	Bed Need	Excess
A-001	2,123	1,118	0	1,005	449	358	0	91	239	121	0	118
A-002	1,580	867	0	713	384	378	0	6	237	89	0	148
A-003	1,791	1,116	0	675	262	220	0	42	154	84	0	70
A-004	2,040	1,557	0	483	366	322	0	44	180	128	0	52
A-005	1,065	891	0	174	244	237	0	7	184	97	0	87
A-006	1,012	655	0	357	209	229	20	0	75	62	0	13
A-007	1,191	854	0	337	192	168	0	24	172	104	0	68
A-008	614	448	0	166	94	94	0	0	70	46	0	24
A-009	770	715	0	55	108	110	2	0	112	68	0	44
A-010	227	233	6	0	33	35	2	0	43	24	0	19
A-011	296	296	0	0	45	53	8	0	28	39	11	0
A-012	409	347	0	62	58	67	9	0	68	35	0	33
A-013	690	759	69	0	113	124	11	0	91	65	0	26
A-014	264	142	0	122	57	49	0	8	42	15	0	27
B-001	599	437	0	162	98	102	4	0	67	38	0	29
B-002	103	71	0	32	8	7	0	1	14	5	0	9
B-003	158	111	0	47	14	15	1	0	17	10	0	7
B-004	97	111	14	0	20	7	0	13	22	14	0	8
C-001	884	527	0	357	146	141	0	5	86	38	0	48
C-002	178	145	0	33	22	18	0	4	19	19	0	0
C-003	193	79	0	114	21	14	0	7	17	9	0	8
C-004	69	60	0	9	12	6	0	6	16	7	0	9
C-005	402	218	0	184	34	28	0	6	39	19	0	20
D-001	454	283	0	171	66	50	0	16	64	28	0	36
D-002	289	181	0	108	31	23	0	8	46	25	0	21
D-003	186	125	0	61	20	10	0	10	17	11	0	6
D-004	397	189	0	208	48	46	0	2	44	21	0	23
D-005	124	93	0	31	9	11	2	0	19	11	0	8
E-001	705	446	0	259	103	127	24	0	62	35	0	27
E-002	93	61	0	32	4	2	0	2	3	6	3	0
E-003	64	29	0	35	4	3	0	1	0	2	2	0
E-004	122	55	0	67	13	5	0	8	11	6	0	5
E-005	193	129	0	64	26	21	0	5	27	13	0	14
F-001	1,001	494	0	507	109	105	0	4	156	50	0	106
F-002	157	81	0	76	12	8	0	4	21	10	0	11
F-003	178	78	0	100	12	5	0	7	14	7	0	7
F-004	263	159	0	104	38	29	0	9	18	14	0	4
F-005	121	52	0	69	0	0	0	0	0	3	3	0
F-006	194	148	0	46	26	22	0	4	12	13	1	0
F-007	278	142	0	136	23	19	0	4	28	13	0	15
Totals	21,574	14,502	89	7,161	3,633	3,268	83	348	2,534	1,404	20	1,150

Along with the requested 8 additional beds, the planning area is still in need of 13 ICU beds.

1110.200(d)(1), (2), and (3)- Category of Service Modernization

In CY 2018, Press Ganey surveys for ICU units saw a downward trend in percentile rank for the "environment" category. One ICU patient reported, *"I was in a VERY SMALL an uncomfortable ICU unit - it was AWFUL!"* Some of the most cramped spaces, particularly in Module D, are beyond the capability of a cosmetic refresh. These units have toilets that are out in the open in the middle of patient rooms, no storage spaces, wood paneling chipping off the nurses' stations and doors and little to no natural light. The rooms also do not offer enough space for families to visit their loved ones and the overall

environment is not conducive to healing. There are also no adequate employee or visitor's lounges to support these units. Families who are visiting very ill patients could benefit from having a calm and comforting space to relax and reflect near the units during this stressful time. All of these deficiencies support the fact that the rooms do not currently support new standards of care that are set by our patients and their families.

Appropriately sizing patient rooms is also a critical component of this project from a clinical perspective because many ICU patients require dialysis and ventilator treatments at the bedside. This equipment takes up a majority of the space in the smaller patient rooms, leaving little to no room for physicians and nurses to perform procedures and provide care. The floors also do not have storage spaces for the equipment, often causing delays in care as patients wait for the equipment to be brought up to their rooms. Patient rooms become especially cramped when a critically ill or injured patient requires multiple types of equipment at the bedside.

1110.200(e)- Staffing Availability- Review Criterion

St. John's Hospital is currently staffing 54 ICU beds and 200 medical surgical beds. Based on current staffing ability, there will be clinical and professional staff available for the proposed additional ICU and medical surgical beds; the Hospital will continue to meet all licensure and JCAHO staffing requirements.

1110.200(f)-Performance Requirements- Bed Capacity Minimum

The ICU unit at St. John's Hospital will have 64 beds which is greater than the 4-bed minimum required for ICU. The current and proposed medical surgical category of service is 200 (232 proposed) and above the minimum 100 beds.

1110.200(g)- Assurances

The applicant representative who signs the CON application shall submit a signed and dated statement attesting to the applicant's understanding that, by the second year of operation after project completion, the applicant will achieve and maintain the occupancy standards specified in 77 Ill. Adm. Code 1100 for each category of service involved in the proposal.

**Attestation for Occupancy Standards**

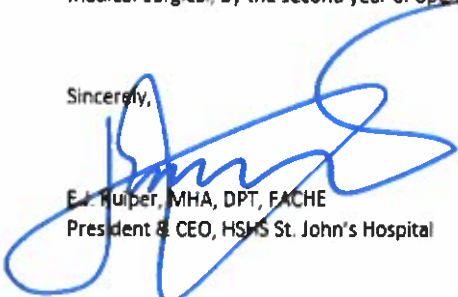
September 11, 2019

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

Dear Ms. Avery:

I, E.J. Kuiper, do hereby attest that St. John's Hospital in Springfield, Illinois, will achieve and maintain the occupancy standards specified in 77 Ill. Adm. Code 1100 for the categories of service, ICU and medical-surgical, by the second year of operation after project completion.

Sincerely,


E.J. Kuiper, MHA, DPT, FACHE
President & CEO, HSHS St. John's Hospital

Notarization:

Subscribed and sworn to before me

This 11 day of September 2019.


Melinda M. Mancini

Notary Public



Attachment 33: Availability of Funds & Documentation of Bond Rating

Hospital Sisters Services, Inc. Illinois Finance Authority; Hospital; Joint Criteria; System

Credit Profile**Series 2012C***Long Term Rating*

AA-/Negative

Outlook Revised

Rationale

S&P Global Ratings revised its outlook to negative from stable and affirmed its 'AA-' long-term rating and underlying rating (SPUR) to bonds issued for Hospital Sisters Services Inc. (HSSI), Ill., by various issuers. At the same time, S&P Global Ratings affirmed the following ratings:

- 'AA-/A-1+' dual rating on the series 2012H, 2012I, and 2017B bonds issued by the Illinois Finance Authority (IFA), and
- 'AA+/A-1' dual rating and 'AA-' SPUR on IFA's series 2012G bonds.

All bonds were issued for HSSI. All financial information is based on the parent, Hospital Sisters Health System (HSBS).

The 'AA+/A-1' rating on the series 2012G revenue refunding bonds is based on our joint criteria. The long-term component of the rating is based jointly (assuming low correlation) on the ratings on the obligor, HSSI, and the letter of credit provider, BMO Harris. The short-term component of the rating is based solely on the rating on BMO Harris.

The negative outlook reflects our view of HSSI's operating challenges over the last year, which we expect to persist over the two-year outlook period. HSSI experienced significant operating losses in its southern Illinois market over the last year as it opened a new hospital in O'Fallon, Ill. These losses are expected to narrow over the next several years, but will continue to put pressure on system operations. At the same time, HSSI is facing increased competition in its western Wisconsin market as a new hospital opens in Eau Claire, Wis., this summer. Western Wisconsin is HSSI's smallest market, but it has historically produced the system's strongest operating margin, and has subsidized somewhat weaker performance in its Illinois markets. While management has developed a robust strategic plan to address these challenges, we believe they may not be sufficient to stabilize the system's already thin operating performance, and thus a lower rating is possible over the two-year outlook period. Although the system's maximum annual debt service (MADS) coverage is strong, we note HSSI is reliant on nonoperating revenue and provider tax assessment revenue, both of which could prove volatile. Therefore, we view further pressure to operating performance as a rating concern.

The 'AA-' rating continues to reflect our view of the system's very strong financial profile, characterized by healthy revenue diversity, with 15 hospitals and a robust ambulatory presence across two states, including two sizable

Hospital Sisters Services, Inc. Illinois Finance Authority; Hospital; Joint Criteria; System

multispecialty physician groups. HSHS leadership has a demonstrated history of developing and executing strategic plans across the system's dynamic markets, which we view positively given the current pressures facing the system. The rating also reflects our view of HSSI's excellent balance sheet, characterized by solid cash-to-debt and days⁹ cash on hand metrics, and which has historically provided it some cushion through periods of leaner operations. While the system's operating margins remain thin, solid nonoperating results have supported ample MADS coverage. The system also has a fairly light debt load, with a modest debt burden and relatively low leverage. While the balance sheet is a key credit strength, it does not provide unlimited cushion at the rating level, and we view a lower rating as possible if operating pressures persist and HSSI experiences operating losses.

The 'AA-' rating further reflects our view of HSHS':

- Solid balance sheet, which we anticipate should strengthen as the system has limited capital needs over the next several years;
- Stable management team with a CEO who has a good background in Wisconsin-based hospitals and working with HSSI-employed and non-HSSI-employed physicians; and
- Geographic diversity, with 15 hospitals in Illinois and Wisconsin.

Partly offsetting the above strengths, in our view, are:

- HSHS' operating margin, which remains less than adequate for the rating;
- Increasing competition across all four of its major service areas, which may pressure volumes and limit market share growth; and
- Reliance on special funding sources, specifically state provider tax assessments from Illinois and Wisconsin. While we recognize these funds have been relatively stable over time, we view them as potentially volatile in the event of budgetary issues at the state level.

The 'A-1+' short-term component of the dual ratings reflects our view that HSSI utilizes its own liquidity. HSSI has committed several sources of short-term and long-term funds to support its unenhanced variable-rate demand bonds (VRDBs). As of January 2018, HSSI identified approximately \$1.7 billion in investments and real estate assets. We will continue to monitor both the sufficiency and the liquidity available through HSSI's cash and assets to ensure that it can cover the purchase price of any bonds in the event of failed remarketing for its three series of self-liquidity-backed VRDBs totaling \$220.2 million. Ample liquidity is provided through the money held in cash and high-quality, short-term fixed-income securities.

Outlook

The negative outlook reflects our view that HSHS could face further operating pressure over the next one to two years, leading to operating losses.

Downside scenario

We could lower the rating if HSHS is unable stabilize operations and sustain an operating margin above break even. While not expected, we could also consider a lower rating if HSHS experiences a significant decline in unrestricted

Hospital Sisters Services, Inc. Illinois Finance Authority; Hospital; Joint Criteria; System

reserves such that days' cash and cash-to-debt metrics weaken to a level no longer appropriate for the rating.

Upside scenario

Given the system's operating challenges, we believe a higher rating is unlikely at this time. However, we would consider a return to a stable outlook if management is able to successfully navigate its operating challenges in southern Illinois and western Wisconsin and demonstrate stabilized systemwide operations.

Enterprise Profile: Very Strong

We view HSSI's enterprise profile as very strong, characterized by solid revenue diversity, a sizable and diversified medical staff, and a strong leadership team. HSHS, the parent of HSSI, operates 15 hospitals: nine in Illinois and six in Wisconsin. These hospitals are spread across four distinct markets:

- Eastern Wisconsin, including hospitals in Green Bay, Oconto Falls, and Sheboygan, and a joint venture hospital in Door County;
- Western Wisconsin, including hospitals in Eau Claire and Chippewa Falls;
- Central Illinois, including hospitals in Decatur, Shelbyville, Springfield, and Litchfield; and
- Southern Illinois, including hospitals in Highland, Greenville, O'Fallon, Effingham, and Breese.

HSSI also has two large medical groups, Prevea (in Wisconsin), with more than 450 providers across 60 specialty areas, and HSHS Medical group (in Illinois), with more than 450 providers and across 30 specialty areas. The system also has a large, fully aligned cardiovascular group in Illinois, Prairie Cardiovascular Consultants, which has 70 physicians and 48 clinical locations across the southern half of the state.

Market spotlight: southern Illinois

In November 2017, HSSI opened St. Elizabeth's hospital in O'Fallon, Ill. The facility replaced St. Elizabeth's former campus in Belleville, Ill. HSSI faced a contentious process to gain a certificate of need from the state of Illinois to build the new hospital, which significantly delayed construction. During this delay, BJC Healthcare, a regional competitor, purchased Belleville Memorial hospital, and opened a second facility, Memorial Hospital East, in Shiloh, Ill. BJC also retracted its physician call coverage from HSSI's hospitals, and terminated its radiation oncology joint venture with the system.

Due to construction delays and increased competition in the market, operations in the southern Illinois market have seen significant pressure, with widening operating losses through the first six months of fiscal 2018 (ended Dec. 31, 2017). Management is investing significant time and resources in the region, adding new physicians and updating its facilities to better attract and retain patients. St. Elizabeth's has also seen solid volume growth in its first few months of operations, especially for inpatient services. We believe the hospital will generate improvement now that it is fully open and operationalized, but that it will take several years before it reaches a break-even operating margin.

Market spotlight: western Wisconsin

While western Wisconsin is HSSI's smallest market by revenue, it has historically generated sound operating margins, which have subsidized some of the system's weaker markets. However, we expect significant operating pressure over

Hospital Sisters Services, Inc. Illinois Finance Authority; Hospital; Joint Criteria; System

the next year as the Marshfield Clinic opens a 44-bed hospital in Eau Claire. Marshfield Clinic physicians have historically practiced at HSSI's two facilities in the region, and management estimates their patients make up about 15% of system volume in that market. Marshfield also has a health plan that covers many patients in that region. The new hospital is expected to open in July 2018.

HSSI management is executing a robust strategy to address the shifting competitive landscape in and around Eau Claire. The system is expanding its regional physician network to fill the gaps left by Marshfield physicians, and establishing a broad multispecialty clinical footprint across the market. Finally, management is in the process of right-sizing its staffing model in anticipation of lighter volumes at its regional facilities. While we view these plans favorably, we expect operating margin at HSSI's two western Wisconsin hospitals to decline markedly in fiscal 2019 as a result of lower patient volume.

Population health

HSSI management remains focused on building a more integrated delivery system across its markets. This strategy includes growing its physician base and sites of service, as well as moving into managing care. The system has a sizable accountable care organization in Illinois, with over 20,000 covered lives, as well as about 55,000 managed lives through various partnerships across Illinois and Wisconsin. The management team remains focused on improving quality of care, and has engaged in modest risk through some of these contracts, with about \$2.4 million in quality and incentive payments received in fiscal 2017.

Financial Profile: Very Strong

We view HSSI's financial profile as very strong, highlighted by the system's excellent balance sheet, which has improved in the first six months of fiscal 2018 (ended Dec. 31, 2017), as well as healthy MADS coverage. This is somewhat tempered by persistent operating challenges, which we expect to continue over the next two years.

Operations

HSSI's operations have historically been thin for the rating, and the system continued to experience operating challenges over the last 18 months. Patient volumes remain relatively stagnant across the region, pressuring operating revenues. HSSI is also facing significant competitive challenges in its southern Illinois market, and experienced sizable losses as it opened and ramped up operations at St. Elizabeth's in O'Fallon, Ill. The facility has now begun to generate revenue, and we expect these losses to diminish over the next several years. Finally, HSSI management continues to invest strategically across all four of its markets, and especially in southern Illinois and western Wisconsin. These investments, largely focused on adding providers, are strategically sound, but have grown the system's expense base over the last few years, without commensurate revenue growth.

Operations have improved somewhat through the first six months of fiscal 2018, even with increasing losses at St. Elizabeth's. This reflects some improvement in the system's other markets, particularly central Illinois, which we view favorably. We expect operations to remain slightly above break even for the second half of fiscal 2018, supported by operating improvements at St. Elizabeth's. However, we anticipate HSSI will experience additional operating pressure in Eau Claire in fiscal 2019 as the Marshfield Clinic hospital opens, which could challenge systemwide operations if management is not able to successfully translate its strategic investments into revenue growth.

Hospital Sisters Services, Inc. Illinois Finance Authority; Hospital; Joint Criteria; System

While operations remain light, HSSI continues to post solid nonoperating income, generating sound EBIDA margins and solid MADS coverage for the rating.

Balance sheet and capital spending

As of Dec. 31, 2017, HSHS' unrestricted reserves were solid for the rating in terms of cash on hand. The solid unrestricted reserves declined from historical levels in fiscal 2017 as HSHS committed to increasing the level of funding for its pension, spent capital on St. Elizabeth's replacement and experienced the impact from receivables related to the state of Illinois not passing a budget. However, the system's cash position has rebounded somewhat through the first six months of fiscal 2018.

St. Elizabeth's replacement facility opened in November 2017 in O'Fallon, Ill. The new facility is significantly smaller than the hospital it replaced, with 144 beds in about 350,000 square feet, compared to the 338-bed, 650,000-square-foot facility in Belleville. The total budget for the project was about \$244 million, with the last of the spending completed in fiscal 2018. Over the next few years, management has limited capital spending plans, focusing largely on routine capital spending of about \$97 million a year plus some additional funds to continue the installation of the Epic electronic medical record system across its facilities. With limited capital spending, we expect solid balance sheet growth over the next few years.

Contingent liabilities and pension

HSSI has four series of direct purchase debt: series 2012A and series 2017C, 2017D, and 2017E, totaling about \$71 million. HSHS also has five interest rate swap agreements: four with Merrill Lynch and one with JP Morgan Chase. As of Dec. 31, 2017, the total notional value on the swaps was \$443.5 million, with a total mark-to-market value of negative \$50.9 million. There is no collateral posted.

We view HSSI's total contingent liability risk as manageable, given the system's strong liquidity.

HSSI also has a defined benefit pension plan, which was about 81% funded as of Dec. 31, 2017. Management is committed to dedicating additional funds to the pension, with the intention of fully funding the plan by 2021.

Table 1

Hospital Sisters Health System & Subs, IL Financial Statistics					
	--Six months ended Dec. 31--	--Fiscal year ended June 30--			Medians for 'AA-' rated healthcare system
	2017	2017	2016	2015	2016
Financial profile					
Financial performance					
Net patient revenue (\$000s)	1,136,436	2,282,315	2,196,302	2,095,851	2,239,550
Total operating revenue (\$000s)	1,197,348	2,364,358	2,278,330	2,191,892	MNR
Total operating expenses (\$000s)	1,193,068	2,364,124	2,257,821	2,152,433	MNR
Operating income (\$000s)	4,280	234	20,509	39,459	MNR
Operating margin (%)	0.36	0.01	0.90	1.80	3.30
Net nonoperating income (\$000s)	88,646	84,815	48,226	76,794	MNR
Excess income (\$000s)	92,926	85,049	68,735	116,253	MNR
Excess margin (%)	7.23	3.47	2.95	5.12	4.40

*Hospital Sisters Services, Inc. Illinois Finance Authority; Hospital; Joint Criteria; System***Table 1****Hospital Sisters Health System & Subs, IL Financial Statistics (cont.)**

	--Six months ended Dec. 31--	--Fiscal year ended June 30--			Medians for 'AA-' rated healthcare system
	2017	2017	2016	2015	2016
Operating EBIDA margin (%)	7.71	7.63	8.69	10.39	9.60
EBIDA margin (%)	14.07	10.83	10.58	13.42	10.80
Net available for debt service (\$000s)	180,914	265,302	246,158	304,530	256,206
Maximum annual debt service (\$000s)	54,017	54,017	54,017	54,017	MNR
Maximum annual debt service coverage (x)	6.70	4.91	4.56	5.64	4.60
Operating lease-adjusted coverage (x)	4.33	3.15	3.03	3.67	3.20
Liquidity and financial flexibility					
Unrestricted reserves (\$000s)	1,722,898	1,679,351	1,693,701	1,909,823	1,801,580
Unrestricted days' cash on hand	282.2	278.4	294.6	351.3	220.40
Unrestricted reserves/total long-term debt (%)	241.0	226.2	265.5	288.9	189.60
Unrestricted reserves/contingent liabilities (%)	570.5	556.0	714.2	805.3	567.30
Average age of plant (years)	11.9	11.0	10.5	9.5	9.70
Capital expenditures/depreciation and amortization (%)	146.8	134.8	139.5	93.9	129.10
Debt and liabilities					
Total long-term debt (\$000s)	714,972	742,329	637,822	661,136	MNR
Long-term debt/capitalization (%)	22.6	24.0	23.4	21.4	30.10
Contingent liabilities (\$000s)	302,020	302,020	237,150	237,150	MNR
Contingent liabilities/total long-term debt (%)	42.2	40.7	37.2	35.9	32.50
Debt burden (%)	2.10	2.21	2.32	2.38	2.30
Defined benefit plan funded status (%)	NA	81.31	71.26	79.04	73.00

NA --Not available. MNR--Median not reported.

Table 2**Hospital Sisters Health System & Subs, IL Enterprise Statistics**

	--Six months ended Dec. 31--	--Fiscal year ended June 30--		
	2017	2017	2016	2015
Enterprise profile				
Inpatient admissions	36,926	68,160	66,953	70,992
Equivalent inpatient admissions	114,202	171,817	164,504	187,165
Emergency visits	152,539	308,800	310,230	320,820
Inpatient surgeries	8,261	17,119	17,683	18,453
Outpatient surgeries	22,967	48,399	48,915	50,173
Medicare case mix index	1.7500	1.7700	1.7000	1.6847
FTE employees	9,672	12,116	12,213	12,097
Active physicians	NA	2,051	2,110	1,944
Based on net/gross revenues		Net	Net	Net

Hospital Sisters Services, Inc. Illinois Finance Authority; Hospital; Joint Criteria; System

Table 2

Hospital Sisters Health System & Subs, IL Enterprise Statistics (cont.)				
	--Six months ended Dec. 31--	--Fiscal year ended June 30--		
	2017	2017	2016	2015
Medicare %	NA	36.0	35.0	47.0
Medicaid %	NA	9.0	9.0	18.0
Commercial/Blues %	NA	52.0	53.0	31.0

NA --Not available. Inpatient admissions exclude normal newborn, psychiatric, rehabilitation, and long-term care facility admissions.

Credit Snapshot

- **Organization description:** HSHS, the parent of HSSI, is a 15-hospital system operating in Illinois and Wisconsin. HSSI operates nine facilities in Illinois (Breese, Decatur, Effingham, Greenville, Highland, Litchfield, O'Fallon, Shelbyville, and Springfield, the last of which is the flagship) and six in Wisconsin (Chippewa Falls, Eau Claire, two in Green Bay, Oconto Falls, and Sheboygan). HSHS also operates an integrated physician network with the HSHS Medical group, Prairie Cardiovascular Consultants, Prevea, and collaborates with other large multispecialty groups in Wisconsin and Illinois.
- **Security pledge:** Gross revenues of the obligated group secure the bonds.
- **Group rating methodology:** Core

Ratings Detail (As Of April 19, 2018)

Illinois Finance Authority, Illinois

Hospital Sisters Services, Inc., Illinois

Series 2012G

Unenhanced Rating

AA-(SPUR)/Negative

Outlook Revised

Long Term Rating

AA+/A-1

Affirmed

Series 2012H

Long Term Rating

AA-/A-1+/Negative

Outlook Revised

Series 2012I

Long Term Rating

AA-/A-1+/Negative

Outlook Revised

Southwestern Illinois Dev Auth, Illinois

Hospital Sisters Services, Inc., Illinois

Southwestern Illinois Dev Auth (Hospital Sisters Services, Inc.) hlth facs rev bnds (Hospital Sisters Services, Inc.) ser 2017B due 03/15/2044

Long Term Rating

AA-/A-1+/Negative

Outlook Revised

Southwestern Illinois Dev Auth (Hospital Sisters Services, Inc.) rev bnds

Long Term Rating

AA-/Negative

Outlook Revised

Wisconsin Hlth & Ed Fac Auth, Wisconsin

Hospital Sisters Services, Inc., Illinois

Hospital Sisters Services, Inc. Illinois Finance Authority; Hospital; Joint Criteria; System

Ratings Detail (As Of April 19, 2018) (cont.)

Series 2012B		
Long Term Rating	AA-/Negative	Outlook Revised

Attachment 36 Economic Feasibility

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE								
Department (list below)	A	B	C	D	E	F	G	H
	Cost/Squarefoot New	Mod.	Gross Sq. Ft. New	Circ. *	Gross Sq. Ft. Mod.	Circ. *	Const. \$ (A x C)	Mod. \$ (B x E)
REVIEWABLE								
ICU Room & Associated Area		\$ 433.92			18,458		\$ -	\$ 8,009,329
Medical/Surgical Rooms		\$ -			19,560		\$ -	\$ -
Contingency							\$ -	\$ 942,500
TOTALS					38,018			\$ 8,951,829

* Includes the percentage (%) of space for circulation

Attachment 37- Safety Net Impact Statement

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.

St. John's Hospital believes that this project will not have a material impact on any essential safety services in the community and that the modernized and expanded ICU and additional medical surgical beds will improve access to the safety net services that are currently available.

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.

St. John's Hospital believes that this project will not materially impact the ability of other providers or health care systems to subsidize safety net services.

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.

N/A- Not a discontinuation

HSHS St. John's Hospital- Springfield

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year Ended 6/30/16*	Year Ended 6/30/17*	Year Ended 6/30/18
Inpatient	1,267	945	1,253
Outpatient	5,299	4,227	4,108
Total	6,566	5,172	5,361
Charity (cost in dollars)			
Inpatient	\$3,230,336	\$1,775,743	\$1,753,779
Outpatient	\$1,880,147	\$2,099,014	\$1,981,285
Total	\$5,110,483	\$3,874,757	\$3,735,064
MEDICAID			
Medicaid (# of patients)	Year Ended 6/30/16	Year Ended 6/30/17	Year Ended 6/30/18
Inpatient	5,833	5,879	5,847
Outpatient	55,576	51,185	50,457
Total	61,409	57,064	56,304
Medicaid (revenue)			
Inpatient	\$53,329,213	\$68,973,573	\$70,667,912
Outpatient	\$39,189,056	\$29,311,881	\$25,906,123
Total	\$92,518,269	\$98,285,454	\$96,574,035

***Years ending in 2016 and 2017 have been revised to match data previously reported to the State of IL on Schedule H (Form 990).**

Attachment 38- Charity Care Information

CHARITY CARE - St. John's Hospital			
	Year Ended 6/30/16	Year Ended 6/30/17	Year Ended 6/30/18
Net Patient Revenue	\$ 461,466,000	\$ 475,001,000	\$ 504,568,821
Amount of Charity Care (charges)	\$ 19,068,688	\$ 15,135,769	\$ 15,121,718
Cost of Charity Care	\$ 5,110,483	\$ 3,841,757	\$ 3,735,064

CHARITY CARE - HSHS Illinois Hospitals			
	Year Ended 6/30/16	Year Ended 6/30/17	Year Ended 6/30/18
Net Patient Revenue	\$1,027,791,000	\$1,089,209,000	\$ 1,122,527,807
Amount of Charity Care (charges)	\$ 59,665,591	\$ 52,040,415	\$ 52,343,771
Cost of Charity Care	\$16,672,211	\$ 15,165,565	\$ 14,726,976



ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

CERTIFICATE OF NEED PERMIT APPLICATION

AUGUST 2019 EDITION

TABLE OF CONTENTS

SECTION NO.		PAGES
	Instructions	ii-iv
I.	Identification, General Information and Certification	1-16
II.	Discontinuation	17
III.	Project Background, Purpose, and Alternatives	18-19
IV.	Project Scope & Size, Utilization and Unfinished/Shell Space	20-21
V.	Service Specific Review Criteria	
	A. Medical/Surgical, Obstetric, Pediatric and Intensive Care	22-23
	B. Comprehensive Physical Rehabilitation	
	C. Acute/Chronic Mental Illness	
	D. Open Heart Surgery	
	E. Cardiac Catheterization	
	F. In-Center Hemodialysis	
	G. Non-Hospital Based Ambulatory Surgery	
	H. Selected Organ Transplantation	
	I. Kidney Transplantation	
	J. Subacute Care Hospital Model	
	K. Community-Based Residential Rehabilitation Center	
	L. Long Term Acute Care Hospital	
	M. Clinical Service Areas Other than Categories of Service	
	N. Freestanding Emergency Center Medical Services	
	O. Birth Center	
VI.	Availability of Funds	24-25
VII.	Financial Viability	26
VII.	Economic Feasibility	27-28
VIII.	Safety Net Impact Statement	29-30
IX.	Charity Care Information	31
	Index of Attachments to the Application	32

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
 525 WEST JEFFERSON STREET, 2nd FLOOR
 SPRINGFIELD, ILLINOIS 62761
 (217) 782-3516

INSTRUCTIONS

GENERAL

- The application for permit (Application) must be completed for all proposed projects that are subject to the permit requirements of the Illinois Health Facilities Planning Act (Planning Act), including those involving the establishment, expansion, modernization and certain discontinuations of a service or facility.
- The persons preparing the application for permit are advised to refer to the Planning Act, as well as the rules promulgated there under (77 Ill. Adm. Codes 1100, 1110, 1120 and 1130) for more information.
- **The Application does not supersede any of the above-cited rules and requirements.**
- The Application is organized into several sections, involving information requirements that coincide with the Review Criteria in 77 Ill. Adm. Code 1110 (Processing, Classification Policies and Review Criteria) and 1120 (Financial and Economic Feasibility).
- Questions concerning completion of this form may be directed to Health Facilities and Services Review Board staff at (217) 782-3516.
- Copies of the Application form are available on the Health Facilities and Services Review Board Website www.hfsrb.illinois.gov.

SPECIFIC

- Use the Application as written and formatted.
- Complete and submit **ONLY** those Sections along with the required attachments that are applicable to the type of project proposed.
- **ALL APPLICABLE CRITERIA** for each applicable section must be addressed. If a criterion is **NOT APPLICABLE**, label it as such and state the reason why.
- For all applications for which time and distance documentation is required, submit copies of all MapQuest printouts that indicate the distance and time to or from the proposed facility.
- **ALL PAGES ARE TO BE NUMBERED CONSECUTIVELY BEGINNING WITH PAGE 1 OF THE APPLICATION. DO NOT INCLUDE INSTRUCTIONS AS PART OF THE APPLICATION OR IN NUMBERING THE PAGES IN THE APPLICATION.**
- Unless otherwise stated, attachments for each Section should be appended after the last page of the Application.
- Begin each attachment on a separate 8 1/2" x 11" sheet of paper and print or type the attachment identification in the lower right-hand corner of each attached page.
- Include documents such as MapQuest printouts, physician referral letters, impact letters, and documentation of receipt as appendices after the last attachment. Label as Appendices 1, 2, etc.
- For all applications that require physician referrals, the following must be provided: a summary of the total number of patients by zip code and a summary (number of patients by zip code) for each facility the physician referred patients to in the past 12 or 24 months, whichever is applicable.
- Information to be considered must be included with the applicable Section attachments. References to appended material not included within the appropriate Section will **NOT** be considered.
- The Application must be signed by the authorized representative(s) of each applicant entity.
- Provide an original Application and one copy, both **unbound**. **Label the copy that contains the original signatures original (put the label on the Application).**

Failure to follow these requirements WILL result in the Application being declared incomplete. In addition, failure to provide certain required information (e.g., not providing a site for the proposed project or having an invalid entity listed as the applicant) may result in the Application being declared null and void. Applicants

are advised to read Part 1130 with respect to completeness (1130.620(c)).

ADDITIONAL REQUIREMENTS**FLOOD PLAIN REQUIREMENTS**

Before an application for permit involving construction will be deemed **COMPLETE**, the applicant must **attest** that the project **is or is not in a flood plain** and that the location of the proposed project complies with the Flood Plain Rule under **Illinois Executive Order #2006-5**.

HISTORIC PRESERVATION REQUIREMENTS

In accordance with the requirements of the Illinois State Agency Historic Resources Preservation Act (Preservation Act), the Health Facilities Services and Review Board is required to advise the Historic Preservation Agency (HPA) of any projects that could affect historic resources. Specifically, the Preservation Act provides for a review by the Historic Preservation Agency to determine if certain projects may impact historic resources. These types of projects include:

1. Projects involving demolition of any structures;
2. Construction of new buildings; or
3. Modernization of existing buildings.

The applicant must submit the following information to the HPA so that known or potential cultural resources within the project area can be identified and the project's effects on significant properties can be evaluated:

1. General project description and address;
2. Topographic or metropolitan map showing the general location of the project;
3. Photographs of any standing buildings/structure within the project area; and
4. Addresses for buildings/structures, if present.

The HPA will provide a determination letter concerning the applicability of the Preservation Act. Include the determination letter or comments from HPA with the application for permit.

Information concerning the Preservation Act may be obtained by calling (217) 785-7930 or writing the Illinois Historic Preservation Agency, Preservation Services Division, 1 Old State Capitol Plaza, Springfield, Illinois 67201-1507.

SAFETY NET IMPACT STATEMENT

A SAFETY NET IMPACT STATEMENT must be submitted for **ALL SUBSTANTIVE AND DISCONTINUATION PROJECTS**. **SEE SECTION X** OF THE APPLICATION FOR PERMIT.

CHARITY CARE INFORMATION

CHARITY CARE INFORMATION must be provided for **ALL** projects. **SEE SECTION XI** OF THE APPLICATION FOR PERMIT.

FEE

An application-processing fee (refer to Part 1130.230 to determine the fee) must be submitted with most applications. If a fee is applicable, an initial fee of \$2,500 **MUST** be submitted with the application. HFSRB staff will inform applicants of the amount of the fee balance, if any, that must be submitted. **The application will not be deemed complete and review will not be initiated until the entire processing fee is submitted. Payment may be made by check or money order and must be made payable to the Illinois Department of Public Health.**

APPLICATION SUBMISSION

Submit an original and one copy of all Sections of the application, including all necessary attachments. **The original must contain original signatures in the certification portions of this form.** Submit all copies to:

**Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761**