

ORIGINAL

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
CHANGE OF OWNERSHIP APPLICATION FOR EXEMPTION- 09/2019 EditionILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR CHANGE OF OWNERSHIP EXEMPTION

RECEIVED

OCT 09 2019

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

HEALTH FACILITIES &
SERVICES REVIEW BOARD

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Community Memorial Hospital Association d/b/a Community Hospital of Staunton		
Street Address: 400 North Caldwell Street		
City and Zip Code: Staunton, IL 62088		
County: Macoupin	Health Service Area: 3	Health Planning Area: E-2

Legislators

State Senator Name: Andy Manar
State Representative Name: Avery Bourne

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

Exact Legal Name: Anderson Healthcare
Street Address: 6800 State Route 162
City and Zip Code: Maryville, IL 62062
Name of Registered Agent: Keith A. Page
Registered Agent Street Address: 6800 State Route 162
Registered Agent City and Zip Code: Maryville, IL 62062
Name of Chief Executive Officer: Keith A. Page
CEO Street Address: 6800 State Route 162
CEO City and Zip Code: Maryville, IL 62062
CEO Telephone Number: 618-391-6406

Type of Ownership of Applicants

☒ Non-profit Corporation	☐ Partnership
☐ For-profit Corporation	☐ Governmental
☐ Limited Liability Company	☐ Sole Proprietorship
☐ 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: Keith A. Page
Title: Chief Executive Officer
Company Name: Anderson Healthcare
Address: 6800 State Route 162, Maryville, IL 62062
Telephone Number: 618-391-6406
E-mail Address: pagek@andersonhospital.org

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
CHANGE OF OWNERSHIP APPLICATION FOR EXEMPTION- 09/2019 Edition

**ILLINOIS 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.

Facility/Project Identification

Facility Name: Community Memorial Hospital Association d/b/a Community Hospital of Staunton		
Street Address: 400 North Caldwell Street		
City and Zip Code: Staunton, IL 62088		
County: Macoupin	Health Service Area: 3	Health Planning Area: E-2

Legislators

State Senator Name: Andy Manar
State Representative Name: Avery Bourne

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

Exact Legal Name: Community Memorial Hospital Association d/b/a Community Hospital of Staunton
Street Address: 400 North Caldwell Street
City and Zip Code: Staunton, IL 62088
Name of Registered Agent: Sue E. Campbell
Registered Agent Street Address: 400 North Caldwell Street
Registered Agent City and Zip Code: Staunton, IL 62088
Name of Chief Executive Officer: Sue E. Campbell
CEO Street Address: 400 North Caldwell Street
CEO City and Zip Code: Staunton, IL 62088
CEO Telephone Number: 618-635-4241

Type of Ownership of Applicants

☒ Non-profit Corporation	☐ Partnership
☐ For-profit Corporation	☐ Governmental
☐ Limited Liability Company	☐ Sole Proprietorship
☐ Other	

- o Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- o Partnerships must provide the name of the state in which 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: Keith A. Page
Title: Chief Executive Officer
Company Name: Anderson Healthcare
Address: 6800 State Route 162, Maryville, IL 62062
Telephone Number: 618-391-6406
E-mail Address: pagek@andersonhospital.org

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
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Fax Number: (618) 288-4088

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
CHANGE OF OWNERSHIP APPLICATION FOR EXEMPTION- 09/2019 Edition

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

Name: Evan Goldfarb
Title: Attorney
Company Name: Thompson Coburn LLP
Address: One US Bank Plaza, St. Louis, MO 63101
Telephone Number: (314) 552-6198
E-mail Address: egoldfarb@thompsoncoburn.com
Fax Number: (314) 552-7000

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: Sue E. Campbell
Title: Chief Executive Officer
Company Name: Community Memorial Hospital Association, d/b/a Community Hospital of Staunton
Address: 400 North Caldwell Street, Staunton, IL 62088
Telephone Number: 618-635-4241
E-mail Address: scampbell@stauntonhospital.org
Fax Number: (618-635-4244

Site Ownership after the Project is Complete

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Community Memorial Hospital Association
Address of Site Owner: 400 North Caldwell Street, Staunton, IL 62088
Street Address or Legal Description of the Site: 400 North Caldwell Street, Staunton, IL 62088
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: Community Memorial Hospital Association d/b/a Community Hospital of Staunton			
Address: 400 North Caldwell Street, Staunton, IL 62088			
☒	Non-profit Corporation	☐	Partnership
☐	For-profit Corporation	☐	Governmental
☐	Limited Liability Company	☐	Sole Proprietorship
☐	Other		

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
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Operating Identity/Licensee after the Project is Complete

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

Exact Legal Name: Community Memorial Hospital Association, d/b/a Community Hospital of Staunton	
Address: 400 North Caldwell Street, Staunton, IL 62088	
☒ Non-profit Corporation ☐ For-profit Corporation ☐ Limited Liability Company ☐ Other	☐ Partnership ☐ Governmental ☐ Sole Proprietorship ☐
- o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. - o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. - o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Organizational Relationships

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

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

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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.

Community Memorial Hospital Association d/b/a Community Hospital of Staunton, is an Illinois not-for-profit corporation ("CMHA"). CMHA owns and operates Community Hospital of Staunton, a critical access hospital located at 400 North Caldwell Street, Staunton, Illinois.

Currently, Southwestern Illinois Health Facilities, Inc., d/b/a Anderson Hospital, an Illinois not-for-profit corporation ("SWIFI"), is the sole member of CMHA and has no members itself. Anderson Healthcare is a newly organized Illinois not-for-profit corporation, with leadership generally similar to SWIFI, which will serve as a new parent entity for SWIFI and for CMHA, as part of an internal corporate reorganization.*

CMHA and Anderson Healthcare hereby seek a Certificate of Exemption from the Illinois Health Facilities & Services Review Board ("Review Board") to allow consummation of a proposed transaction whereby Anderson Healthcare will be substituted for SWIFI to become the new sole member of CMHA (the "Transaction"). The Transaction is being undertaken as part of an internal corporate reorganization and constitutes a change of ownership among related persons for CMHA under the Health Facilities and Services Review Operational Rules. There are no other changes being proposed for CMHA that would otherwise require a permit or exemption under the Health Facilities and Services Review Operational Rules due to the Transaction.

The Transaction is contingent upon the approval from the Review Board and is scheduled to close on the first day of the month following the approval by the Review Board of this application for a Certificate of Exemption.

(*Note that a separate application for a Certificate of Exemption is also being submitted by Anderson Healthcare and SWIFI concurrently with this application seeking approval for Anderson Healthcare to become the sole member of SWIFI.)

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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: Not Applicable
Fair Market Value: \$546,486

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 ☒. 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): On the first day of the month following the Review Board's approval of this Certificate of Exemption

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 (Please note this is not applicable because the applicants have no outstanding permits.)
- Failure to be up to date with these requirements will result in the Application being deemed incomplete.**

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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 Anderson Healthcare 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

KEITH A. PAGE
KEITH A. PAGE

CHIEF EXEC. OFFICER
CEO


SIGNATURE

Michael M. Marshall
MICHAEL M. MARSHALL

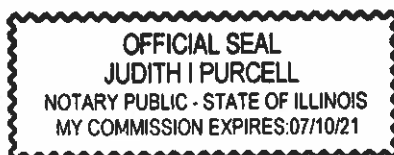
VICE PRESIDENT/CFO
VICE PRESIDENT/CFO

Notarization:

Subscribed and sworn to before me
this 3 day of October

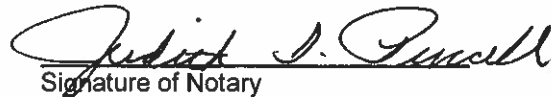

Signature of Notary

Seal

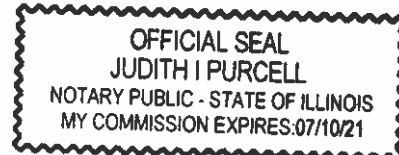


Notarization:

Subscribed and sworn to before me
this 3 day of October


Signature of Notary

Seal



*Insert the EXACT legal name of the applicant

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
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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 Community Memorial Hospital Association, d/b/a Community Hospital of Staunton 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.

Sue E. Campbell
SIGNATURE

Sue E. Campbell
SUE E. CAMPBELL
CEO
CEO

Brian Engelke
SIGNATURE

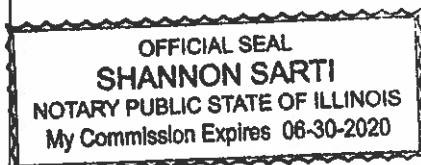
Brian Engelke
BRIAN ENGELKE
CFO
CFO

Notarization:

Subscribed and sworn to before me
this 3 day of October, 2019

Shannon Sarti
Signature of Notary

Seal



Notarization:

Subscribed and sworn to before me
this 3 day of October, 2019

Shannon Sarti
Signature of Notary

Seal



*Insert the EXACT legal name of the applicant

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
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SECTION II. BACKGROUND.

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. 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. 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.
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, 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 5, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 5.

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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."

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1130.520 Requirements for Exemptions Involving the Change of Ownership of a Health Care Facility

1. Prior to acquiring or entering into a contract to acquire an existing health care facility, a person shall submit an application for exemption to HFSRB, submit the required application-processing fee (see Section 1130.230) and receive approval from HFSRB.
2. If the transaction is not completed according to the key terms submitted in the exemption application, a new application is required.
3. READ the applicable review criteria outlined below and **submit the required documentation (key terms) for the criteria:**

APPLICABLE REVIEW CRITERIA	CHOW
1130.520(b)(1)(A) - Names of the parties	X
1130.520(b)(1)(B) - Background of the parties, which shall include proof that the applicant is fit, willing, able, and has the qualifications, background and character to adequately provide a proper standard of health service for the community by certifying that no adverse action has been taken against the applicant by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application.	X
1130.520(b)(1)(C) - Structure of the transaction	X
1130.520(b)(1)(D) - Name of the person who will be licensed or certified entity after the transaction	
1130.520(b)(1)(E) - List of the ownership or membership interests in such licensed or certified entity both prior to and after the transaction, including a description of the applicant's organizational structure with a listing of controlling or subsidiary persons.	X
1130.520(b)(1)(F) - Fair market value of assets to be transferred.	X
1130.520(b)(1)(G) - The purchase price or other forms of consideration to be provided for those assets. [20 ILCS 3960/8.5(a)]	X
1130.520(b)(2) - Affirmation that any projects for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of this Section	X
1130.520(b)(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	X

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
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1130.520(b)(4) - A statement as to the anticipated benefits of the proposed changes in ownership to the community	X
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;	X
1130.520(b)(6) - A description of the facility's quality improvement program mechanism that will be utilized to assure quality control;	X
1130.520(b)(7) - A description of the selection process that the acquiring entity will use to select the facility's governing body;	X
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.	X

APPEND DOCUMENTATION AS ATTACHMENT 6, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

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

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
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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		16
2	Site Ownership		18
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.		19
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.		20
5	Background of the Applicant		23
6	Change of Ownership		28
7	Charity Care Information		31

SECTION I
ATTACHMENT 1- TYPE OF OWNERSHIP

File Number

7206-613-8



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

ANDERSON HEALTHCARE, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON SEPTEMBER 26, 2019, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 27TH day of SEPTEMBER A.D. 2019 .

Jesse White

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SECRETARY OF STATE

Authentication #: 1927001690 verifiable until 09/27/2020

Authenticate at: <http://www.cyberdriveillinois.com>

File Number

2880-427-0



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

COMMUNITY MEMORIAL HOSPITAL ASSOCIATION, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON APRIL 26, 1946, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 24TH day of SEPTEMBER A.D. 2019 .

Jesse White
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SECRETARY OF STATE

Authentication #: 1926701288 verifiable until 09/24/2020

Authenticate at: <http://www.cyberdriveillinois.com>

SECTION 1

ATTACHMENT 2- SITE OWNERSHIP

PHONE: (618) 635-2200



October 3, 2019

Courtney R. Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, IL 62761

RE: Site Ownership of Community Memorial Hospital Association, d/b/a Community Hospital of Staunton

Dear Ms. Avery:

By signing this letter I attest that Community Memorial Hospital Association, an Illinois not-for-profit corporation is the owner of Community Memorial Hospital Association, d/b/a Community Hospital of Staunton located at 400 North Caldwell Street, Staunton, IL 62088.

Sincerely,

Sue Campbell, CEO

Community Memorial Hospital Association, d/b/a Community Hospital of Staunton

Notarization: Subscribed and sworn to before me this 3 day of October, 2019, in the State of Illinois, County of Macoupin

Signature of Notary

Seal



"Building Better Healthcare"

This institution is an equal opportunity provider and employer.



SECTION 1
ATTACHMENT 3- OPERATING IDENTITY/LICENSEE

File Number

2880-427-0



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

COMMUNITY MEMORIAL HOSPITAL ASSOCIATION, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON APRIL 26, 1946, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 24TH day of SEPTEMBER A.D. 2019 .

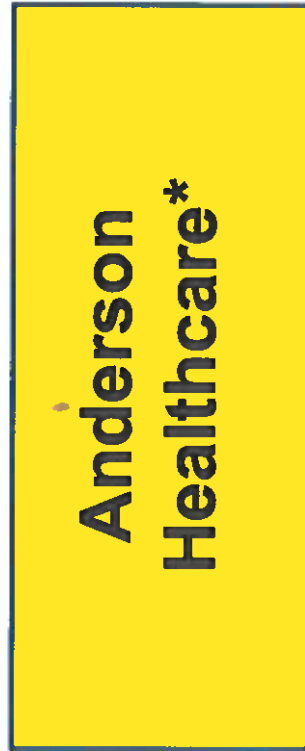
Jesse White

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SECRETARY OF STATE

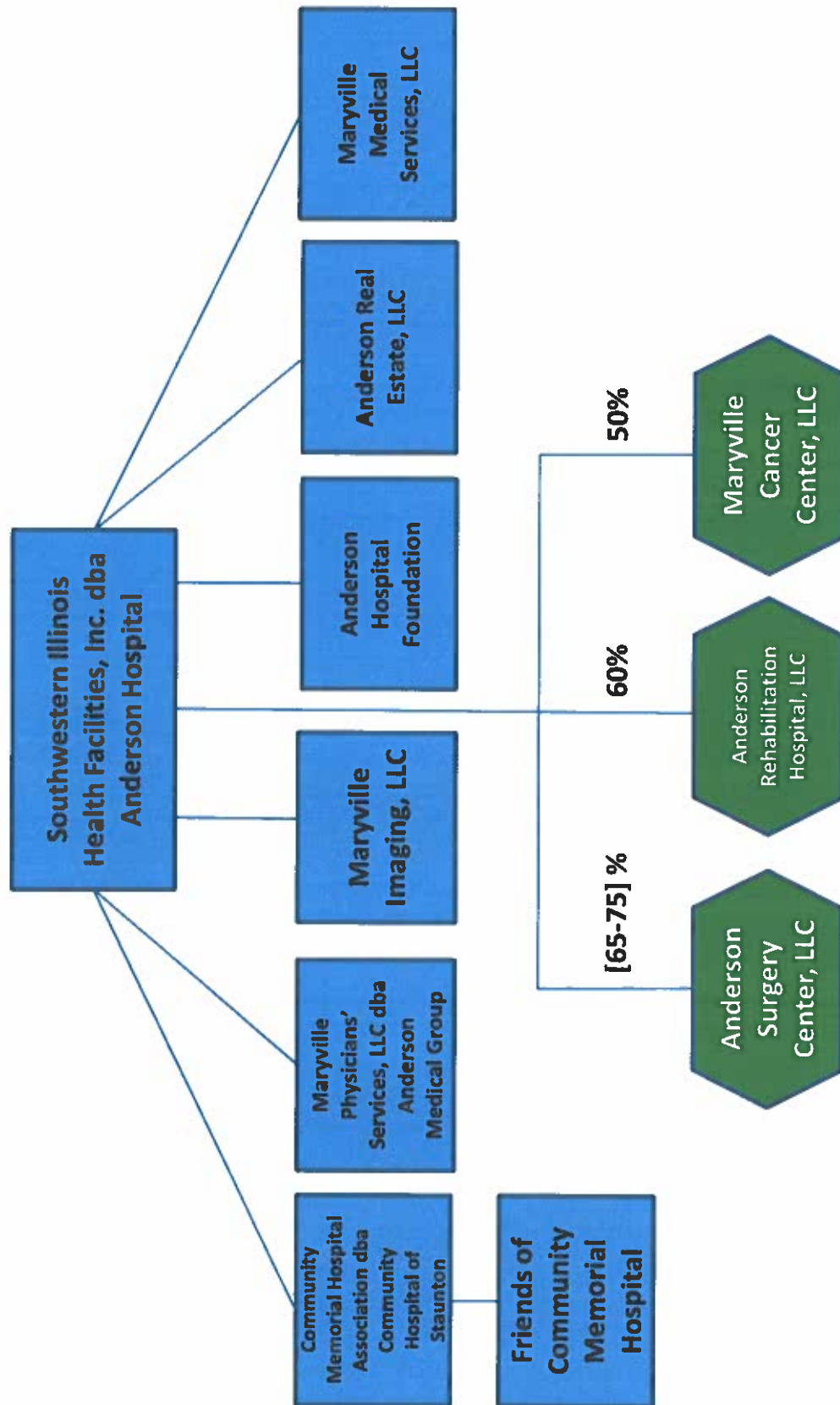
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Authenticate at: <http://www.cyberdriveillinois.com>

SECTION I
ATTACHMENT 4- ORGANIZATIONAL RELATIONSHIPS

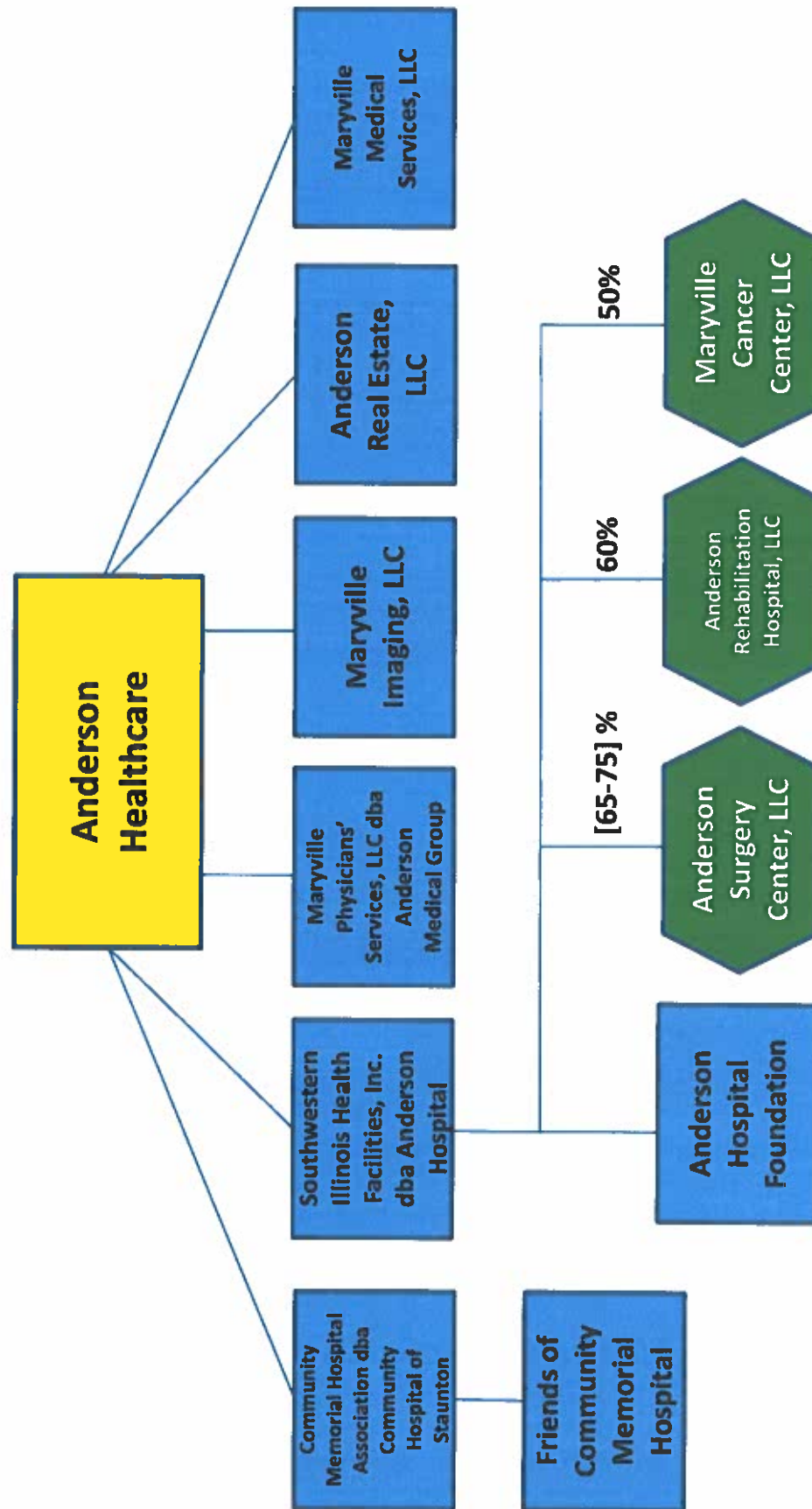


*Anderson Healthcare is a new nonprofit corporation formed to serve as a new parent company of Community Memorial Hospital Association d/b/a Community Hospital of Staunton.

Current Organizational Chart



Post Transaction Organizational Chart



SECTION II
ATTACHMENT 5- BACKGROUND OF APPLICANTS

Community Memorial Hospital Association d/b/a Community Hospital of Staunton

1. Community Memorial Hospital Association ("CMHA") owns and operates Community Hospital of Staunton, located at 400 North Caldwell Street, Staunton, IL 62088.
2. A letter certifying to the absence of adverse actions taken against CMHA and the facilities it owns and operates is attached as part of ATTACHMENT 5.
3. An authorization letter granting access to the Review Board and the Illinois Department of Public Health to verify information about CMHA is attached as part of ATTACHMENT 5.

Anderson Healthcare

4. Anderson Healthcare does not own or operate any health care facilities.
5. A letter certifying to the absence of adverse actions taken against Anderson Healthcare is attached as part of ATTACHMENT 5.
6. An authorization letter granting access to the Review Board and the Illinois Department of Public Health to verify information about Anderson Healthcare is attached as part of ATTACHMENT 5.

 Community Hospital
OF STAUNTON
An Anderson Healthcare Partner

October 3, 2019

Courtney R. Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, IL 62761

RE: No Adverse Action Certification of Community Memorial Hospital Association, d/b/a
Community Hospital of Staunton

Dear Ms. Avery:

By signing this letter, pursuant to 77 Ill. Admin. Code §1130.520(b)(1)(B), I certify that there has been no adverse action taken against any facility owned and/or operated by Community Memorial Hospital Association, d/b/a Community Hospital of Staunton during the three years prior to the filing of this application for a Certificate of Exemption.

Sincerely,



Sue Campbell, CEO
Community Memorial Hospital Association, d/b/a Community Hospital of Staunton

Notarization: Subscribed and sworn to before me this 3 day of October 2019, in the State of Illinois, County of Macoupin



Signature of Notary

Seal



 Community Hospital
OF STAUNTON
An Anderson Healthcare Partner

October 3, 2019

Courtney R. Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, IL 62761

RE: Authorization to Access Information - Community Memorial Hospital Association, d/b/a
Community Hospital of Staunton

Dear Ms. Avery:

I hereby authorize the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify the information submitted by Community Memorial Hospital Association, d/b/a Community Hospital of Staunton, with this application for a Certificate of Exemption, including, but not limited to, official records of IDPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations.

Sincerely,



Sue Campbell, CEO
Community Memorial Hospital Association, d/b/a Community Hospital of Staunton

Notarization: Subscribed and sworn to before me this 3 day of October, 2019, in the State of Illinois, County of Macoupin



Signature of Notary

Seal



■ Anderson Healthcare

October 3, 2019

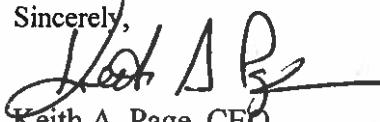
Courtney R. Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, IL 62761

RE: No Adverse Action Certification of Anderson Healthcare

Dear Ms. Avery:

By signing this letter, pursuant to 77 Ill. Admin. Code §1130.520(b)(1)(B), I certify that there has been no adverse action taken against any facility owned and/or operated by Anderson Healthcare during the three years prior to the filing of this application for a Certificate of Exemption. Please note that Anderson Healthcare is a recently formed Illinois not-for-profit corporation and Anderson Healthcare has not owned or operated any facility during the three years prior to the filing of this application for a Certificate of Exemption.

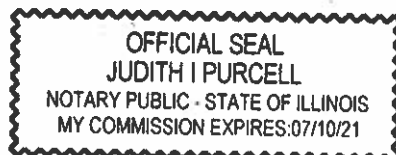
Sincerely,


Keith A. Page, CEO
Anderson Healthcare

Notarization: Subscribed and sworn to before me this 3 day of October, 2019, in the State of Illinois, County of Madison


Signature of Notary

Seal



■■■
6800 State Route 162
Maryville, IL 62062
618-288-5711

 Anderson Healthcare

October 3, 2019

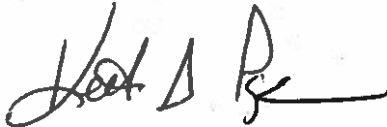
Courtney R. Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, IL 62761

RE: Authorization to Access Information – Anderson Healthcare

Dear Ms. Avery:

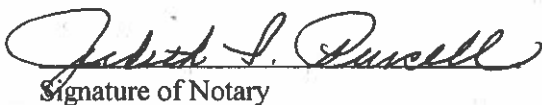
I hereby authorize the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify the information submitted by Anderson Healthcare, with this application for a Certificate of Exemption, including, but not limited to, official records of IDPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations.

Sincerely,

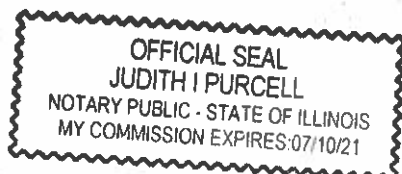


Keith A. Page, CEO
Anderson Healthcare

Notarization: Subscribed and sworn to before me this 3 day of October, 2019, in the State of Illinois, County of Madison.


Signature of Notary

Seal



■■■
6800 State Route 162
Maryville, IL 62062
618-288-5711

**SECTION III
ATTACHMENT 6**

Criterion 1130.520 Requirements for Exemptions Involving the Change of Ownership of a Health Care Facility

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

Community Memorial Hospital Association, an Illinois not-for-profit corporation, doing business as Community Hospital of Staunton ("CMHA")

Anderson Healthcare, an Illinois not-for-profit corporation ("Anderson Healthcare")

Criterion 1130.520(b)(1)(B) - Background of the applicants

CMHA owns and operates Community Hospital of Staunton, a critical access hospital located at 400 North Caldwell Street, Staunton, Illinois. Anderson Healthcare is a newly organized Illinois not-for-profit corporation which will service as a new parent entity for CMHA as part of an internal corporate reorganization. By the signatures on this application, the applicants certify that no adverse action has been taken against the applicants as is described in the letters enclosed with ATTACHMENT 5.

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

Currently, SWIFI is the sole member of CMHA. As part of the change of ownership, Anderson Healthcare, a recently formed Illinois not-for-profit corporation, will be substituted for SWIFI and will become the new sole member of CMHA.

Criterion 1130.520(b)(1)(D) - Licensed party

CMHA will continue to be the licensee and operator of Community Hospital of Staunton following the Transaction.

Criterion 1130.520(b)(1)(E) - List of ownership interests

Currently, SWIFI is the sole member of CMHA. Following the Transaction, Anderson Healthcare will be the sole member CMHA.

Currently, Anderson Healthcare has no members. Following the Transaction, Anderson Healthcare will continue to have no members.

Criterion 1130.520(b)(1)(F) - Fair market value

The anticipated fair market value of CMHA is \$21,256,796, which is the approximate net asset value of CMHA. This amount is identified solely for the purposes of this application.

Criterion 1130.520(b)(1)(G) - Purchase price

There is no purchase price associated with the Transaction.

Criterion 1130.520(b)(2) - Pending projects

By the signatures on this application, the applicants affirm that any projects for which permits have been issued have been completed or will be completed or altered in accordance with applicable law. Please note that there are no outstanding projects for which permits have been issued to applicants.

Criterion 1130.520(b)(3) - Charity care policies

CMHA will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the Transaction; and the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction. See also the letter attached as part of this application as ATTACHMENT 6.

Criterion 1130.520(b)(4) - Community benefits

The Applicants anticipate that the change of ownership will benefit the community by providing a more streamlined organizational structure, which will allow for more efficient operation.

Criterion 1130.520(b)(5) - Cost savings

At this time it is not possible to predict specifically the cost savings that will be realized in connection with the Transaction.

Criterion 1130.520(b)(6) - Quality improvement

CMHA takes pride in the excellence of healthcare services provided to its patients. The CMHA Quality Improvement Program is coordinated and directed through the Quality Improvement Committee, which consists of members from Clinical and Administrative leadership. This Committee interacts directly with the leadership of every clinical and clinical support department to provide ongoing continuous review, reporting, and improvement for patient safety and quality care. The Quality Improvement Committee reports directly to the Medical Staff, Board of Trustees and Administration of CMHA.

Criterion 1130.520(b)(7) - Governing body

CMHA's governing body will be elected by Anderson Healthcare, as the sole member. CMHA's organizational documents will ensure that the members of such governing body have sufficient skill, experience and/or knowledge to serve in such a role.

Criterion 1130.520(b)(9) - Scope of service changes

There are no proposed changes to the scope of services or levels of care currently provided at CMHA that are anticipated to occur within 24 months after the change of ownership, other than as described in the CON application for Project No. 18-031 which is unrelated to this Transaction. Project No. 18-031 involves CMHA ceasing to provide surgical services and closing its two operating rooms when the ambulatory surgical treatment center that is the subject of CON Project No. 18-031 is completed and becomes operational.

 Community Hospital
OF STAUNTON
An Anderson Healthcare Partner

October 3, 2019

Courtney R. Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, IL 62761

RE: Criterion 1130.520(b)(3) Charity Care Certification of Community Memorial Hospital Association, d/b/a Community Hospital of Staunton

Dear Ms. Avery:

I hereby affirm that Community Memorial Hospital Association, d/b/a Community Hospital of Staunton, will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the change of ownership transaction and that the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction.

Sincerely,



Sue Campbell, CEO
Community Memorial Hospital Association, d/b/a Community Hospital of Staunton

Notarization: Subscribed and sworn to before me this 3 day of October, 2019, in the State of Illinois, County of Macoupin



Signature of Notary

Seal



SECTION IV
ATTACHMENT 7- CHARITY CARE INFORMATION

Community Memorial Hospital Association, d/b/a Community Hospital of Staunton

	7/1/2016- 12/31/2017*	2017	2018
Net Patient Revenue	\$9,607,797	\$17,421,599	\$17,587,487
Amount of Charity Care (charges)	\$18,127	\$297,008	\$80,768
Cost of Charity Care	\$9,000	\$148,000	\$40,384
Ratio of Charity Care Cost to Net Patient Revenue	0.09%	0.85%	0.22%

*Note: Community Memorial Hospital Association changed its fiscal year from a June 30th year end to a December 31st year end following Southwestern Illinois Health Facilities, Inc. becoming its sole member as of 7/1/2016 ("Affiliation"). The charity care amounts for 7/1/15-6/30/16, the last full fiscal year of Community Memorial Hospital Association prior to the Affiliation were net patient revenue was \$17,143,957, amount of charity care charges was \$31,048, cost of charity care was \$15,000, Ratio of Charity Care Cost to Net Patient Revenue was 0.09%).

Anderson Healthcare

Anderson Healthcare is a newly formed Illinois not-for-profit corporation to become the sole member of Community Memorial Hospital Association. Anderson Healthcare is not a licensed healthcare facility.



One US Bank Plaza
St. Louis, MO 63101

314 552 6000 main
314 552 7000 fax
thompsoncoburn.com

RECEIVED

OCT 09 2019

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Evan Raskas Goldfarb
314 552 6198 direct
egoldfarb@thompsoncoburn.com

October 8, 2019

VIA FEDERAL EXPRESS

Mr. Michael Constantino
Project Review Supervisor
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, IL 62761

Re: Community Memorial Hospital Association – Change of Ownership Exemption
Application

Dear Mr. Constantino:

We represent Community Memorial Hospital Association, d/b/a Community Hospital of Staunton and are submitting the enclosed Change of Ownership Exemption Application for consideration by the Illinois Health Facilities & Services Review Board. Enclosed, please find the following:

1. An original and one (1) copy of an application for an exemption to undergo a change of ownership; and
2. A filing fee of \$2,500 payable to the Illinois Department of Public Health.

This application complies with the applicable standards and criteria of Part 1130 of the Illinois Planning Act. Please contact me if you have any questions or need any additional information.

Sincerely,

Thompson Coburn LLP

By 
Evan Raskas Goldfarb
Partner

Enclosures