

E-015-19

Original

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
CHANGE OF OWNERSHIP APPLICATION FOR EXEMPTION- 10/2018 EditionILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR CHANGE OF OWNERSHIP EXEMPTION

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

RECEIVED

APR 8 2019

Facility/Project Identification

Facility Name: Methodist Hospital of Chicago	HEALTH FACILITIES & SERVICES REVIEW BOARD	
Street Address: 5025 North Paulina		
City and Zip Code: Chicago 60640		
County: Cook	Health Service Area: 6	Health Planning Area: A-01

Legislators

State Senator Name: Heather Steans
State Representative Name: Gregory Harris

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

Exact Legal Name: Thorek Memorial Hospital
Street Address: 850 West Irving Park Road
City and Zip Code: Chicago 60613
Name of Registered Agent: Edward Budd
Registered Agent Street Address: 850 West Irving Park Road
Registered Agent City and Zip Code: Chicago 60613
Name of Chief Executive Officer: Edward Budd
CEO Street Address: 850 West Irving Park Road
CEO City and Zip Code: Chicago 60613
CEO Telephone Number: 773.975.6705

Type of Ownership of Applicants

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

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

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

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Billie J. Paige
Title: Consultant
Company Name: Shea, Paige & Rogal, Inc.
Address: 547 South LaGrange Road, LaGrange, IL 60525
Telephone Number: 708.482.4820
E-mail Address: stargazer23@msn.com
Fax Number: 708.482.1091

Additional Contact [Person who is also authorized to discuss the Application]

Name: Edward Budd
Title: President & CEO
Company Name: Thorek Memorial Hospital
Address: 850 West Irving Park Road, Chicago, IL 60613
Telephone Number: 773.975.6705
E-mail Address: nedb@thorek.org
Fax Number:

Post Exemption Contact

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

Name: Edward Budd
Title: President & CEO
Company Name: Thorek Memorial Hospital
Address: 850 West Irving Park Road, Chicago, IL 60613
Telephone Number: 773.975.6705
E-mail Address: nedb@thorek.org
Fax Number:

Site Ownership after the Project is Complete

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Thorek Memorial Hospital
Address of Site Owner: 850 West Irving Park Road, Chicago, IL 60613
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.

Current Operating Identity/Licensee

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

Exact Legal Name: Bethany Homes and Methodist Hospital			
Address: 5025 North Paulina, Chicago, IL 60640			
<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

Operating Identity/Licensee after the Project is Complete

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

Exact Legal Name: Thorek Memorial Hospital

Address: 850 West Irving Park Road, Chicago, IL 60613

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

Narrative Description

In the space below, provide a brief narrative description of the change of ownership. 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.

Thorek Memorial Hospital, located at 850 West Irving Park Road, Chicago, Illinois 60613, is purchasing the assets of Methodist Hospital of Chicago, located at 5025 North Paulina, Chicago, Illinois 60640. The purchase price is \$22,500,000. The hospitals are approximately two miles apart on the north side of Chicago.

The transaction price, \$22,500,000, includes Bethany Retirement Home with 254 sheltered care beds, part of the assets of Methodist Hospital of Chicago.

Related Project Costs

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

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

Project Status and Completion Schedules

Outstanding Permits: Does the facility have any projects for which the State Board issued a permit that is not complete? Yes ___ No X. If yes, indicate the projects by project number and whether the project will be complete when the exemption that is the subject of this application is complete.

Anticipated exemption completion date (refer to Part 1130.570): June 30, 2019

State Agency Submittals

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 Not Applicable
- Failure to be up to date with these requirements will result in the Application being deemed incomplete.**

SECTION III. CHANGE OF OWNERSHIP (CHOW)

Transaction Type. Check the Following that Applies to the Transaction:

- ☒ Purchase resulting in the issuance of a license to an entity different from current licensee.
- ☐ Lease resulting in the issuance of a license to an entity different from current licensee.
- ☐ Stock transfer resulting in the issuance of a license to a different entity from current licensee.
- ☐ Stock transfer resulting in no change from current licensee.
- ☐ Assignment or transfer of assets resulting in the issuance of a license to an entity different from the current licensee.
- ☐ Assignment or transfer of assets not resulting in the issuance of a license to an entity different from the current licensee.
- ☐ Change in membership or sponsorship of a not-for-profit corporation that is the licensed entity.
- ☐ Change of 50% or more of the voting members of a not-for-profit corporation's board of directors that controls a health care facility's operations, license, certification or physical plant and assets.
- ☐ Change in the sponsorship or control of the person who is licensed, certified or owns the physical plant and assets of a governmental health care facility.
- ☐ Sale or transfer of the physical plant and related assets of a health care facility not resulting in a change of current licensee.
- ☐ Change of ownership among related persons resulting in a license being issued to an entity different from the current licensee
- ☐ Change of ownership among related persons that does not result in a license being issued to an entity different from the current licensee.
- ☐ Any other transaction that results in a person obtaining control of a health care facility's operation or physical plant and assets and explain in "Narrative Description."

CERTIFICATION

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

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- 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);
- 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);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of Thorek Memorial Hospital

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

Peter N Kamberos
SIGNATURE
PETER N KAMBEROS
PRINTED NAME
COO
PRINTED TITLE

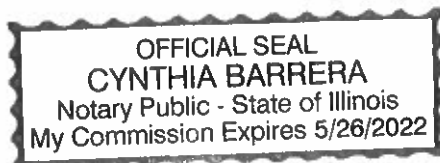
Edward Bull
SIGNATURE
Edward Bull
PRINTED NAME
CEO
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 1st day of April 2019

Cynthia Barrera
Signature of Notary

Seal



Notarization:

Subscribed and sworn to before me
this 1st day of April, 2019

Carmen L. Carrillo-Arce
Signature of Notary

Seal



*Insert the EXACT legal name of the applicant

File Number

2546-954-2



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

THOREK MEMORIAL HOSPITAL, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON DECEMBER 30, 1937, 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 #: 1907301914 verifiable until 03/14/2020
Authenticate at: <http://www.cyberdriveillinois.com>

***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 14TH
day of MARCH A.D. 2019 .***

Jesse White

SECRETARY OF STATE

Attachment 1

Bethany Methodist Communities



5015 North Paulina Street
Chicago, Illinois 60640
(773) 989-1354
Fax: (773) 989-1316

March 29, 2019

Illinois Health Facilities and
Services Review Board
Springfield, IL

To Whom It May Concern:

I hereby certify that Bethany Homes and Methodist Hospital owns the site of building housing Methodist Hospital of Chicago, located at 5025 North Paulina Street, Chicago, IL.

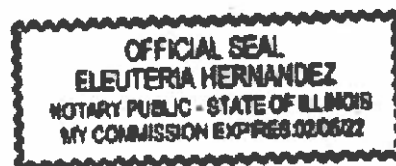
Sincerely,

Wolfgang Mayer

COO and Executive Vice President

Notary

March 29, 2019





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

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Authentication #: 1807301914 verifiable until 03/14/2020
Authenticate at: <http://www.cyberdriveillinois.com>

In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 14TH
day of MARCH A.D. 2019 .

Jesse White

SECRETARY OF STATE



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

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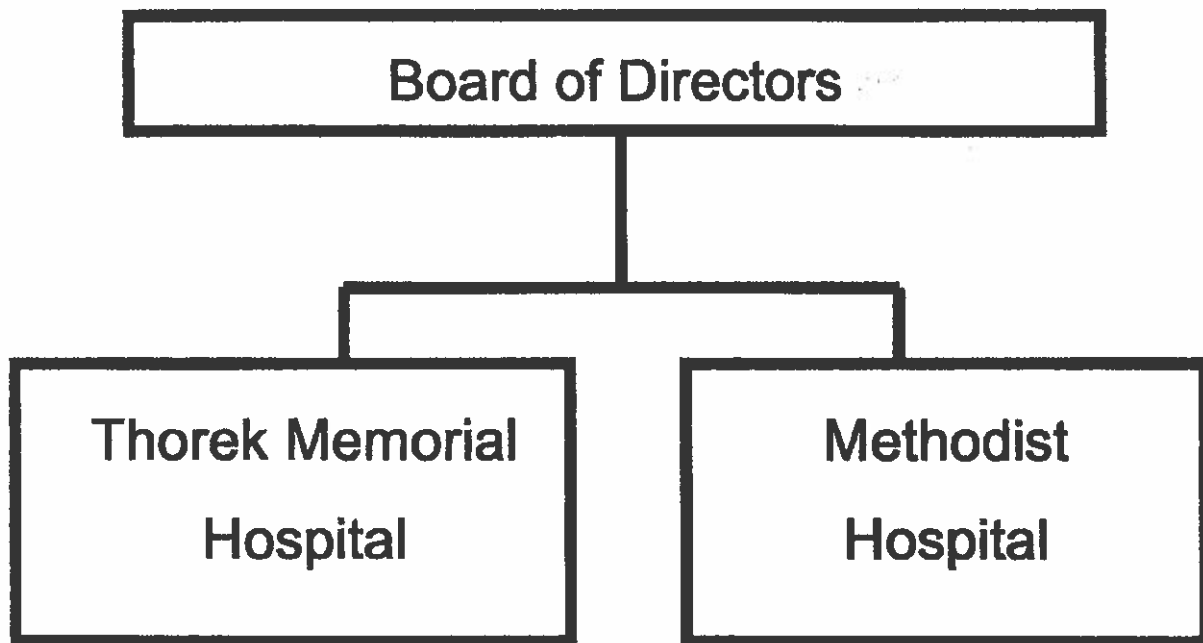
***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 14TH
day of MARCH A.D. 2019 .***

Jesse White

SECRETARY OF STATE

Authentication #: 1007301914 verifiable until 03/14/2020
Authenticate at: <http://www.cyberdriveillinois.com>

Attachment 4



Attachment 4

April 1, 2019

Mr. Michael Constantino
Supervisor, Project Review Section
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761-0001

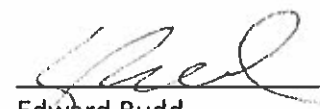
Re: Authorization to Access Information and Statement of No Adverse Action

Dear Mr. Constantino:

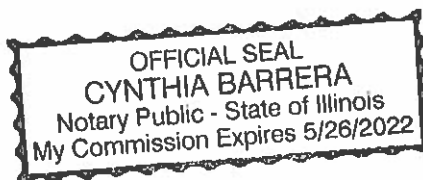
I hereby authorize the Illinois Health Facilities & Services Review Board (the "Board") and the Illinois Department of Public Health ("IDPH") to access all information necessary to verify any documentation or information submitted by Thorek Memorial Hospital with this application. I further authorize the Board and IDPH to obtain any additional documentation or information which the Board or IDPH finds pertinent and necessary to process this application.

I also certify that there has been no adverse action taken against any facility owned and/or operated by applicant directly or indirectly in the three years prior to the filing of the application.

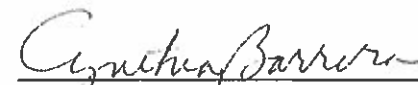
Sincerely,



Edward Budd
Chief Executive Officer



SUBSCRIBED AND SWORN
To before me this 3rd day of April, 2019.



Notary Public

Attachment 5

ATTACHMENT 6

Criterion 1130.520(b)(1)(A) - Names of the parties

Buyer: Thorek Memorial Hospital ("Thorek")

Seller: Bethany Homes and Methodist Hospital ("Methodist")

1130.520(b)(1)(B) - Background of the parties, which shall include proof that the applicant is fit, willing, able, and has the qualifications, background and character to adequately provide a proper standard of health service for the community by certifying that no adverse action has been taken against the applicant by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application.

See attachment 5.

1130.520(b)(1)(C) - Structure of the transaction

Thorek is purchasing the assets of Methodist.

1130.520(b)(1)(D) - Name of the person who will be licensed or certified entity after the transaction

The license holder will be Thorek Memorial Hospital

1130.520(b)(1)(E) - List of the ownership or membership interests in such licensed or certified entity both prior to and after the transaction, including a description of the applicant's organizational structure with a listing of controlling or subsidiary persons.

Thorek is an Illinois Not for Profit Corporation. There are no ownership or membership interests. There are no controlling or subsidiary persons.

1130.520(b)(1)(F) - Fair market value of assets to be transferred.

The purchase price is \$22,500,000 which is also believed to be the fair market value of the assets.

1130.520(b)(1)(G) - The purchase price or other forms of consideration to be provided for those assets. [20 ILCS 3960/8.5(a)] The purchase price is \$22,500,000.

1130.520(b)(2) - Affirmation that any projects for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of this Section

Neither Buyer nor Seller have any uncompleted projects.

1130.520(b)(3) - If the ownership change is for a hospital, affirmation that the facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction. The hospital must provide affirmation that the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction

Thorek affirms that Methodist will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction. Thorek affirms that the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction.

1130.520(b)(4) - A statement as to the anticipated benefits of the proposed changes in ownership to the community

The combination of two community hospitals offers several benefits to the community particularly when the hospitals are close. These hospitals are about two miles apart—less than a 10 minute car ride.

As stated elsewhere Thorek plans to be conducting a comprehensive review of hospital operations at both Thorek and Methodist. As part of the review it will seek to identify improvements in services to its patients.

Both Hospitals serve a high percentage of minority patients. The purchase will better position the Hospitals to service the low income and minority patients within a convenient distance to those patients.

Hospital mergers offer opportunities to decrease costs and to upgrade services at acquired hospitals. Upgrading services provides direct benefits to the community.

1130.520(b)(5) - The anticipated or potential cost savings, if any, that will result for the community and the facility because of the change in ownership;

The combination of the two smaller Not for Profit Chicago hospitals under one Board of Trustees provides potential cost savings. The Thorek Board of Trustees will be conducting a comprehensive review of hospital operations at both Thorek and Methodist. As part of the review it will seek to identify cost savings from changes to operations as well as in improving services to its patients. To the extent that cost savings are identified and realized Thorek will reduce the costs of care for the community as it finds appropriate.

1130.520(b)(6) – A description of the facility's quality improvement program mechanism that will be utilized to assure quality control;

See attached quality improvement program included in Attachment 6.

1130.520(b)(7) - A description of the selection process that the acquiring entity will use to select the facility's governing body;

There will not be a separate governing body for Methodist. The Thorek Board of Directors will replace the existing Methodist Board of Directors. See the Organization Chart included as Attachment 4

1130.520(b)(8) - A statement that the applicant has prepared a written response addressing the review criteria contained in 77 Ill. Adm. Code 1110.240 and that the response is available for public review on the premises of the health care facility

Thorek has prepared a written response addressing the review criteria contained in 77 Ill. Adm. Code 1110.240 and that the response is available for public review on the premises of Thorek.

1130.520(b)(9)- A description or summary of any proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within 24 months after acquisition.

After closing of the transaction, Thorek intends to make a comprehensive review of all services provided by each hospital.

Attachment 6

Recommendations from this review will be reviewed by the Board of Trustees. To the extent that the review identifies changes in services or staffing or in additional investments in physical plants the Board will determine which changes or investments are in the best interests of the communities served and implement changes as it determines appropriate. If such changes require approval of the Health Facilities and Services Review Board the hospitals will seek permission from the HFSRB prior to making any changes.

ATTACHMENT 6



Thorek
MEMORIAL HOSPITAL

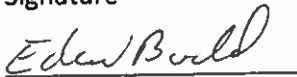
ATTACHMENT 6

SECTION 1130. 520 (b)(3)

This serves as affirmation that the facility (Thorek Memorial Hospital) will not adopt a more restrictive charity care policy than was in effect one year prior to the change in ownership transaction. In addition, we affirm that this charity care policy will remain in effect for a two-year period following the change in ownership transaction.



Signature



Printed Name



Printed Title



Signature



Printed Name



Printed Title

Thorek Memorial Hospital

DEPARTMENT OF QUALITY ASSESSMENT AND PERFORMANCE IMPROVEMENT

QAPI PLAN FY2019

July 19, 2018

Attachment 6

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I. Quality Assessment and Performance Improvement Plan

A. Mission

Thorek Memorial Hospital (TMH) is committed to providing appropriate patient services in a caring and cost effective manner. TMH seeks to serve its patients, physicians, employees and community by providing quality services and encouraging employee excellence. TMH will support education and research and will act as a responsible member of our community and the health care system.

B. Vision

TMH will seek to be the healthcare provider of choice for those individuals, organizations, and associations who have the ability to choose by providing the highest possible level of care and patient safety.

C. Values

The values of TMH focus on a commitment to quality of service we provide our patients. These values are based on:

1. Quality in everything we do;
2. Respect for all people;
3. Efficiency in the use of resources;
4. Innovation toward continuous systems improvement;
5. Partnership with those we serve and with suppliers;
6. Education for continuous growth and knowledge;
7. Pride in our performance.

D. Introduction

The Quality Assessment and Performance Improvement (QAPI) Plan is structured to support the mission, vision, and values of TMH, and is designed to carry out the purpose, guiding principles and scope of the QAPI Program, and identify the inputs, outputs and members of the QAPI committee at Thorek Memorial Hospital (TMH).

The QAPI Program at TMH includes all departments and contracted services (Appendix F) which provide care. The indicators tracked as part of the QAPI program reflect services provided at TMH and are aimed to identify opportunities to improve, track improvements and monitor the effectiveness of changes made.

E. QAPI Plan Purpose and Principles

TMH's QAPI Plan is developed to ensure that all aspects of quality assessment and performance improvement are taken into account, and implemented. The QAPI Plan covers each of the following elements with regards to quality assessment and performance improvement at TMH:

1. Development
2. Implementation
3. Maintenance
4. Effectiveness
5. Ongoing program
6. Data-driven
7. Hospital wide
8. Contracted services
9. Improved outcomes
10. Reduction of medical errors

The QAPI Plan is based on the following principles which drive the QAPI program:

1. The Board of Trustees, senior management and medical staff leadership support and encourage a culture of performance improvement and patient safety.
2. Performance improvement education and training for employees, medical staff members and the Board of Trustees should be provided on an ongoing basis.
3. Continuous performance improvement, infection prevention and patient safety are top priorities.
4. All departments, services, units, support personnel, and clinical disciplines in the organization are interdependent and share the responsibility for improving the quality of patient care and services.

5. Implemented processes are effective, efficient and evidence-based.
6. Performance improvement priorities focus on high-risk, high-volume, and/or problem prone areas, and consider the prevalence, incidence and severity of problems in those areas, which is meant to positively impact outcomes, patient safety and the quality of care. TMH improves performance through goal setting and monitoring progress toward achievement.
7. QAPI focuses on systems and processes, rather than individuals. The emphasis is on identifying system gaps rather than blaming individuals.
8. TMH makes decisions based on data, which includes input of patients, caregivers, practitioners, families, and other stakeholders.

II. Quality Assessment and Performance Improvement Program

A. Purpose

The purpose of QAPI at TMH is to take a proactive approach to improve the delivery of care for and engage with our patients, community, caregivers, physicians, and other partners, so that we may realize our vision to be the healthcare provider of choice for those individuals, organizations, and associations who have the ability to choose. To do this, TMH will participate in QAPI efforts which support our mission by providing appropriate patient services in a caring and cost effective manner.

B. Goals and Objectives

The QAPI Program is committed, but not limited, to meeting the following goals and objectives:

1. To provide a framework for continuously monitoring and improving the quality of care and services provided to our patients using the Model for Improvement (See Appendices A and B).
2. To engage employees, medical staff and the governing body in the quality assessment and performance improvement activities of the organization.
3. To track medical errors and adverse patient events, perform root cause analyses, and implement preventative actions and mechanisms that include feedback and learning throughout the facility in efforts to improve quality of care and patient safety.
4. To provide a method of communication of quality management information.
5. To collect performance data consistently and systematically, and to use external benchmarks, when available, to drive improvement.
6. To provide forums for routine analysis of data with multidisciplinary teams.
7. To improve responsiveness and relations with all customers, including patients and their families, community or referring physicians, or additional customers to the organization.
8. To meet regulatory requirements and communicate with regulatory agencies regarding changes in regulatory standards including HFAP, IDPH (Illinois Department of Public Health), and CMS (Centers for Medicare and Medicaid Services).
9. To ensure reporting of Serious Reportable Events to HFAP within the appropriate time frame and to the appropriate entities.
10. To engage TMH physicians and staff in performance improvement activities and encourage accountability for quality at every level of the organization.
11. To identify issues and improve the infrastructure of TMH.
12. To provide education and training for employees and medical staff and track mandatory and regulatory requirements for training and education (See Appendix D).
13. To ensure a culture of safety through education, assessment and continuous monitoring of safety measures endorsed by National Quality Forum (NQF) and Agency for Healthcare Research and Quality (AHRQ).
14. To ensure compliance with "Value Based Purchasing" and "Reduction of Avoidable Readmissions" measures to ensure accurate coding, billing and documentation.
15. To add additional objectives as data and organizational needs indicate.

C. Program Scope and Accountability

The QAPI Program at TMH reflects on-going measurement which monitors quality assessment and performance improvement indicators. The goal is to measure indicators from all departments of the hospital, including contracted services (Appendix F), which provide and/or support direct patient care, and track indicators that concern all aspects of the patient experience. The QAPI Program at TMH is overseen by the Board of Trustees, Administration and the Department of Quality, each of which are accountable for the quality of care provided at TMH by identifying processes and procedures that are in place, and ensuring they are carried out in a manner which provides safe and

quality care for the patients. Contributions to the program are made by staff from all departments of the hospital, including contracted services.

The goal of the QAPI Program is to monitor all aspects in the delivery of care—which includes identifying medical errors, high-risk opportunities and processes that lead to improved health outcomes; reducing medical errors and negative health outcomes; and determining indicators that target the patient population—to ensure patient safety is maintained and high quality of care is provided to all patients at TMH.

D. Feedback, Data and Systems Monitoring

TMH has adopted a performance improvement model for carrying out the QAPI Plan. Statistical monitoring and evaluation of quality assessment and performance improvement indicators that lead to discovering opportunities for improvement (Appendix E) are conducted using the scientific method. The quality assessment and performance improvement indicators are updated in the QAPI Plan, reviewed annually by the Department of Quality, and then submitted to the Board of Trustees for approval. The indicators are utilized for the ongoing measurement of performance. The hospital provides the staff and resources necessary to collect the data needed to drive this systematic approach by drawing data from multiple sources, feedback systems actively incorporate input from staff, patients, families, and others as appropriate. This element includes using quality assessment and performance improvement indicators to monitor a wide range of care processes and outcomes, and reviewing findings against benchmarks and/or targets the facility has established for performance. It also includes tracking, investigating, and monitoring adverse events that must be investigated every time they occur, and action plans implemented to prevent recurrences.

E. Performance Improvement Projects (PIPs)

The facility conducts Performance Improvement Projects (PIPs) to examine and improve care or services in areas that are identified as needing attention, in a way that is systematic and measureable. A PIP project is typically a concentrated effort on a particular problem in one area of the facility or facility-wide. It involves gathering information systematically to clarify issues or problems, and intervening for improvements (Appendices A and B). PIPs are selected in areas important and meaningful for the specific type and scope of services (Appendix C).

F. Quality Assessment and Performance Improvement Committee

The hospital has established a QAPI Committee under which quality assessment, performance improvement and patient safety activities are carried out. The QAPI Committee has the authority to perform and implement established goals and specific activities described in the QAPI plan. The Board of Trustees and Administration of TMH will approve and support the implementation, coordination, and improvement of projects through the QAPI Committee. The membership of the committee shall be reviewed annually by the QAPI Committee to ensure a multidisciplinary approach. QAPI Committee will meet quarterly and work with individual departments as the Department of Quality becomes aware of issues through the monthly collection of data (Appendix F). Regular meetings utilize evidence based practices and performance improvement tools to improve processes.

Performance Improvement Committee Membership

1. Department of Quality
2. Department of Nursing
3. Patient Advocacy Relations
4. Discharge Planning/ Utilization Review
5. Infection Prevention and Control
6. Emergency Department
7. Environmental Services
8. Organ Donation
9. Health Information Management
10. Dietary Services
11. Pharmacy
12. Cardiorespiratory
13. Radiology
14. Laboratory
15. Rehabilitation
16. Dialysis

17. Safety and Security
18. Employee Health
19. Ambulatory
20. Information Systems
21. Bio-Engineering
22. Engineering
23. Materials Management

G. QAPI Reporting Structure

The QAPI Department will review data from hospital departments and identify opportunities for improvement. The QAPI Committee will hold regular meetings with departments (see Appendix F) where opportunities for improvement or continuous assessment have been determined. The meetings will utilize evidence based practices and current performance improvement tools to make changes in processes. The departments will report on data and action plans at meetings and the QAPI Committee will maintain a record of its proceedings and recommendations. The QAPI Committee shall report to the Medical Executive Committee of the Hospital's Medical Staff and to the Board of Trustees' Patient Safety and Quality Committee. The matters reported to the Medical Executive Committee and the Board of Trustees' Patient Safety and Quality Committee by the QAPI Committee shall include, but are not limited to, the annual QAPI Plan, and Periodic Reports of the QAPI Committee, which provides pertinent quality and performance information. An Annual Quality Report which details quality activities and the progress towards their goals will be provided to the Board of Trustees' Patient Safety and Quality Committee. The Board of Trustees' Patient Safety and Quality Committee shall report to the Board of Trustees on all QAPI matters and the Board shall act accordingly thereupon.

H. External Reference Comparative Databases

It is the intent of the QAPI program to ensure that, whenever possible, external comparative reference databases are used in designing processes and measuring the effectiveness of the design.

I. Confidentiality

The majority of the information gathered through the QAPI Committee process will be gathered on a hospital-wide basis, and available to only those individuals and departments necessary to carry out the goals. The QAPI Committee will be committed to maintaining confidentiality, and will comply with HIPAA standards when working with patient healthcare information.

J. Annual Reappraisal of Program

The QAPI Plan, including its purpose, objectives, scope, authority, responsibility, participants, and reporting schedule, will be reviewed on a continual basis, no less than annually, to evaluate its effectiveness in achieving and sustaining quality assessment and performance improvement. This will include an annual review of hospital acquired conditions, serious reportable events and medication events/errors.

K. References

American Osteopathic Association. *Accreditation Requirements for Acute Care Facilities 2015v2*. Chicago: American Osteopathic Association, 2016.

Centers for Medicare and Medicaid Services. *Guide for Developing a QAPI Plan* <http://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/QAPI/Downloads/QAPIPlan.pdf>. Accessed: 6/22/2016

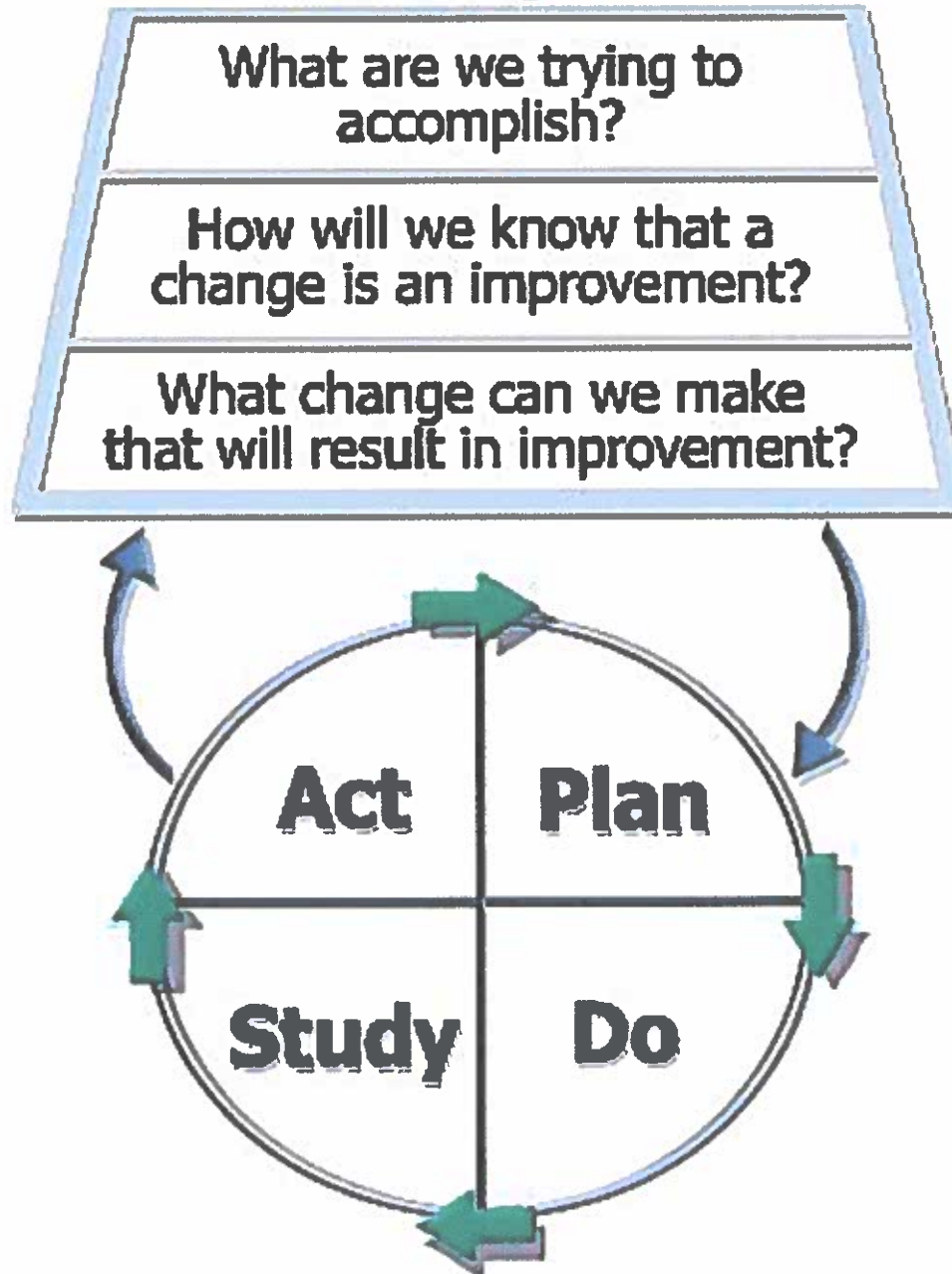
Centers for Medicare and Medicaid Services. *Guide for Developing Purpose, Guiding Principles, and Scope for QAPI* <http://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/QAPI/Downloads/QAPIPurpose.pdf>. Accessed: 6/22/2016

Institute for Healthcare Improvement. *Plan-Do-Study-Act (PDSA) Worksheet*. <http://www.ihl.org/knowledge/Pages/Tools/PlanDoStudyActWorksheet.aspx>. Accessed: 6/22/2016

III. Appendices

A. Model for Improvement

Model for Improvement



B. Performance Improvement Project (PIP) Worksheet**Goal Setting – Describe the problem to be solved**

1. State the problem	
2. What do we want to accomplish /what is the goal / what idea do you want to test?	
3. What change can be made that will result in improvement (i.e. safety, effectiveness, patient-centered care, timely, efficiency, equitability)?	
4. Who will be affected by accomplishing the goal?	

Plan – Describe the Change to be Implemented

5. What exactly will be done?	
6. Who will be responsible for implementing the change?	
7. Where will it take place?	
8. Briefly describe how the goal will address the business problem stated above.	
9. What will be measured / describe the measure(s) to determine if prediction succeeds?	
10. Who will be responsible for measuring the data?	
11. How will the data be collected / computed / analyzed?	
12. What is the current data figure (i.e., count, percent, rate) for that measure?	
13. What should the number increase/decrease to in order to meet the goal?	
14. Did you base the measure or figure you want to attain on a particular best practice/average score/ benchmark?	
15. Is the goal measure set too low that it is not challenging enough?	
16. Does the goal measure require a stretch without being too unreasonable?	
17. What is the target date for achieving this goal?	
18. How will we know that the change has led to an improvement?	
19. Predict what will happen when the project is carried out	

Do – Implement the Change

20. Was the plan executed?	
21. How long was the plan executed?	
22. Document any unexpected events or problems	
23. Describe what actually happened when you ran the test (i.e. the indicators measured, the adoption of the change by staff, process change)	

Study – Review and Reflect on Results of the Change

25. Describe the measured results and how they compared to the predictions	
26. Is this change likely to continue?	

Act – Determine the Action Needed Based on Results of the Change

27. What will you take forward from this cycle?	
28. Describe what modifications to the plan will be made for the next cycle from what you learned	

C. Performance Improvement Projects List

1. Sepsis Bundle
2. Patient Experience

D. QAPI Training and Education

1. EXECUTIVE LEADERSHIP / SENIOR MANAGEMENT / HOSPITAL STAFF
 - a. Annual review of the QAPI Plan
 - b. Review of new CMS measures
 - c. QAPI bulletin boards on the floors
 - d. Discussion of QAPI indicators/PIPs in departmental meetings
2. BOARD OF TRUSTEES
 - a. Annual review of the QAPI Plan
 - e. Review of new CMS measures
 - b. Quarterly QAPI reporting
3. MEDICAL STAFF
 - a. Orientation – Introduction to QAPI
 - b. QAPI Committee reports to the Medical Executive Committee
 - c. Review of new CMS measures
 - d. QAPI committee participation
 - e. Annual review of the QAPI Plan
 - f. QAPI bulletin boards on the floors
4. NON TEMPORARY EMPLOYEE
 - a. Orientation – Introduction to QAPI
 - b. Annual education days
 - c. HealthStream annual competency requirements
 - d. Dissemination of information from QAPI Committee
 - e. QAPI bulletin boards on the floors

E. QAPI Indicators

A number of indicators measuring quality and performance improvement are captured in departments throughout the hospital. These quality assessment indicators are continuously measured, monitored, and reported. These indicators are listed below along with the committee in which they get reported.

Quality assessment and performance improvement indicators that do not get reported out at departmental meetings will get reported out at the QAPI Committee meetings. QAPI indicators may originate from an issue identified by administration, employees, physicians or patients, PIPs, or are required to be reported to external organizations.

Quality Assessment and Performance Improvement (QAPI) Committee Indicators

1. CMS Measures
 - a. Inpatient Quality Reporting Performance Measures
 - i. Sepsis - Early Management Bundle, Severe Sepsis/Septic Shock (SEP-1)
 - ii. Venous Thromboembolism
 1. Hospital Acquired Potentially-Preventable Venous Thromboembolism (VTE-6)
 - iii. Immunizations - Influenza Immunization (IMM-2)
 - iv. ED
 1. Median Time from ED Arrival to ED Departure for Admitted Patients (ED-1)
 2. Median Time from Admit Decision to ED Departure for Admitted Patients (ED-2)
 - b. Outpatient Quality Reporting Performance Measures
 - i. AMI & CP
 1. Fibrinolytic Therapy Received Within 30 Minutes of ED Arrival (OP-2)
 2. Median Time to Transfer to Another Facility for Acute Coronary Intervention (OP-3)
 3. Median Time to ECG (OP-5)
 - ii. ED Throughput
 1. Median Time from ED Arrival to ED Departure for Discharged Patients (OP-18/ED-3)
 2. Patient Left Without Being Seen (OP-22)
 - iii. Stroke - Head CT Scan Results for Acute Ischemic Stroke or Hemorrhagic Stroke Patients Who Received Head CT Scan Interpretation Within 45 minutes of Arrival (OP-23)
 - iv. Web-Based Measures
 1. Tracking Clinical Results between Visits (OP-17)
 2. Influenza Vaccination Coverage among Healthcare Personnel (OP-27)
 3. Endoscopy/Polyp Surveillance: Appropriate Follow-up Interval for Normal Colonoscopy in Average Risk Patients (OP-29)
 4. Endoscopy/Polyp Surveillance: Colonoscopy Interval for Patients with a History of Adenomatous Polyps – Avoidance of Inappropriate Use (OP-30)
 5. External Beam Radiotherapy for Bone Metastases
2. Nursing
 - i. Restraints Documentation and Utilization
 1. Medical
 2. Behavioral
 - ii. Medication Scanning Compliance
 - iii. Bundle Compliance
 1. SSI
 - iv. Discharges by 11AM
3. Patient Advocacy Relations
 - i. Monthly HCAHPS Scores
 - ii. Patient Grievances
4. Risk Management
 - i. Patient Falls
 - ii. Falls Documentation
5. Serious Reportable Events (SRE) Utilization Review
 - i. Readmission Rates
 - ii. InterQual Appropriateness of Admission
 - iii. Discharge Planning Effectiveness

6. Infection Prevention and Control
 - i. Healthcare-Associated Infection Measures
 1. Central line-Associated Blood Stream Infection (CLABSI)
 2. Catheter-Associated Urinary Tract Infection (CAUTI)
 3. Ventilator-Associated Event (VAE)
 4. Surgical Site Infections (SSIs)
 - a. Knee Replacements
 - b. Hysterectomy
 - c. Colon
 5. MDRO
 - a. MRSA Bacteremia
 - b. C. Diff
 - ii. Infection Prevention Measures
 1. ICU MRSA Screening
 2. Hand Hygiene Compliance
 3. Isolation Compliance
7. Environmental Services
 - i. Hazardous Waste/Materials
 - ii. Room Cleaning Compliance
 - iii. Cleaning Audits by Nursing
8. Organ Donation
 - i. Death Notification Rate
9. Physician Peer Review
 - i. Mortality Review
 - ii. Quality of Care Review
10. Health Information Management
 - i. Verbal Order Authentication within 24 Hours
 - ii. Operative Reports Dictated within 24 Hours
 - iii. Delinquent Chart Counts
 - iv. H&Ps Updated before Surgery
 - v. H&Ps Dictated within 24 Hours
11. Dietary Services
 - i. CHF Dietary Education
 - ii. Tube Feeding Recommendations
 - iii. Patient Complaints
 - iv. Test Tray results
12. Pharmacy and Therapeutics
 - i. Medication Errors
 - ii. Adverse Reactions
 - iii. Overrides Without Orders
 - iv. Diversion
 - v. Pharmacist Interventions (Improve Order / Therapy)
13. Cardiorespiratory
 - i. Medication Errors / Adverse Reactions
 - ii. Ventilator Days Total
 - iii. Ventilator Days Trach
 - iv. Ventilator Days ETT
 - v. Proficiency Testing
14. Radiology
 - i. Exam Reject Analysis
15. Laboratory
 - i. Critical Values Notification within 20 Minutes
 - ii. Blood Culture Contamination by Draw
 - iii. Turnaround Times

- iv. Proficiency Test Acceptability
- v. Specimen Rejection
- vi. Reference Lab Specimen Rejection
- vii. Amended Reports
- viii. Transfusion Errors
- 16. Rehabilitation
 - i. Evaluations Completed within 24 Hours
- 17. Dialysis
 - i. Cultures
 - ii. Early Starts for Scheduled Dialysis
- 18. Safety and Security
 - i. Code White Response Compliance
- 19. Employee Health
 - i. Influenza Vaccination Coverage Among Healthcare Personnel (OP-27)
- 20. Ambulatory
 - i. Merit-Based Incentive Payment System (MIPS) Summary
 - ii. Advancing Care Information (ACI) Summary
- 21. Information Systems
 - i. Meaningful Use – Electronic Health Record (EHR)
 - ii. IS Requests Productivity
 - iii. Security Audit Corrective Actions
- 22. Bio-Engineering
 - i. Medical PM
- 23. Engineering
 - i. Non-Medical PM
 - ii. Life Safety Testing
- 24. Contracted Services
 - i. Evaluation Scores and Indicators
 - ii. Corrective Action if applicable

Department of Surgery QAPI Indicators

- 1. Late Start Times
- 2. Canceled Surgery Cases for Patient Safety Concerns
- 3. Anesthesiology
 - i. GI Event
 - ii. OR Event
 - iii. Ortho Event

Critical Care Committee QAPI Indicators

- 1. Code Blue Review
- 2. ICU Mortalities
- 3. ICU HAIs
- 4. ICU Device Days
- 5. ICU Bundle Compliance

Safety Committee QAPI Indicators

- 1. Code Red
- 2. Code White

Utilization Review QAPI Indicators

- 1. Unjustifiable Outliers
- 2. Potentially Avoidable Readmissions

Infection Control QAPI Indicators

1. Employee Injuries
2. Vaccinations
3. PPD Testing
4. N95 Respirator Fit Testing
5. TB Questionnaire
6. Employee Show Rate
7. MDRO
 - i. MRSA
 - ii. VRE
 - iii. ESBL
 - iv. Pseudomonas
 - v. A. Baum
 - vi. CRE/XDRO
 - vii. C-Diff

Tissue and Transfusion QAPI Indicators

1. Blood Product Usage
2. Transfusion Documentation

F. QAPI Reporting Schedule

The Quality Assessment and Performance Improvement Committee consists of departments throughout the hospital. Every department will collect and report data according to the calendar below.

QAPI Reporting Responsibilities					
	Department Name	Person Reporting	Reports To	Data Collected	Data Reported to QAPI Committee
1	CMS Measures	Sorinel Branzan	QAPI Committee	Monthly	Quarterly
2	Nursing	Gen Presbitero & Catherine Dunning	QAPI Committee	Monthly	Quarterly
3	Risk Management	Sorinel Branzan & Catherine Dunning	QAPI Committee	Monthly	Quarterly
4	Utilization Review	Jamie Miller	QAPI Committee	Monthly	Quarterly
5	Employee Health	Gen Presbitero	QAPI Committee	Monthly	Quarterly
6	Infection Prevention and Control	Gen Presbitero	QAPI Committee	Monthly	Quarterly
7	Environmental Services	Carlos Urbina	QAPI Committee	Monthly	Quarterly
8	Peer Review	Dr. Joe Alioto	Peer Review Committee	Monthly	Quarterly
9	Organ Donation	Jessica Rodriguez	QAPI Committee	Monthly	Quarterly
10	Health Information Management	Edwin Punsulan	QAPI Committee	Monthly	Quarterly
11	Dietary Services	Sarah Perkins	QAPI Committee	Monthly	Quarterly
12	Pharmacy and Therapeutics	John Li	QAPI Committee	Monthly	Quarterly
13	Cardiorespiratory	Biljana Brakocevic	QAPI Committee	Monthly	Quarterly
14	Radiology	Eric Yoon	QAPI Committee	Monthly	Quarterly
15	Laboratory	Bob Witt	QAPI Committee	Monthly	Quarterly
16	Rehabilitation	Dan Possley	QAPI Committee	Monthly	Quarterly
17	Dialysis	Minviluz Wong	QAPI Committee	Monthly	Quarterly
18	Safety and Security	Troy Minor	QAPI Committee	Monthly	Quarterly
19	Patient Advocacy and Relations	Gerald Baecker	QAPI Committee	Monthly	Quarterly
20	Ambulatory	David Novick	QAPI Committee	Monthly	Quarterly
21	Information Systems	Sorinel Branzan	QAPI Committee	Monthly	Quarterly
22	Bio-Engineering	Bob Donoshaytis	QAPI Committee	Monthly	Quarterly
23	Engineering	Declan Kerr	QAPI Committee	Monthly	Quarterly
24	Materials Management	Ralph Povlitz	QAPI Committee	Monthly	Quarterly
25	Contracted Services	Sorinel Branzan	QAPI Committee	Monthly	Annually

Reporting Schedule	
Reporting Period	QAPI Meeting
July 2018	October 2018
August 2018	
September 2018	
October 2018	January 2019
November 2018	
December 2018	
January 2019	April 2019
February 2019	
March 2019	
April 2019	July 2019
May 2019	
June 2019	

SECTION IV.CHARITY CARE INFORMATION

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 7.

CHARITY CARE			
	Year 2018	Year 2017	Year 2016
Net Patient Revenue	47,028,370	48,495,026	50,680,973
Amount of Charity Care (charges)	2,648,161	1,849,815	2,851,358
Cost of Charity Care	741,485	610,439	940,948

APPEND DOCUMENTATION AS ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SHEA, PAIGE & ROGAL, INC.
547 S. LAGRANGE ROAD
LAGRANGE, ILLINOIS 60525
(708) 482-4820

FAX (708) 482-1091

SPRINGFIELD OFFICE
421 WEST EDWARDS
SPRINGFIELD, IL 62704
(217) 523-2550
FAX (217) 523-2560

RECEIVED

APR 8 2019

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Mr. Mike Constantino
Health Facilities Planning Board
525 West Jefferson St.
Springfield, IL 62761

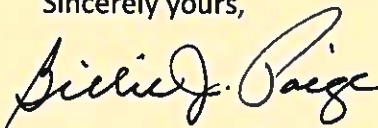
Dear Mr. Constantino:

On behalf of our client, Thorek Memorial Hospital, please find the enclosed application for change of ownership.

Thorek Memorial Hospital requests an exemption to purchase the assets of Methodist Hospital of Chicago, 5025 N. Paulina Avenue.

If you have any questions in this matter, please don't hesitate to contact our office.

Sincerely yours,



Billie J. Paige, President
Shea, Paige & Rogal, Inc.
547 S. La Grange Rd.
La Grange, IL 60525
708-482-4820

Enclosure