#20-012

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

RECEIVED
FEB 11 2020
HEALTH FACILITIES & SERVICES REVIEW BOARD

Facility/Project Identification

Facility Name:	Lincoln Park Gastroenterology Center		
Street Address:	331 West Surf Street, Suite 506		
City and Zip Code:	Chicago, IL 60657		
County: Cook	Health Service Area: VI	Health Planning Area: A-01	

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

Exact Legal Name:	PCAC GI JV, L.L.C.
Street Address:	c/o Julie Roknich 2601 Navistar Drive Building 2, 3rd Floor
City and Zip Code:	Lisle, IL 60532
Name of Registered Agent:	CT Corporation System
Registered Agent Street Address:	208 S. LaSalle Street, Suite 814
Registered Agent City and Zip Code:	Chicago, IL 60604
Name of Chief Executive Officer:	John Baird
CEO Street Address:	2900 N. Lake Shore Drive
CEO City and Zip Code:	Chicago, IL 60657
CEO Telephone Number:	773/665-3000

Type of Ownership of Applicants

- ☐ Non-profit Corporation
- ☐ For-profit Corporation
- X Limited Liability Company
- ☐ Partnership
- ☐ Governmental
- ☐ 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:	Jacob M. Axel
Title:	President
Company Name:	Axel & Associates, Inc.
Address:	675 North Court Suite 210 Palatine, IL 60067
Telephone Number:	847/776-7101
E-mail Address:	jacobmaxel@msn.com
Fax Number:	847/776-7004

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

Name:	none
Title:	
Company Name:	
Address:	
Telephone Number:	
E-mail Address:	
Fax Number:	

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name:	Lincoln Park Gastroenterology Center
Street Address:	331 West Surf Street, Suite 506
City and Zip Code:	Chicago, IL 60657
County: Cook	Health Service Area: VI Health Planning Area: A-01

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

Exact Legal Name:	Presence Chicago Hospitals Network
Street Address:	200 S. Wacker Drive, 11th Floor
City and Zip Code:	Chicago, IL 60606
Name of Registered Agent:	CT Corporation System
Registered Agent Street Address:	208 South LaSalle Street, Suite 814
Registered Agent City and Zip Code:	Chicago, IL 60604
Name of Chief Executive Officer:	G. Thor Thordarson, President
CEO Street Address:	2601 Navistar Drive
CEO City and Zip Code:	Lisle, IL 60532
CEO Telephone Number:	224/273-4121

Type of Ownership of Applicants

X 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.

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Primary Contact [Person to receive ALL correspondence or inquiries]

Name:	Jacob M. Axel
Title:	President
Company Name:	Axel & Associates, Inc.
Address:	675 North Court Suite 210 Palatine, IL 60067
Telephone Number:	847/776-7101
E-mail Address:	jacobmaxel@msn.com
Fax Number:	847/776-7004

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

Name:	none
Title:	
Company Name:	
Address:	
Telephone Number:	
E-mail Address:	
Fax Number:	

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name:	Lincoln Park Gastroenterology Center
Street Address:	331 West Surf Street, Suite 506
City and Zip Code:	Chicago, IL 60657
County: Cook	Health Service Area: VI Health Planning Area: A-01

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

Exact Legal Name:	Ascension Health
Street Address:	4600 Edmunson Road
City and Zip Code:	St. Louis, MO 63134
Name of Registered Agent:	Illinois Corporation Service Compaany
Registered Agent Street Address:	801 Adlai Stevenson Drive
Registered Agent City and Zip Code:	Springfield, IL 62703
Name of Chief Executive Officer:	Joseph R. Impicciche
CEO Street Address:	4600 Edmunson Road
CEO City and Zip Code:	St. Louis, MO 63134
CEO Telephone Number:	314/733-8000

Type of Ownership of Applicants

X 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:	Jacob M. Axel
Title:	President
Company Name:	Axel & Associates, Inc.
Address:	675 North Court Suite 210 Palatine, IL 60067
Telephone Number:	847/776-7101
E-mail Address:	jacobmaxel@msn.com
Fax Number:	847/776-7004

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

Name:	none
Title:	
Company Name:	
Address:	
Telephone Number:	
E-mail Address:	
Fax Number:	

Post Permit Contact

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

Name:	Julie Roknich
Title:	Vice President, Senior Associate General Counsel
Company Name:	AMITA Health
Address:	2601 Navistar Drive Building 2, 2nd Floor Lisle, IL 60532
Telephone Number:	224/273-2320
E-mail Address:	Julie.Roknich@amitahealth.org
Fax Number:	

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Hammes Company

Address of Site Owner: 1400 N. Water Street Suite 500 Milwaukee, WI 53202

Street Address or Legal Description of the Site: 331 West Surf Street Chicago, IL 60657

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

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

Operating Identity/Licensee

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

Exact Legal Name: PCAC GI JV, L.L.C.

Address: c/o John Baird 2900 N. Lake Shore Drive Chicago, IL 60657

☐	Non-profit Corporation	☐	Partnership		
☐	For-profit Corporation	☐	Governmental		
X	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 organized and the name and address of each partner specifying whether each is a general or limited partner.
- **Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.**

APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Organizational Relationships

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

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

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements, please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov or **www.illinoisfloodmaps.org. This map must be in a readable format**. In addition, please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2006-5 (**http://www.hfsrb.illinois.gov**).

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

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

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

DESCRIPTION OF PROJECT

1. Project Classification

[Check those applicable - refer to Part 1110.20 and Part 1120.20(b)]

Part 1110 Classification:

X Substantive

☐ Non-substantive

2. Narrative Description

In the space below, provide a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms, NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

This Certificate of Need application addresses the establishment of an ambulatory surgical treatment center ("ASTC") in space originally designed as a gastrointestinal ("GI") suite in a medical clinics building on the campus of AMITA Health Saint Joseph Hospital-Chicago. The services to be provided in the proposed ASTC will be limited to GI procedures.

This project has three applicants. The first applicant is PCAC GI JV, L.L.C. which will serve as the operating entity/licensee. The second applicant is Presence Chicago Hospitals Network ("PCHN"), an AMITA Health affiliate, which owns and operates AMITA Health Saint Joseph Hospital-Chicago, and which currently owns 100% of the above-named licensee. The third applicant is Ascension Health, which, through AMITA Health, "controls" Presence Chicago Hospitals Network, and which, through Presence Chicago Hospitals Network, will be providing the funding for the project. It is anticipated by the applicants that up to a 49% interest in the operating entity will be acquired by gastroenterologists, directly or indirectly, at some point prior to the ASTC becoming operational.

The proposed project involves the establishment of a licensed health care facility, and as such, is classified as being "substantive".

PROJECT COST AND SOURCES OF FUNDS

	Reviewable	Non-Reviewable	Total
Project Cost:			
Preplanning Costs	$ 11,500	$ 4,000	$ 15,500
Site Survey and Soil Investigation			
Site Preparation	$ 17,000	$ 6,000	$ 23,000
Off Site Work			
New Construction Contracts			
Modernization Contracts	$ 613,405	$ 204,540	$ 817,945
Contingencies	$ 37,748	$ 13,636	$ 51,384
Architectural/Engineering Fees	$ 74,000	$ 25,000	$ 99,000
Consulting and Other Fees	$ 308,000	$ 77,000	$ 385,000
Movable and Other Equipment (not in construction contracts)	$ 247,500	$ 82,500	$ 330,000
Net Interest Expense During Construction Period			
Fair Market Value of Leased Space	$ 4,215,131	$ 1,405,044	$ 5,620,175
Fair Market Value of Leased Equipment	$ 620,258	$ 32,645	$ 652,903
Other Costs to be Capitalized			
Acquisition of Building or Other Property			
TOTAL USES OF FUNDS	**$ 6,144,542**	**$ 1,850,365**	**$ 7,994,907**
Sources of Funds:			
Cash and Securities	$ 1,309,153	$ 412,676	$ 1,721,829
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)	$ 4,835,389	$ 1,437,689	$ 6,273,078
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	**$ 6,144,542**	**$ 1,850,365**	**$ 7,994,907**

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 X No
Purchase Price: $_____
Fair Market Value: $_____

The project involves the establishment of a new facility or a new category of service
X Yes ☐ No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is $ 250,000.

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.

Indicate the stage of the project's architectural drawings:

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

Anticipated project completion date (refer to Part 1130.140): October 31, 2021

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

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

APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals [Section 1130.620(c)]

Are the following submittals up to date as applicable:
X Cancer Registry
X APORS
X All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
X All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

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

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

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

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 PCAC GI JV, L.L.C.* **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	SIGNATURE
John D. Baird PRINTED NAME	PRINTED NAME
President - PCAC GI JV, L.L.C. PRINTED TITLE	PRINTED TITLE
Notarization: Subscribed and sworn to before me this 6th day of February, 2020	Notarization: Subscribed and sworn to before me this _____ day of _____
Signature of Notary	Signature of Notary
Seal GERALDINE ESCAMILLA Official Seal Notary Public - State of Illinois My Commission Expires Aug 27, 2023	Seal

*Insert the EXACT legal name of the applicant

Note: Mr. Baird is the only individual meeting the requirements of a signatory

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 __Presence Chicago Hospitals Network__* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application 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

G. Thor Thordarson
PRINTED NAME

President
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 6 day of February, 2020

Deborah E Mikols
Signature of Notary

Seal

DEBORAH E MIKOLS
Official Seal
Notary Public - State of Illinois
My Commission Expires Oct 6, 2023

SIGNATURE

Julie P. RoKnich
PRINTED NAME

Secretary
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 6th day of February, 2020

Deborah A. Weaver
Signature of Notary

Seal

OFFICIAL SEAL
DEBORAH A WEAVER
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:12/31/23

*Insert the EXACT legal name of the applicant

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 Ascension Health* **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.**

Sr. Maureen McGuire
SIGNATURE

Sr. Maureen McGuire
PRINTED NAME

Chair
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 7th day of February 2020

Signature of Notary

Seal

LISA ZATKOS
MY COMMISSION # GG 947362
EXPIRES: March 16, 2024
Bonded Thru Notary Public Underwriters

Christine K. McCoy
SIGNATURE

Christine K. McCoy
PRINTED NAME

Secretary
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 7th day of February 2020

Signature of Notary

Seal

LISA ZATKOS
MY COMMISSION # GG 947362
EXPIRES: March 16, 2024
Bonded Thru Notary Public Underwriters

*Insert the EXACT legal name of the applicant

SECTION III. BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

1110.110(a) – Background of the Applicant

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

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

2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.

3. For the following questions, please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.

    a. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application.

    b. A certified listing of each applicant, identifying those individuals that have been cited, arrested, taken into custody, charged with, indicted, convicted or tried for, or pled guilty to the commission of any felony or misdemeanor or violation of the law, except for minor parking violations; or the subject of any juvenile delinquency or youthful offender proceeding. Unless expunged, provide details about the conviction and submit any police or court records regarding any matters disclosed.

    c. A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude.

    d. A certified listing of each applicant with one or more unsatisfied judgements against him or her.

    e. A certified and detailed listing of each applicant who is in default in the performance or discharge of any duty or obligation imposed by a judgment, decree, order or directive of any court or governmental agency.

4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**

5. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT 11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

Criterion 1110.110(b) & (d)

PURPOSE OF PROJECT

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other relevant area, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed as applicable and appropriate for the project.
4. Cite the sources of the documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals **as appropriate**.

For projects involving modernization, describe the conditions being upgraded, if any. For facility projects, include statements of the age and condition of the project site, as well as regulatory citations, if any. For equipment being replaced, include repair and maintenance records.

NOTE: Information regarding the "Purpose of the Project" will be included in the State Board Staff Report.

APPEND DOCUMENTATION AS ATTACHMENT 12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

ALTERNATIVES

1) Identify **ALL** of the alternatives to the proposed project:

Alternative options **must** include:

A) Proposing a project of greater or lesser scope and cost;

B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;

C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and

D) Provide the reasons why the chosen alternative was selected.

2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short-term (within one to three years after project completion) and long-term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED, THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**

3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

APPEND DOCUMENTATION AS ATTACHMENT 13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

Criterion 1110.120 - Project Scope, Utilization, and Unfinished/Shell Space

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative and it shall include the basis used for determining the space and the methodology applied.**

2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:

   a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies and certified by the facility's Medical Director.

   b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.

   c. The project involves the conversion of existing space that results in excess square footage.

   d. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

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

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

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

PROJECT SERVICES UTILIZATION:

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

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

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

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

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

UNFINISHED OR SHELL SPACE:

not applicable, project includes no shell space

Provide the following information:

1. Total gross square footage (GSF) of the proposed shell space.

2. The anticipated use of the shell space, specifying the proposed GSF to be allocated to each department, area or function.

3. Evidence that the shell space is being constructed due to:
   a. Requirements of governmental or certification agencies; or
   b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.

4. Provide:
   a. Historical utilization for the area for the latest five-year period for which data is available; and
   b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

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

ASSURANCES:

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.

2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and

3. The anticipated date when the shell space will be completed and placed into operation.

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

G. Non-Hospital Based Ambulatory Surgery

Applicants proposing to establish, expand and/or modernize the Non-Hospital Based Ambulatory Surgery category of service must submit the following information.

ASTC Service
☐ **Cardiovascular**
☐ **Colon and Rectal Surgery**
☐ **Dermatology**
☐ **General Dentistry**
☐ **General Surgery**
X **Gastroenterology**
☐ **Neurological Surgery**
☐ **Nuclear Medicine**
☐ **Obstetrics/Gynecology**
☐ **Ophthalmology**
☐ **Oral/Maxillofacial Surgery**
☐ **Orthopedic Surgery**
☐ **Otolaryngology**
☐ **Pain Management**
☐ **Physical Medicine and Rehabilitation**
☐ **Plastic Surgery**
☐ **Podiatric Surgery**
☐ **Radiology**
☐ **Thoracic Surgery**
☐ **Urology**
☐ **Other**_____

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

APPLICABLE REVIEW CRITERIA	Establish New ASTC or Service	Expand Existing Service
1110.235(c)(2)(B) – Service to GSA Residents	X	X
1110.235(c)(3) – Service Demand – Establishment of an ASTC or Additional ASTC Service	X	
1110.235(c)(4) – Service Demand – Expansion of Existing ASTC Service		X
1110.235(c)(5) – Treatment Room Need Assessment	X	X
1110.235(c)(6) – Service Accessibility	X	
1110.235(c)(7)(A) – Unnecessary Duplication/Maldistribution	X	
1110.235(c)(7)(B) – Maldistribution	X	
1110.235(c)(7)(C) – Impact to Area Providers	X	
1110.235(c)(8) – Staffing	X	X

1110.235(c)(9) – Charge Commitment	X	X
1110.235(c)(10) – Assurances	X	X

APPEND DOCUMENTATION AS ATTACHMENT 24, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

1. Applicants proposing to establish, expand and/or modernize Clinical Service Areas Other than categories of service must submit the following information:

2. Indicate changes by Service: Indicate # of key room changes by action(s):

Service	# Existing Key Rooms	# Proposed Key Rooms
X **Stage 1 Recovery**	**0**	**15**
☐		
☐		

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

not applicable due to the type of clinical service

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

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

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

VI. 1120.120 - AVAILABILITY OF FUNDS

not applicable—see bond rating

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable **[Indicate the dollar amount to be provided from the following sources]:**

_____ a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:

1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and

2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;

_____ b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.

_____ c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;

_____ d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:

1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated;

2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;

3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;

4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;

5) For any option to lease, a copy of the option, including all terms and conditions.

_____	e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
_____	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
	TOTAL FUNDS AVAILABLE

APPEND DOCUMENTATION AS ATTACHMENT 33, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VII. 1120.130 - FINANCIAL VIABILITY

not applicable---see bond rating

All the applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

Financial Viability Waiver

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

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

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT 34, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which **audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion.** When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

	Historical 3 Years			Projected
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each.

Variance

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

APPEND DOCUMENTATION AS ATTACHMENT 35, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VIII.1120.140 - ECONOMIC FEASIBILITY

This section is applicable to all projects subject to Part 1120.

A. Reasonableness of Financing Arrangements

not applicable---see bond rating

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or

2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:

   A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or

   B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

not applicable---no debt financing

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

1) That the selected form of debt financing for the project will be at the lowest net cost available;

2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;

3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

1. Identify each department or area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. $ (A x C)	Mod. $ (B x E)	
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

E. Total Effect of the Project on Capital Costs

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

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

SECTION IV. SAFETY NET IMPACT STATEMENT

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL PROJECTS TO DISCONTINUE A HEALTH CARE FACILITY OR CATEGORY OF SERVICE [20 ILCS 3960/5.4]:

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.

2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.

3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.

2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.

3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 9.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	**2016**	**2017**	**2018***
Inpatient	723	42	255
Outpatient	4,445	452	1,376
Total	**5,168**	**496**	**1,631**
Charity (cost in dollars)			
Inpatient	727,799	354,365	763,794
Outpatient	1,520,340	454,772	633,862
Total	**2,248,139**	**809,137**	**1,397,656**
MEDICAID			
Medicaid (# of patients)	**2016**	**2017**	**2018***
Inpatient	464	427	993
Outpatient	3,000	10,536	3,447
Total	3,464	10,963	4,440
Medicaid (revenue)			
Inpatient	20,516,947	33,379,547	12,089,906
Outpatient	7,584,914	18,530,768	1,242,421
Total	28,101,861	51,910,315	13,332,327

*six months

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

SECTION X. CHARITY CARE INFORMATION

Charity Care information MUST be furnished for ALL projects [1120.20(c)].

not applicable---newly-formed entity

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.

2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.

3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer (20 ILCS 3960/3). Charity Care must be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 39.

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

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

Anticipated payor mix:

Medicare	**40%**
Blue Cross	**40%**
Commercial and Managed Care	**12%**
Medicaid	**6%**
Charity Care	**1%**
Workers' Compensation	**1%**

File Number 0840298-1

STATE OF ILLINOIS
OFFICE OF THE 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

PCAC GI JV, L.L.C., HAVING ORGANIZED IN THE STATE OF ILLINOIS ON JANUARY 15, 2020, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY 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* 16TH *day of* JANUARY ***A.D.*** 2020 .

Authentication #: 2001601684 verifiable until 01/16/2021
Authenticate at: http://www.cyberdriveillinois.com

Jesse White

SECRETARY OF STATE

ATTACHMENT 1

#20-012

File Number 3128-198-9

STATE OF ILLINOIS

OFFICE OF THE 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

PRESENCE CHICAGO HOSPITALS NETWORK, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON APRIL 27, 1949, 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* 16TH *day of* JANUARY *A.D.* 2020 .

Authentication #: 2001601274 verifiable until 01/16/2021
Authenticate at: http://www.cyberdriveillinois.com

Jesse White

SECRETARY OF STATE ATTACHMENT 1

28

#20-012

File Number 6783-860-2

STATE OF ILLINOIS

OFFICE OF THE 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

ASCENSION HEALTH, INCORPORATED IN MISSOURI AND LICENSED TO CONDUCT AFFAIRS IN THIS STATE ON JUNE 27, 2011, 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 A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO CONDUCT AFFAIRS 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* 16TH *day of* JANUARY *A.D.* 2020 .

Authentication #: 2001601294 verifiable until 01/16/2021
Authenticate at: http://www.cyberdriveillinois.com

Jesse White

SECRETARY OF STATE

ATTACHMENT 1

#20-012

AMITA HEALTH

John D. Baird
CEO/President

February 5, 2020

Illinois Health Facilities and
Services Review Board
Springfield, Illinois

To Whom It May Concern:

This letter is being provided as confirmation that Presence Chicago Hospitals Network, d/b/a AMITA Health Saint Joseph Hospital Chicago "controls" through a lease the space to be occupied by the ambulatory surgical treatment center addressed in this Certificate of Need application.

Sincerely,

John Baird
CEO
AMITA Health Saint Joseph Hospital Chicago

Notarized:

GERALDINE ESCAMILLA
Official Seal
Notary Public - State of Illinois
My Commission Expires Aug 27, 2023

AMITA Health
Saint Joseph Hospital
Chicago
2900 N. Lake Shore Dr.
Chicago, IL 60657

773.665.3972
AMITAhealth.org

ATTACHMENT 2

File Number 0840298-1

STATE OF ILLINOIS
OFFICE OF THE 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

PCAC GI JV, L.L.C., HAVING ORGANIZED IN THE STATE OF ILLINOIS ON JANUARY 15, 2020, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY 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* 16TH *day of* JANUARY *A.D.* 2020 .

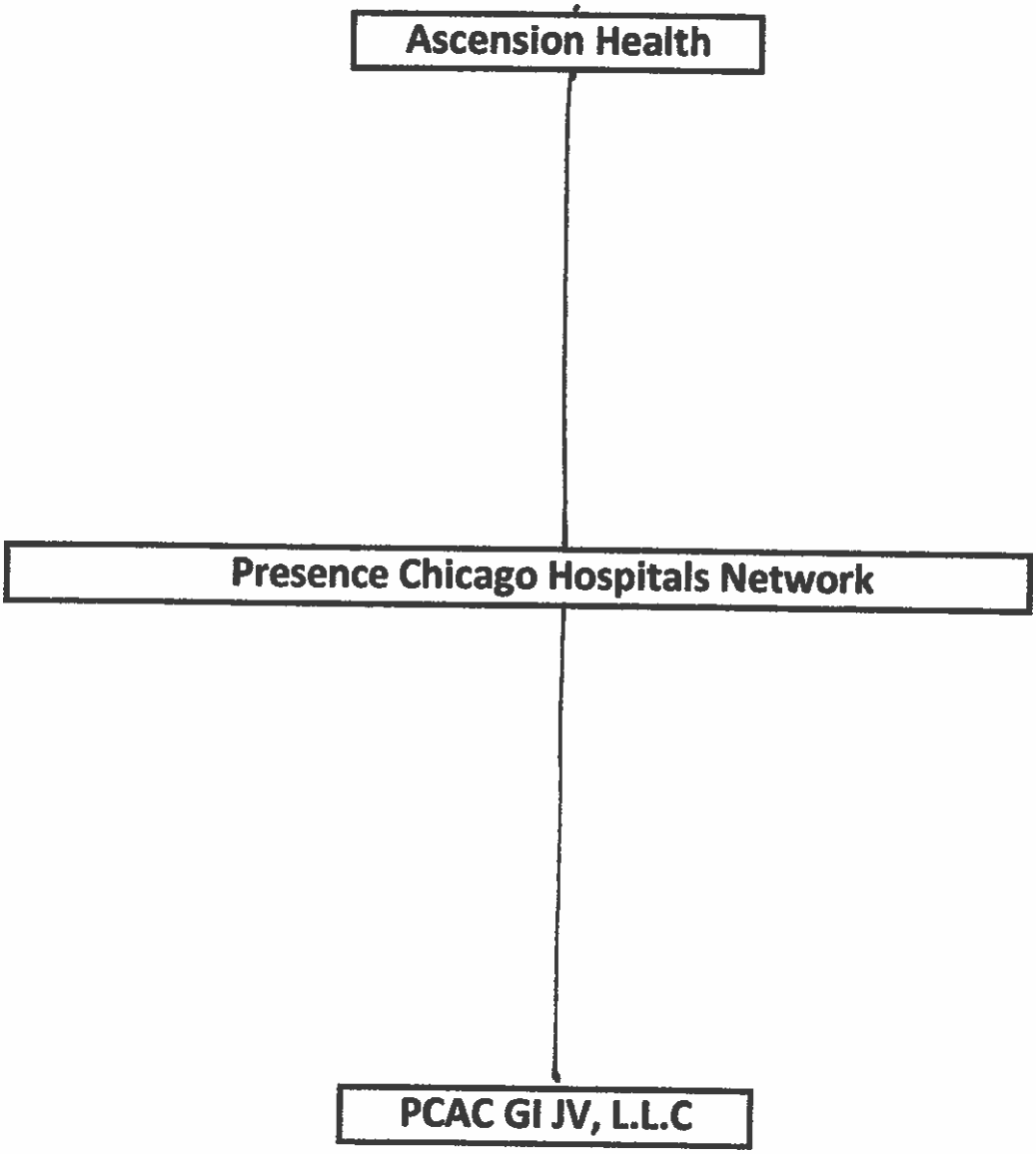
Authentication #: 2001601684 verifiable until 01/16/2021
Authenticate at: http://www.cyberdriveillinois.com

Jesse White

SECRETARY OF STATE

ATTACHMENT 3

ORGANIZATIONAL CHART



ATTACHMENT 4

#20-012

AMITA HEALTH

John D. Baird
CEO/President

February 5, 2020

Illinois Health Facilities and
Services review Board
Springfield, Illinois

To Whom It May Concern:

I hereby confirm that the project proposed in this Certificate of Need application, which is the establishment of an ambulatory surgical treatment center in a medical clinic building located on the campus of AMITA Health Saint Joseph Hospital Chicago, complies with the requirements of Executive Order #2006-5. A map confirming such, and provided by FEMA, is attached.

Sincerely,

John Baird
CEO
AMITA Health Saint Joseph Hospital Chicago

Notarized:

GERALDINE ESCAMILLA
Official Seal
Notary Public - State of Illinois
My Commission Expires Aug 27, 2023

AMITA Health
Saint Joseph Hospital
Chicago
2900 N. Lake Shore Dr.
Chicago, IL 60657

773.665.3972
AMITAhealth.org

ATTACHMENT 5

National Flood Hazard Layer FIRMette

FEMA

Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS
- Without Base Flood Elevation (BFE) Zone A, V, A99
- With BFE or Depth Zone AE, AO, AH, VE, AR
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD
- 0.2% Annual Chance Flood Hazard, Are of 1% annual chance flood with averag depth less than one foot or with draina areas of less than one square mile Zon
- Future Conditions 1% Annual Chance Flood Hazard Zone X
- Area with Reduced Flood Risk due to Levee. See Notes. Zone X
- Area with Flood Risk due to Levee Zone

OTHER AREAS
- NO SCREEN Area of Minimal Flood Hazard Zone X
- Effective LOMRs
- Area of Undetermined Flood Hazard Zo

GENERAL STRUCTURES
- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES
- 20.2 Cross Sections with 1% Annual Chance
- 17.5 Water Surface Elevation
- Coastal Transect
- 513 Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS
- Digital Data Available
- No Digital Data Available
- Unmapped

N

The pin displayed on the map is an approxima point selected by the user and does not repres an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 2/7/2020 at 3:01:06 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

#20-012

Axel & Associates, Inc.

MANAGEMENT CONSULTANTS

September 5, 2019

Illinois Dept. of Natural Resources
Illinois State Historic Preservation Office
ATTN: Review and Compliance/Old State Capitol
1 Natural Resources Way
Springfield, IL 62702-1271

RE: Proposed Ambulatory Surgical Treatment Center

To Whom It May Concern:

I am in the process of developing a Certificate of Need application, to be filed with the Illinois Health Facilities Services and Review Board, and I am in need of a determination of applicability from your agency.

The project involves the renovation of approximately 6,000 square feet in a medical office building (MOB) connected to AMITA Health Saint Joseph Hospital Chicago. The address of the MOB is approximately five years old, and is located at 331 West Surf Street in Chicago. There do not appear to be any structures of historical significance near the site, the exterior of the MOB will not be altered, and the project will have no impact on surrounding buildings.

I have enclosed a map of the site and pictures of the MOB, as well as surrounding buildings.

A letter from your office, confirming that the Preservation Act is not applicable to this project would be greatly appreciated.

Should you have any questions, I may be reached at the phone number below.

Sincerely,

Jacob M. Axel
President

enclosures

675 North Court, Suite 210
Palatine, Illinois 60067

Phone (847) 776-7101
Fax (847) 776-7004

PROJECT COSTS and
SOURCES OF FUNDS

#20-012

PROJECT COSTS			
Preplanning Costs			
Market Analyses/Feasibility Assessment		$15,500	
			$15,500
Site Preparation			
Exterior Signage	$ 23,000		
			$ 23,000
Modernization			
build-out per ATTACHMENT 36C		$817,945	
			$817,945
Contingencies			
per ATTACHMENT 36C		$51,384	
			$51,384
Architectural and Engineering Fees			
Design		$85,000	
Document Preparation		$1,000	
Interface with Agencies		$1,000	
Project Monitoring		$2,000	
Misc./Other		$10,000	
			$99,000
Consulting and Other Fees			
CON-related		$80,000	
Legal		$80,000	
Accounting		$25,000	
Project Management		$100,000	
Municipal Fees &Permits		$50,000	
Misc./Other		$50,000	
			$385,000
Movable Equipment			
Procedure Rooms, Misc.		$200,000	
Pre- and Post Procedure Area, Misc.		$47,500	
Admin and Public Areas, Misc.		$82,500	
			$330,000
Fair Market Value of Leased Space and Equip.			
Leased Space*		$5,620,175	
Leased Equipment (please see attached note)	$ 652,903		
			$6,273,078
Total Project Cost			$7,994,907

PROJECT COSTS and
SOURCES OF FUNDS

#20-012

SOURCES OF FUNDS

Cash	$1,721,829	
FMV of Leased Space and Equipment	$ 6,273,078	
Total Sources of Funds		$7,994,907

*The FMV of the leased space (DGSF), for purposes of this CON application, is based on the lease payments during the initial term of the lease

ATTACHMENT 7

FAIR MKT. VALUE OF LEASED EQUIPMENT

Description of Asset	Quantity	Calculated Value Per Item	Total Calculated Value
Rolling Stool	2	$138	$276
Stool	1	22	$22
Enovate Medical Cart with Computer Monitor, Keyboard and Mouse	2	1,452	$2,904
Stainless Table	1	110	$110
GE Healthcare Medfusion 3500 Syringe Pump	1	2,200	$2,200
Armstrong Medical A-Smart Cart System	1	880	$880
GE Healthcare Carescape Monitor B450	1	7,480	$7,480
MultiLink ESU Patient Cable	1	100	$100
HP Desktop	1	275	$275
Olympus Skytron Monitor	1	7,539	$7,539
Medivator Endo Stratus Co2 Insufflator	1	1,815	$1,815
Hazardous Waste Container	2	72	$144
3M Bair Hugger System Model 875	1	215	$215
Rolling Stool	2	138	$276
Stool	1	22	$22
Enovate Medical Cart with Computer Monitor, Keyboard and Mouse	2	1,452	$2,904
Stainless Table	1	110	$110
GE Healthcare Medfusion 3500 Syringe Pump	1	2,200	$2,200
Armstrong Medical A-Smart Cart System	1	880	$880
GE Healthcare Carescape Monitor B450	1	7,480	$7,480
MultiLink ESU Patient Cable	1	100	$100
HP Desktop	1	275	$275
Olympus Skytron Monitor	1	7,539	$7,539
Medivator Endo Stratus Co2 Insufflator	1	1,815	$1,815
Hazardous Waste Container	2	72	$144
3M Bair Hugger System Model 875	1	215	$215
Rolling Stool	1	138	$138
Enovate Medical Cart with Computer Monitor, Keyboard and Mouse	2	1,452	$2,904
Rolling Medical Cabinet (6-Drawer, 1-Shelf)	1	770	$770
Rolling IV Pole	1	100	$100
GE Healthcare Medfusion 3500 Syringe Pump	1	2,200	$2,200
Olympus Skytron Monitor	1	7,539	$7,539
GE Healthcare Carescape Monitor B450	1	7,480	$7,480

#20-012

ATTACHMENT 7

FAIR MKT. VALUE OF LEASED EQUIPMENT

Rolling Hazardous Waste Container	1	40	$40
Hazardous Waste Container	1	72	$72
Hazardous Waste Container	1	72	$72
Rolling Stool with Back	1	138	$138
Hazardous Waste Container	1	72	$72
Rolling Metal Shelf (2-Tier)	1	55	$55
Hazardous Waste Container	1	72	$72
HP Elitedesk Computer with Accessories	2	275	$550
Rolling Metal Shelf (2-Tier)	1	55	$55
Rolling Metal Cart (3-Tier)	2	75	$150
Rolling IV Pole	1	100	$100
Rolling Medical Cabinet (6-Drawer, 1-Shelf)	1	770	$770
GE Healthcare Carescape Monitor B450	1	7,480	$7,480
Rolling Stainless Tray	1	127	$127
Rolling Table	1	75	$75
Rolling Stool	2	138	$276
Enovate Medical Cart with Computer Monitor, Keyboard and Mouse	1	1,452	$1,452
Hazardous Waste Container	1	72	$72
Hazardous Waste Container	1	72	$72
Hazardous Waste Container	1	72	$72
Metal Stool	1	100	$100
HP Compaq Computer w/ Accessories	1	275	$275
Veriscan LT Leak Detection System	1	1,100	$1,100
Medivators Scope Buddy Plus	1	1,100	$1,100
Medivators Scope Buddy Plus	1	1,100	$1,100
Gus Vapor Control System	2	200	$400
Stainless Table	2	110	$220
Medivators Advantage Plus Scope Cleaner with Air Compressor	2	9,234	$18,468
Jun - Air Electric Air Compressor	2	3,080	$6,160
Stool	1	22	$22
Metro Starsys Cabinet	1	1,000	$1,000
Stainless Rolling Cart	3	110	$330
Rolling Office Chair	5	193	$965
Lateral Metal File Cabinet (4-Drawer)	1	165	$165

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ATTACHMENT 7

FAIR MKT. VALUE OF LEASED EQUIPMENT

HP Elitedesk Computer with Accessories	5	275	$1,375
Table And Metal Filing Cabinet (3-Drawer)	5	330	$1,650
Given Pillcam Device	2	385	$770
HP LaserJet Pro 400 Color M475dn Printer	1	550	$550
Star TSP 800 II	1	110	$110
LG Flatron	1	150	$150
Xerox WorkCentre 6655i Printer	1	1,250	$1,250
Step Stool	1	22	$22
Wire-Metal Storage Shelf (6-Tier)	8	165	$1,320
Stainless Table	1	110	$110
Stainless Tray	1	30	$30
Patient Chair	2	121	$242
Fujitsu Fi-7160 Scanner	1	743	$743
Credit Card Machine	1	220	$220
HP Elitedesk Computer with Accessories	1	275	$275
Rolling Office Chair	1	193	$193
Small Metal Filing Cabinet (2-Drawer)	1	110	$110
Wire-Metal Storage Shelf (4-Tier)	5	110	$550
Step Stool	1	22	$22
Plastic Cart	1	39	$39
Mini-Fridge	1	100	$100
Microwave	1	28	$28
Table With 3 Chairs	1	275	$275
Rolling Office Chair	1	193	$193
HP LaserJet Pro 400 Printer M451mw	1	193	$193
Metal Filing Cabinet (3-Drawer)	3	110	$330
Bookshelf (2-Tier)	1	80	$80
HP Elitedesk Computer with Accessories	1	275	$275
32" TV	1	55	$55
Table With 3 Chairs	1	275	$275
Rolling Office Chair	1	193	$193
HP LaserJet Pro 400 Printer M451mw	1	193	$193
Metal Filing Cabinet (3-Drawer)	3	110	$330
Bookshelf (2-Tier)	1	80	$80

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ATTACHMENT 7

FAIR MKT. VALUE OF LEASED EQUIPMENT

HP Elitedesk Computer with Accessories	1	275	$275
32" TV	1	55	$55
Table With 3 Chairs	1	275	$275
Rolling Office Chair	1	193	$193
HP LaserJet Pro 400 Printer M451mw	1	193	$193
Metal Filing Cabinet (3-Drawer)	3	110	$330
Bookshelf (2-Tier)	1	80	$80
HP Elitedesk Computer with Accessories	1	275	$275
32" TV	1	55	$55
Table With 3 Chairs	1	275	$275
Rolling Office Chair	1	193	$193
HP LaserJet Pro 400 Printer M451mw	1	193	$193
Metal Filing Cabinet (3-Drawer)	3	110	$330
Bookshelf (2-Tier)	1	80	$80
HP Elitedesk Computer with Accessories	1	275	$275
32" TV	1	55	$55
Patient Chair	2	121	$242
End Table	1	33	$33
Table With 4 Chairs	1	330	$330
Bookcase (3-Drawer)	1	165	$165
32" TV	1	55	$55
Xerox WorkCentre 7845i Printer	1	2,000	$2,000
Patient Chair	1	121	$121
Stainless Cart	2	110	$220
Stainless Tray	1	30	$30
Medela Vario 18 Suction Pump	1	600	$600
Armstrong Medical A-Smart Cart System	1	880	$880
HP Monitor	1	100	$100
Ritter 204 Exam Table	1	798	$798
Plastic Cart	1	39	$39
Stratus Irrigation Pump	5	385	$1,925
Erbe EIP 2 Irrigation Pump	1	275	$275
Patient Chair	1	121	$121
Electric Patient Bed	1	1,650	$1,650

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ATTACHMENT 7

FAIR MKT. VALUE OF LEASED EQUIPMENT

Rolling Patient Bed	1	1,375	$1,375
HP Monitor	1	100	$100
GE Dash 4000 Patient Monitor	2	1,375	$2,750
Cadwell Sierra Summit	1	3,544	$3,544
Canon Printer	1	165	$165
Patient Reclining Chair	1	825	$825
Patient Chair	1	121	$121
Rolling Stool	1	138	$138
Dell Laptop	1	275	$275
HP Monitor	1	100	$100
Given Imaging Cart	1	715	$715
HP Office Jet 6000 Printer	1	220	$220
Supply Storage Cart	5	385	$1,925
Stryker Hospital Bed	1	1,650	$1,650
IV Pole	1	100	$100
Stainless Cart	2	110	$220
Janco Safety Storage Cabinet	1	550	$550
Plastic Storage Cabinet	1	55	$55
Hazardous Waste Container	17	72	$1,224
Patient Chair	34	121	$4,114
3M Bair Hugger System Model 875	17	215	$3,655
Transmotion Medical TMM 4 Procedure Bed	17	3,784	$64,328
Rolling Cabinet (3-Drawer)	17	385	$6,545
GE Healthcare Carescape Monitor B450	17	7,480	$127,160
Samsung 32" Flat Screen TV	17	55	$935
Rolling Patient Tray	17	40	$680
Enovate Medical Cart with Computer Monitor, Keyboard and Mouse	17	1,452	$24,684
Welch Allyn Suretemp Plus	5	165	$825
Rolling File Cabinet (2-Drawer)	9	110	$990
Rolling Office Chair	8	193	$1,544
Star TSP 800 II Label Printer	1	110	$110
Metal Step Stool	1	50	$50
HP Elitedesk Computer with Accessories	8	275	$2,200
GE Mac 5500 HD on Cart	1	2,064	$2,064

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ATTACHMENT 7

FAIR MKT. VALUE OF LEASED EQUIPMENT

Rolling Medical Cabinet (5-Drawer)	2	770	$1,540
Rolling IV Pole	2	100	$200
Tycos Sphygmomanometer	2	150	$300
HP LaserJet Pro MFP M521dn Printer	2	385	$770
Electric Stapler	2	20	$40
Rolling Metal Cart (3-Tier)	1	75	$75
Follett Performance Refrigerator	1	3,520	$3,520
Steris Linen Warming Cabinet	1	2,695	$2,695
Frigidaire Refrigerator	1	400	$400
Rolling Wire Metal Shelf (4-Tier)	2	165	$330
Folgers Select Brew Coffee System	1	660	$660
Welch Allyn Otoscope / Ophthalmoscope	2	275	$550
Bladderscan BVI 6100	2	1,536	$3,072
Follett Symphony Plus Water / Ice Machine	1	5,249	$5,249
Patient Chair	2	121	$242
Hazardous Waste Container	1	72	$72
Metro Lifeline Crash Cart	1	1,375	$1,375
Zoll R Series ALS Defibrillator	1	12,216	$12,216
Fujitsu Fi-6130z Scanner	1	293	$293
Welch Allyn Excel Temp Monitor	1	550	$550
Abbott Precision Xceed Pro	1	83	$83
Manual Wheelchair	1	200	$200
Photo Laminator	1	110	$110
Austin HEPA Air Purifier	1	440	$440
Rolling Office Chair	4	193	$772
Metal Filing Cabinet (3-Drawer)	4	110	$440
Wooden / Metal Desk	5	220	$1,100
Wooden Coat Rack	1	30	$30
HP Elitedesk Computer with Accessories	3	275	$825
Keurig Coffee Maker	1	72	$72
Desk Lamp	3	20	$60
OEV-262H High Definition LCD Monitor	6	6,284	$37,704
OL-0015-02 Rollstand	2	742	$1,484
MAJ-1912 SDI Cable	6	108	$648

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ATTACHMENT 7

FAIR MKT. VALUE OF LEASED EQUIPMENT

55645L10-1 Digi File	6	128	$768
CF-HQ190L Evis Exera III Colonoscope	2	34,545	$69,090
PCF-H190DL Scopeguide	1	34,545	$34,545
WA95622A Power Cord for ESG-400	4	88	$352
WA90300W ESG-300 Generator with Footswitch	4	17,150	$68,600
MAJ-860 A-Cord for Valley ERBE Bovie	5	174	$870
OFP-2 Flushing Pump	5	1,470	$7,350
TOTAL			$652,903

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ATTACHMENT 7

Calculation of FMV of Space Lease

Rentable Square Footage:		11,678
Base Rent:	$	46.00
Initial Term:		10 years
Yr1	$	537,188
Yr 2	$	542,560
Yr 3	$	547,985
Yr 4	$	553,465
Yr 5	$	559,000
Yr 6	$	564,590
Yr 7	$	570,236
Yr 8	$	575,938
Yr 9	$	581,698
Yr 10	$	587,515
	$	5,620,175

ATTACHMENT 7

NOTE ON EQUIPMENT COST

The proposed ASTC will occupy a functioning GI suite, currently operated by AMITA Health Saint Joseph Hospital Chicago. As such, much of the equipment required by the proposed ASTC is in place, and owned by the hospital. Equipment currently in the suite, and having a FMV of $652,903 will be leased by the licensee (listing provided), with the anticipated terms of that lease being five years and an annual interest rate of 4.5%.

$330,000 of additional equipment will be acquired with cash provided by Ascension Health or a subsidiary thereof, prior to the facility's opening. $82,500 is being allocated to non-clinical equipment, primarily furniture, and $247,500 is being allocated to miscellaneous clinical equipment to supplement the leased equipment.

Cost Space Requirements

Dept./Area	Cost	Gross Square Feet		Amount of Proposed Total Square Feet			
					That is:		
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
Reviewable							
Procedure Area	$ 2,150,590		2,076		2,076		
Recovery Area	$ 2,027,699		3,303		3,303		
Clinical Support Area	$ 1,966,253		4,058		4,058		
Total	$ 6,144,542		9,437		9,437		
Non Reviewable							
Administrative Areas	$ 703,139		1,161		1,161		
Public Areas	$ 1,147,226		2,248		2,248		
Total	$ 1,850,365		3,409		3,409		
Project Total	$ 7,994,907		12,846		12,846		

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ATTACHMENT 9

#20-012

AMITA HEALTH

Illinois Health Facilities and
Services Review Board
Springfield, Illinois

To Whom It May Concern:

I hereby certify that no adverse action has been taken against Presence Chicago Hospitals Network, or any of its IDPH-Licensed health care facilities, directly or indirectly, within three (3) years prior to the filing of this Application. For the purposes of this letter, the term "adverse action" has the meaning given to it in the Illinois Administrative Code, Title 77, Section 1130.

I hereby authorize HFSRB and IDPH to access any documents which it finds necessary to verify any information submitted, including, but not limited to: official records of IDPH or other State agencies and the records of nationally recognized accreditation organizations.

Sincerely,

G. Thor Thordarson
President
Presence Chicago Hospitals Network

Notarized:

DEBORAH E MIKOLS
Official Seal
Notary Public - State of Illinois
My Commission Expires Oct 6, 2023

Deborah E. Mikols

2601 Navistar Drive
Lisle, IL 60532

ATTACHMENT 11

PURPOSE OF PROJECT

The proposed project, which addresses the establishment of an ambulatory surgical treatment center ("ASTC") for the provision of gastroenterology procedures, will improve the health and well-being of the market area population to be served. That population, as documented in ATTACHMENT 24c2, consists primarily of residents of the neighborhoods surrounding AMITA Health Saint Joseph Hospital Chicago. The HFSRB-defined geographic service area consists of those ZIP Code areas located within ten miles of the hospital.

This project will, generally, and consistent with current delivery trends, move the gastroenterology procedures to be performed in the ASTC into a lower-cost setting.

The goal of this project is to have the ASTC licensed and operational within 6-9 months of the awarding of the Certificate of Need Permit sought through the filing of this application.

ALTERNATIVES

Accepting the desire to develop an ambulatory surgical treatment center ("ASTC"), with ownership to be shared between a subsidiary of Ascension Health and local gastroenterologists, and for the services to be limited to gastroenterology-related procedures, only one alternative to the proposed project warranted consideration. That alternative involved a similar organizational/management/ownership structure, but at a different location. Assuming a location in the general area of the proposed ASTC, patient accessibility, operating costs, and quality of care would be very similar to that of the proposed project.

The primary difference between this alternative and the proposed project is the associated renovation cost. As discussed in other attachments to this application, the proposed ASTC will be developed through the relatively minor renovation of an existing outpatient endoscopy center located in a medical clinics building on the campus of AMITA Health Saint Joseph Hospital Chicago, with the renovation cost being estimated to be approximately $68/DGSF, or approximately $869,300. Had an alternative site been selected, and assuming that the ASTC would be developed in renovated space, as opposed to new construction, the renovation cost was estimated to be approximately $285/DGSF, or approximately $2,998,000 for a similarly-sized ASTC. Other capital costs associated with the inability to use the existing site and resources are estimated to be approximately $500,000; and as such, the project cost of this alternative would exceed that of the proposed project by approximately $2.5M.

SIZE

The square footage identified for the project addressed in this CON application, which includes four procedure rooms and fifteen prep/stage 1 recovery stations (which will also be used for pre-procedure patient prep), is necessary, not excessive, and consistent with the standards identified in Appendix B to Section 1110, as documented in the table below. The only functional area included in the project having a HFSRB-adopted space standard is the procedure rooms, and for the purposes of comparison to the adopted standard, the project's entire area, with the exception of the prep/stage 1 recovery area, is included in the assessment below. Please refer to ATTACHMENT 36C, for further allocation of the square footage.

DEPARTMENT/SERVICE	PROPOSED DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
Procedure Rooms (4)	6,134	8,800	2,666	YES

UTILIZATION

The applicants fully anticipate that the ASTC's target utilization level of 4,501+ hours of OR utilization, consistent with HFSRB practices, will be reached during the second year of operation, and that utilization will reach that annualized rate in the ASTC's fourth quarter of operation, following a "ramp-up" period.

Letters, consistent with HFSRB requirements have been secured from nine physicians, and are provided in ATTACHMENT 24c3. Cumulatively, these physicians anticipate referring 9,886 patients to the ASTC during the second year of operation. Please refer to ATTACHMENT 24c3 for the calculation of anticipated OR time required. The 2017 Health Services Area VI average procedure time per case performed in an ASTC procedure room, as calculated by IDPH, was used to project the hours of procedure room time to be utilized. That average time was 0.68 hours. As a result, and assuming the addition of no other physicians to the ASTC's medical staff, 6,722 hours (.68 X 9,886) of procedure room time are anticipated during the second year of operation.

	PROJECTED UTILIZATION (hrs)		STATE	MET
	YEAR 1	YEAR 2	STANDARD	STANDARD?
Procedure Rms (4)	5,000	6,722	4,501+	YES

GEOGRAPHIC SERVICE AREA NEED

The proposed ambulatory surgical treatment center ("ASTC"), which will provide gastroenterology services, exclusively, is necessary to meet the needs of the residents of the planning area.

The designated geographic service area ("GSA") for ASTCs located in Chicago consists of all ZIP Code areas located within ten miles of the ASTC. In the case of the proposed ASTC, the GSA consists of 87 ZIP Code areas, with those ZIP Codes being identified in the table provided in this ATTACHMENT.

Also impacting the GSA's need for the proposed ASTC, and perhaps more so than with most ASTCs because of the limited scope of services, is the growing pressure by third parties to move routine gastroenterology procedures to less costly settings.

The primary patient population to be served by the proposed ASTC is those individuals living within the designated GSA. As evidence of this, a patient origin analysis was performed of the patients of the nine physicians providing the "pledge" letters included in this application. That data is summarized in the table at the end of this ATTACHMENT, and incorporates in excess of 15,000 patients. The table clearly documents that the vast majority of the physicians' patients reside in the GSA, with 82.2% of the patients residing in one of the 87 ZIP Code areas noted above.

Historical Patient Origin of Referring Physicians

	2018 Glaws	2018 Gupta	2018 Patel	2018 Vainder	2017/18 &6 mo '19 Castillo	2018 Chua	2018 Karadsheh	2018 Kailas	2018 Gluskin		
60053	1	12	1	12					1		
60076	10	28	33	48					1		
60077	10		18	27					1		
60130											
60171			1								
60201	1	59	27	54					2		
60202	11	147	30	117					4		
60203	1	10	1	4							
60204											
60208											
60301									2		
60302			1								
60303				1					2		
60304									2		
60305											
60601		2	1				6	5	5		
60602							1	1	1		
60603		1		1							
60604							2	2			
60605		1	2	1					11		
60606									3		
60607		1	1	2					6		
60608			1	1	94	135	13	20	9		
60609				1	34	64			6		
60610	1	1	1	1	30		67	70	28		
60611	1	1		1					8		
60612	2		1	2	72	42			9		
60613		2	1	2	23	22	160	170	53		
60614		2	1	1	36	37	112	115	63		
60616			1	1	15	150	18	17	12		
60618	6	2	20	1	201	157	136	142	48		
60622		1	4	1	352	218	26	23	11		
60623			2	1	59	63	2	2	1		
60624		1			62	47			20		
60625	7	27	32	19	51	62	110	105	29		
60626	12	94	44	87	24		115	125	27		
60630	1	20	26	15	54	44	53	48	17		
60631	1	11	2	1	13		20	18	6		
60632		1			63	155			7		
60634	2	15	1	12	192	176	37	10	26		
60639				5	620	470			11		
60640	1	22	33	21	20	30	224	220	48		
60641	1	4	5	6	347	240	50	45	31		
60642		1		4	65	43			8		
60644		1	1	1	48	36					
60645	12	55	58	99	25		138	152	16		
60646		19	16	23	21		16	14	5		

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ATTACHMENT 24C2

#20-012

Historical Patient Origin of Referring Physicians

60647		1	2	3	548	388	81	97	31		
60651		1		1	400	250	51	8	7		
60653		1					4	3	16		
60654				1					9		
60656	5		3	6			3	3	4		
60657	1	2	21	1		45			96		
60659	2	49	35	22			58	55	10		
60660	1	34	36	24	20		204	202	46		
60661		1	2	1			3	3	5		
60664											
60668											
60669											
60670											
60673											
60674											
60675											
60677		1		1							
60678											
60680									1		
60681											
60682											
60684											
60685											
60686											
60687											
60688											
60689											
60690		1									
60691											
60693											
60694											
60695											
60696											
60697											
60699											
60701											
60706		1	1	1	13				2		
60707		14			101	66	7	5			
60712	1		20	23						6	
60804		1	1		58	59			1		
other	11	222	63	81	504	1517	10	34	236	2678	17.8%
TOTAL	102	870	550	738	4165	4516	1710	1414	1004	15069	

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ATTACHMENT 24c2

#20-012

SERVICE DEMAND

The proposed project, and the scope thereof, is necessary to meet the demand documented through the letters from nine gastroenterologists, and included in ATTACHMENT 24c5. This documentation of demand and the associated referral projections are viewed by the applicants as being very conservative, because it is anticipated that additional gastroenterologists will elect to refer patients to the proposed ASTC, once it becomes operational.

Cumulatively, the nine physicians referred to above, performed procedures on 9,588 patients during 2017 and 13,639 patients during 2018, suggesting growing practices, therein lending further conservatism to the physicians' referral projections. These nine physicians, cumulatively, projected 9,886 referrals to the proposed ASTC during its second year of operation.

TREATMENT ROOM NEED ASSESSMENT

The proposed ASTC will provide four Class B procedure rooms, and as such, a minimum of 4,501 hours of procedure room time are required to "justify" the four procedure rooms, based on the standard 0f 1,500 hours per procedure room, as identified in Section 1110.1540.f). As noted in ATTACHMENT 24c3, letters have been secured from nine gastroenterologists, cumulatively documenting the intent to refer 9,886 patients to the ASTC during its second year of operation. Copies of the letters are attached.

The amount of procedure room time (set-up, procedure, cleaning) required for the documented case volume has been estimated, using two methods. First, 2018 hours per outpatient GI case experienced in the hospital GI procedure rooms that will transition into the proposed ASTC, that being 0.87 hours, were used to project utilization. Accordingly, 8,601 hours of procedure room usage are anticipated during the ASTC's second year of operation, using this methodology. A second methodology, using hours per GI case experienced in the ASTCs in the City of Chicago (HSA VI) during 2017, that being 0.68 hours, yields an estimate of 6,722 hours of utilization. To lend conservatism to the project, the lower estimate is being used, as identified in ATTACHMENT 15.

Using even the more conservative methodology, sufficient utilization has been documented to "justify" the four proposed procedure rooms.

Name (print): W. Reid Glaws DO

Specialty: Gastroenterology

TO: Illinois Health Facilities Planning Board
Springfield, Illinois

This letter is being provided in response to Review Criterion 1110.1540(c) in support of the plans to develop an ambulatory surgical treatment center ("ASTC") on the campus of Presence Saint Joseph Hospital in Chicago.

During 2017 and 2018 I performed procedures on approximately the following numbers of patients in the hospitals or licensed ASTCs identified below.

	2017	2018
St. Francis Hospital Out-Patient Evanston	192 patients	102 patients
_____	_____ patients	_____ patients

I estimate that I will refer 185 patients to the proposed ASTC during its second year following the receipt of the requested Certificate of Need Permit.

Attached is a ZIP Code-specific patient origin analysis of my 2018 patients.

The information contained in this letter is true and correct, to the best of my information and belief, and has not been used in the support of another project.

Sincerely,

Notarized: 5/20/19

OFFICIAL SEAL
GLADYS M GRANT
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 08/21/2022

ATTACHMENT 24c5

#20-012

	A	B	C
1		**2018 R Glaws Total # Of Patients At STFHOP**	
2		**From 1/1/2018 to 12/31/2018**	
3			
4	**5/16/19 2:43 PM**		
5			
6		**Zip**	**Count**
7		60015	1
8		60018	1
9		60053	1
10		60053	1
11		60056	1
12		60076	6
13		60076	4
14		60077	8
15		60077	2
16		60091	1
17		60106	1
18		60201	1
19		60202	2
20		60202	9
21		60203	1
22		60610	1
23		60611	1
24		60612	2
25		60618	6
26		60625	7
27		60626	1
28		60626	11
29		60630	5
30		60631	1
31		60634	1
32		60634	1
33		60640	1
34		60641	1
35		60645	5
36		60645	7
37		60656	5
38		60657	1
39		60659	1
40		60659	1
41		60660	1
42		60712	1
43		60712	1
44		60714	0
45			
46			
47	**TOTALS**		**102**
48			
49			
50			
51			
52			
53			58

ATTACHMENT 24c5

Name (print): Daksesh B. Patel DO

Specialty: Gastroenterology

TO: Illinois Health Facilities Planning Board
Springfield, Illinois

This letter is being provided in response to Review Criterion 1110.1540(c) in support of the plans to develop an ambulatory surgical treatment center ("ASTC") on the campus of Presence Saint Joseph Hospital in Chicago.

During 2017 and 2018 I performed procedures on approximately the following numbers of patients in the hospitals or licensed ASTCs identified below.

	2017	2018
St Francis & St. Joseph Hosp Evanston Chicago Out-Patient	83 patients	550 patients
	____ patients	____ patients

I estimate that I will refer 525 patients to the proposed ASTC during its second year following the receipt of the requested Certificate of Need Permit.

Attached is a ZIP Code-specific patient origin analysis of my 2018 patients.

The information contained in this letter is true and correct, to the best of my information and belief, and has not been used in the support of another project.

Sincerely,

Daksesh B. Patel

Notarized:

OATH

Before me, Refugia P Haire a Notary Public in and for Cook County, State of Illinois, personally appeared Daksesh Patel MD and he/she being first duly sworn by me upon his/her oath, says that the facts alleged in the foregoing instrument are true.

(SEAL) (Signed) Refugia P. Haire
Notary Public

REFUGIA P HAIRE
Official Seal
Notary Public - State of Illinois
My Commission Expires Sep 1, 2022

ATTACHMENT 24c5

#20-012

1		2018 D Patel Total # Of Patients at STFHOP & STJHOP			
2					
3					
4	5/16/19 2:46 PM	From 1/1/2018 to 12/31/2018			
5					
6		Zip	Count		
7		1106	1		
8		33480	1		
9		43068	1		
10		48763	1		
11		60004	1		
12		60005	1		
13		60008	1		
14		60015	1		
15		60016	1		
16		60018	1		
17		60025	1		
18		60029	1		
19		60035	1		
20		60043	1		
21		60045	1		
22		60046	1		
23		60051	1		
24		60053	1		
25		60056	1		
26		60061	1		
27		60062	1		
28		60067	1		
29		60068	1		
30		60070	2		
31		60076	5		
32		60076	28		
33		60077	2		
34		60077	16		
35		60087	1		
36		60091	1		
37		60093	1		
38		60098	1		
39		60099	1		
40		60102	1		
41		60106	1		
42		60118	1		
43		60137	1		
44		60143	1		
45		60154	1		
46		60171	1		
47		60185	1		
48		60201	1		
49		60201	26		
50		60202	6		
51		60202	24		
52		60203	1		
53		60302	1	ATTACHMENT 24c5	
54		60406	1		
55		60428	1		

#20-012

	A	B	C	D	E
56		60527	1		
57		60601	1		
58		60605	1		
59		60605	1		
60		60607	1		
61		60608	1		
62		60610	1		
63		60612	1		
64		60613	1		
65		60614	1		
66		60616	1		
67		60617	1		
68		60618	20		
69		60619	1		
70		60621	1		
71		60622	4		
72		60623	2		
73		60625	32		
74		60626	6		
75		60626	42		
76		60628	2		
77		60630	26		
78		60631	2		
79		60634	1		
80		60637	1		
81		60638	1		
82		60640	33		
83		60641	5		
84		60644	1		
85		60645	5		
86		60645	53		
87		60646	1		
88		60646	15		
89		60647	2		
90		60649	2		
91		60652	7		
92		60656	3		
93		60657	21		
94		60659	35		
95		60660	4		
96		60660	32		
97		60661	2		
98		60706	1		
99		60712	4		
100		60712	16		
101		60714	1		
102		60804	1		
103		61350	1		
104		61820	1		
105		70471	1		
106					
107					
108	TOTALS		550		
109					
110					

ATTACHMENT 24c5

Name (print): Harsh V. Gupta MD

Specialty: Gastroenterology

TO: Illinois Health Facilities Planning Board
Springfield, Illinois

This letter is being provided in response to Review Criterion 1110.1540(c) in support of the plans to develop an ambulatory surgical treatment center ("ASTC") on the campus of Presence Saint Joseph Hospital in Chicago.

During 2017 and 2018 I performed procedures on approximately the following numbers of patients in the hospitals or licensed ASTCs identified below.

	2017	2018
St. Francis Hospital Out-Patient	850 patients	870 patients
	____patients	____ patients

I estimate that I will refer 860 patients to the proposed ASTC during its second year following the receipt of the requested Certificate of Need Permit.

Attached is a ZIP Code-specific patient origin analysis of my 2018 patients.

The information contained in this letter is true and correct, to the best of my information and belief, and has not been used in the support of another project.

Sincerely,

Notarized:

OATH

Before me, REFUGIA P HAIRE, a Notary Public in and for Cook County, State of Illinois, personally appeared HARSH GUPTA MD and he/she being first duly sworn by me upon his/her oath, says that the facts alleged in the foregoing instrument are true.

(SEAL) (Signed) Notary Public

REFUGIA P HAIRE
Official Seal
Notary Public - State of Illinois
My Commission Expires Sep 1, 2022

ATTACHMENT 24c5

#20-012

	A	B	C	F	G
1		**2018 H Gupta Total # Of Patients At STFHOP**			
3		**From 1/1/2018 to 12/31/2018**			
4	**5/16/19 2:45 PM**				
5					
6		**Zip**	**Count**		
7		28226	1		
8		60004	1		
9		60015	1		
10		60015	1		
11		60016	1		
12		60018	1		
13		60022	1		
14		60022	1		
15		60025	1		
16		60025	2		
17		60026	1		
18		60031	1		
19		60035	2		
20		60035	1		
21		60043	1		
22		60045	2		
23		60045	2		
24		60046	1		
25		60053	2		
26		60053	12		
27		60056	6		
28		60061	1		
29		60062	4		
30		60062	5		
31		60068	1		
32		60068	1		
33		60069	1		
34		60076	28		
35		60076	72		
36		60077	7		
37		60077	42		
38		60081	1		
39		60085	2		
40		60089	2		
41		60090	1		
42		60090	1		
43		60091	1		
44		60091	18		
45		60093	10		
46		60093	1		
47		60097	1		
48		60107	1		
49		60120	1		
50		60133	1		
51		60143	1		
52		60154	1	ATTACHMENT 24c5	
53		60177	1		
54		60181	1		

#20-012

	A	B	C	D	F
55		60189	1		
56		60192-4123	1		
57		60193	1		
58		60201	22		
59		60201	37		
60		60202	45		
61		60202	102		
62		60203	10		
63		60402	1		
64		60411	1		
65		60419	1		
66		60462	1		
67		60473	1		
68		60503	1		
69		60601	2		
70		60603	1		
71		60605	1		
72		60607	1		
73		60610	1		
74		60611	1		
75		60613	1		
76		60613	1		
77		60614	1		
78		60614	1		
79		60615	1		
80		60617	1		
81		60618	1		
82		60618	1		
83		60619	1		
84		60622	1		
85		60622	1		
86		60624	1		
87		60625	6		
88		60625	21		
89		60626	18		
90		60626	76		
91		60630	20		
92		60631	1		
93		60631	10		
94		60632	1		
95		60634	15		
96		60640	1		
97		60640	21		
98		60641	1		
99		60641	3		
00		60642	1		
01		60644	1		
02		60645	13		
03		60645	42		
04		60646	2		
05		60646	17		
06		60647	1		
07		60651	1		ATTACHMENT 24c5
08		60653	1		
09		60657	1		

C-4

#20-012

	A	B	C	D	F	G
110		60657	1			
111		60659	12			
112		60659	37			
113		60660	18			
114		60660	15			
115		60660-3795	1			
116		60661	1			
117		60677	1			
118		60690	1			
119		60706	1			
120		60707	1			
121		60707-1932	1			
122		60712	1			
123		60712	3			
124		60714	1			
125		60714	1			
126		60804	1			
127		60804	1			
128		60805	1			
129		61103	1			
130		62917	1			
131		70471	1			
132		93035	1			
133						
134						
135	TOTALS		870			
136						
137						
138						
139						
140						
141						
142						
143						
144						
145						

ATTACHMENT 24c5

Name (print): _Sujatha Kailas_____M.D.___

Specialty: ___Gastroenterology_____

TO: Illinois Health Facilities Planning Board
Springfield, Illinois

This letter is being provided in response to Review Criterion 1110.1540(c) in support of the plans to develop an ambulatory surgical treatment center ("ASTC") on the campus of Presence Saint Joseph Hospital in Chicago.

During 2017 and 2018 I performed procedures on approximately the following numbers of patients in the hospitals or licensed ASTCs identified below.

Facility(s)	2017	2018
Presence Saint Joseph Chicago	0 patients	1714 patients
_____	_____patients	_____ patients
_____	_____patients	_____ patients

I estimate that I will refer _1714___ patients to the proposed ASTC during its second year following the receipt of the requested Certificate of Need Permit.

Attached is a ZIP Code-specific patient origin analysis of my 2018 patients.

The information contained in this letter is true and correct, to the best of my information and belief, and has not been used in the support of another project.

Sincerely,

S Kailas M.D.

Notarized:

GERALDINE ESCAMILLA
Official Seal
Notary Public - State of Illinois
My Commission Expires Aug 11, 2019

ATTACHMENT 24c5

Zip Code	Patient Count
	0
60640	220
60660	202
60613	170
60618	142
60626	125
60614	115
60625	105
60647	97
60645	80
60645	72
60610	70
60659	55
60630	48
60641	45
60622	23
60608	20
60631	18
60616	17
60646	14
60628	11
60634	10
60619	8
60651	8
60617	7
60707	5
60601	5
60620	5
60653	3
60656	3
60638	3
60661	3
60623	2
60604	2
60602	1
	1714

ATTACHMENT 24c5

#20-012

Name (print): David Chua MD (Summit Digestive Group)

Specialty: ___Gastroenterology_____

TO: Illinois Health Facilities Planning Board
Springfield, Illinois

This letter is being provided in response to Review Criterion 1110.1540(c) in support of the plans to develop an ambulatory surgical treatment center ("ASTC") on the campus of Presence Saint Joseph Hospital in Chicago.

During 2017 and 2018 I performed procedures on approximately the following numbers of patients in the hospitals or licensed ASTCs identified below.

	2017	2018
AMITA Health Saints Mary and Elizabeth Medical Center	1900 patients	1650 patients
Mercy Hospital & Medical Center	0 Patients	400 Patients
Summit Surgicare	150 patients	200 patients
South Loop Endoscopy and Wellness Center	2350 patients	2700patients

I estimate that I will refer 2000 patients to the proposed ASTC during its second year following the receipt of the requested Certificate of Need Permit.

Attached is a ZIP Code-specific patient origin analysis of my 2018 patients.

The information contained in this letter is true and correct, to the best of my information and belief, and has not been used in the support of another project.

Sincerely,

Notarized:
State of Illinois

County of Dupage

This record was signed and sworn before me on June 4, 2019 by David C. Chua, M.D.
(Printed name of signer)

Notary Seal:

Official Seal
Hong Jiang
Notary Public State of Illinois
My Commission Expires 11/21/2023

Notary Signature

ATTACHMENT 24c5

68

Zipcode	Dr. David Chua
60639	470
60647	388
60651	250
60622	218
60641	240
60634	176
60618	157
60632	155
60608	135
60616	150
60625	62
60707	66
60629	71
60623	63
60609	64
60804	59
60630	44
60642	43
60624	47
60657	45
60614	37
60612	42
60644	36
60402	51
60638	43
60613	22
60640	30
60645	23
60660	21
60610	16
60626	21
60459	34
60659	16
60160	19
60453	27
60457	22
60611	16
60617	17
60164	21
60656	18
60605	22
60131	20
60646	18
60455	15
60628	13
60101	12

ATTACHMENT 24c5

Zipcode	Dr. David Chua
60108	18
60636	15
60706	18
60465	16
60607	14
60619	8
60652	17
60016	11
60176	10
60458	14
60561	16
60620	12
60637	9
60139	13
60181	11
60621	9
60153	7
60615	10
60649	8
60654	10
60018	11
60090	6
60106	13
60523	13
60601	11
60165	8
60171	8
60415	10
60559	12
60661	11
60004	9
60053	8
60104	6
60148	9
60172	11
60516	8
60631	6
60712	11
60714	8
60154	10
60192	10
60527	10
60564	8
60643	7
60653	6
60068	5

ATTACHMENT 24c5

Zipcode	Dr. David Chua
60103	8
60126	8
60143	9
60191	6
60193	8
60302	4
60426	8
60462	8
60521	7
60031	7
60062	4
60070	6
60077	7
60441	7
60452	5
60491	8
60515	8
60540	7
60639	8
60076	4
60162	2
60169	7
60189	6
60202	4
60411	2
60439	6
60446	6
60467	6
60482	5
60487	5
60501	3
60513	7
60517	7
60544	7
60586	4
60633	6
46327	6
60056	5
60123	5
60185	4
60440	3
60504	6
60532	3
60007	2
60137	5
60201	2

ATTACHMENT 24c5

Zipcode	Dr. David Chua
60409	3
60464	5
60473	2
60490	5
60506	3
60538	4
60546	2
60565	4
60803	3
46320	2
47909	4
60008	3
60025	3
60026	4
60047	4
60107	3
60120	1
60133	3
60155	3
60194	4
60304	3
60406	4
60418	3
60431	4
60478	1
60525	4
60534	3
46312	2
46321	2
46403	3
47906	3
60085	1
60091	3
60093	3
60130	2
60163	2
60195	3
60417	1
60419	2
60466	3
60502	3
60503	2
60505	3
60585	3
60603	3
60604	3

ATTACHMENT 24c5

Zipcode	Dr. David Chua
60655	3
60654	3
10553	2
29212	2
30096	2
46311	2
46323	2
46350	1
60010	2
60013	1
60050	2
60061	2
60067	1
60089	1
60099	1
60110	2
60136	1
60305	1
60432	2
60469	1
60602	1
60680	2
70117	1
80021	1
80246	2
85266	2
90066	2
07311	1
11226	1
28412	1
37774	1
46001	1
46304	1
46307	1
46324	1
46410	1
46947	1
47918	1
48042	1
48104	1
50327	1
53115	1
53140	1
53511	1
55364	1
60015	1

ATTACHMENT 24c5

Name (print): SAMUEL F. CASTILLO

Specialty: GASTROENTEROLOGY

TO: Illinois Health Facilities Planning Board
Springfield, Illinois

This letter is being provided in response to Review Criterion 1110.1540(c) in support of the plans to develop an ambulatory surgical treatment center ("ASTC") on the campus of Presence Saint Joseph Hospital in Chicago.

During 2017 and 2018 I performed procedures on approximately the following numbers of patients in the hospitals or licensed ASTCs identified below.

	2017	2018
St. Mary Chicago	2156 patients	2001 patients
	____patients	____ patients

I estimate that I will refer 1000 patients to the proposed ASTC during its second year following the receipt of the requested Certificate of Need Permit.

Attached is a ZIP Code-specific patient origin analysis of my 2018 patients.

The information contained in this letter is true and correct, to the best of my information and belief, and has not been used in the support of another project.

Sincerely,

Castillo

Notarized: Monica Aquino-Rivera 6/17/2019

MONICA AQUINO-RIVERA
Official Seal
Notary Public - State of Illinois
My Commission Expires Sep 27, 2022

ATTACHMENT 24c5

OP Volume by Year:

Row Labels	OP Volume
2017	1897
2018	1719
2019	549
Grand Total	4165

OP Volume by ZIP Code:

Row Labels	OP Volume by ZIP Code
60639	620
60647	548
60651	400
60622	352
60641	347
60618	201
60634	192
60707	101
60608	94
60629	82
60612	72
60642	65
60632	63
60624	62
60623	59
60804	58
60630	54
60625	51
60644	48
60614	36
60609	34
60610	30
60402	26
60645	25
60626	24
60613	23
60646	21
60640	20
60660	20
60616	15
60631	13
60706	13
60638	13
60652	12
60649	11
60131	10
60617	10
60445	9
60656	9
60654	9
60153	9
60657	9
60160	8
60056	8

ATTACHMENT 24c5

60619	8
60202	8
60104	7
60659	7
60164	7
60171	7
60637	7
60453	6
60611	6
60643	6
60018	6
60714	6
60636	6
60440	5
60107	5
60154	5
60176	5
60628	5
60601	5
60621	5
60607	5
60076	5
60620	4
60653	4
60155	4
60409	4
60087	3
60068	3
60099	3
60546	3
60661	3
60106	3
60090	3
60016	3
60525	3
60133	3
60459	3
60441	2
60302	2
60163	2
60504	2
60431	2
60510	2
60455	2
60559	2
60193	2
60605	2
60305	2
60126	2
60435	2
60062	2
60103	2
60143	2
61012	2
60064	2

IP Volume by Year:

Row Labels	OP Volume
2017	259
2018	282
2019	104
Grand Total	645

IP Volume by ZIP Code:

Row Labels	OP Volume by ZIP Code
60647	127
60639	86
60622	76
60651	65
60626	25
60618	24
60641	19
60642	18
60624	16
60640	16
60612	13
60644	13
60707	12
60608	10
60625	10
60634	8
60632	8
60804	7
60609	6
60645	6
60636	5
60623	5
60660	5
60402	4
60415	4
60104	4
60629	4
60610	4
60646	3
60616	3
60630	3
60637	3
60101	3
60614	3
60445	2
46319	2
60060	2
60617	2
60465	2
60453	2
60131	1
60613	1
61012	1
60628	1

ATTACHMENT 24c5

45385	5
43246	1
45380	1
45378	1
Grand Total	645

Name (print): John M. Vainder MD

Specialty: Gastroenterology

TO: Illinois Health Facilities Planning Board
Springfield, Illinois

This letter is being provided in response to Review Criterion 1110.1540(c) in support of the plans to develop an ambulatory surgical treatment center ("ASTC") on the campus of Presence Saint Joseph Hospital in Chicago.

During 2017 and 2018 I performed procedures on approximately the following numbers of patients in the hospitals or licensed ASTCs identified below.

	2017	2018
St. Francis Hospital Out-patient Evanston	845 patients	738 patients
_____	_____ patients	_____ patients

I estimate that I will refer 880 patients to the proposed ASTC during its second year following the receipt of the requested Certificate of Need Permit.

Attached is a ZIP Code-specific patient origin analysis of my 2018 patients.

The information contained in this letter is true and correct, to the best of my information and belief, and has not been used in the support of another project.

Sincerely,

Notarized:

OATH

Before me, Refugia P Haire a Notary Public in and for Cook County, State of Illinois, personally appeared John Vainder, MD and he/she being first duly sworn by me upon his/her oath, says that the facts alleged in the foregoing instrument are true.

(SEAL) (Signed) _____ Notary Public

REFUGIA P HAIRE
Official Seal
Notary Public - State of Illinois
My Commission Expires Sep 1, 2022

ATTACHMENT 24c5

	A	B	C	D	E
1		**2018 J Vainder Total # Of Patients At STFHOP**			
3		**From 1/1/2018 to 12/31/2018**			
4	**5/16/19 2:46 PM**				
5					
6		**Zip**	**Count**		
7		7030	1		
8		48124	1		
9		49103	1		
10		53184	1		
11		55077	1		
12		60004	1		
13		60005	1		
14		60006	1		
15		60016	1		
16		60016	1		
17		60018	1		
18		60022	1		
19		60025	1		
20		60025	1		
21		60026	1		
22		60030	1		
23		60031	1		
24		60035	1		
25		60035	1		
26		60043	1		
27		60045	1		
28		60045	1		
29		60046	1		
30		60047	1		
31		60047	1		
32		60053	5		
33		60053	7		
34		60056	1		
35		60060	1		
36		60061	1		
37		60062	1		
38		60068	1		
39		60074	1		
40		60076	12		
41		60076	36		
42		60077	1		
43		60077	26		
44		60089	1		
45		60090	1		
46		60091	1		
47		60091	3		
48		60091-2737	1		
49		60093	1		
50		60093	2		
51		60099	1		
52		60108	1		
53		60120	1		
54		60126	1		

ATTACHMENT 24c5

81

	A	B	C	D	E
55		60185	1		
56		60189	1		
57		60201	9		
58		60201	44		
59		60201-1843	1		
60		60202	26		
61		60202	91		
62		60203	4		
63		60402	1		
64		60459	1		
65		60480	1		
66		60540	1		
67		60603	1		
68		60605	1		
69		60607	1		
70		60607-4068	1		
71		60608	1		
72		60609	1		
73		60610	1		
74		60611	1		
75		60612	1		
76		60612	1		
77		60613	1		
78		60613	1		
79		60614	1		
80		60614	1		
81		60616	1		
82		60617	1		
83		60618	1		
84		60618	1		
85		60622	1		
86		60623	1		
87		60625	1		
88		60625	18		
89		60626	18		
90		60626	87		
91		60630	15		
92		60631	1		
93		60634	5		
94		60634	7		
95		60636	3		
96		60639	5		
97		60640	4		
98		60640	17		
99		60640	1		
100		60641	1		
101		60641	5		
102		60642	4		
103		60644	1		
104		60645	30		
105		60645	69		
106		60646	2		
107		60646	18		
108		60646-3901	3		
109		60647	3	82	

ATTACHMENT 24c5

	A	B	C	D	E
110		60649	1		
111		60651	1		
112		60654	1		
113		60656	4		
114		60656	2		
115		60657	1		
116		60659	4		
117		60659	18		
118		60660	2		
119		60660	22		
120		60661	1		
121		60677	1		
122		60706	1		
123		60712	6		
124		60712	17		
125		60714	1		
126		60714	2		
127		61334	1		
128		63376	1		
129					
130					
131	TOTALS		738		
132					
133					
134					
135					
136					
137					
138					
139					
140					
141					

ATTACHMENT 24c5

Name (print): Zeid Karadsheh M.D.

Specialty: Gastroenterology

TO: Illinois Health Facilities Planning Board
Springfield, Illinois

This letter is being provided in response to Review Criterion 1110.1540(c) in support of the plans to develop an ambulatory surgical treatment center ("ASTC") on the campus of Presence Saint Joseph Hospital in Chicago.

During 2017 and 2018 I performed procedures on approximately the following numbers of patients in the hospitals or licensed ASTCs identified below.

Facility(s)	2017	2018
Presence Saint Joseph Hospital Chicago	0 patients	1710 patients
	patients	patients
	patients	patients

I estimate that I will refer 1710 patients to the proposed ASTC during its second year following the receipt of the requested Certificate of Need Permit.

Attached is a ZIP Code-specific patient origin analysis of my 2018 patients.

The information contained in this letter is true and correct, to the best of my information and belief, and has not been used in the support of another project.

Sincerely,

M.D.

Notarized:

GERALDINE ESCAMILLA
Official Seal
Notary Public - State of Illinois
My Commission Expires Aug 11, 2019

ATTACHMENT 24c5

84

Zip Code	Patient Count
60640	224
60660	204
60613	160
60618	136
60626	115
60614	112
60625	110
60647	81
60645	70
60645	68
60610	67
60659	58
60630	53
60641	50
60634	37
60622	26
60608	13
60631	20
60616	18
60646	16
60628	11
60619	9
60651	8
60617	8
60707	7
60601	6
60620	5
60653	4
60656	3
60638	3
60661	3
60623	2
60604	2
60602	1
	1710

ATTACHMENT 24c5

#20-012

Name (print): Lawrence Gluskin, MD

Specialty: Gastroenterology

TO: Illinois Health Facilities Planning Board
Springfield, Illinois

This letter is being provided in response to Review Criterion 1110.1540(c) in support of the plans to develop an ambulatory surgical treatment center ("ASTC") on the campus of Presence Saint Joseph Hospital in Chicago.

During 2017 and 2018 I performed procedures on approximately the following numbers of patients in the hospitals or licensed ASTCs identified below.

	2017	2018
Presence Saint Joseph	1062 patients	1004 patients
_____	_____ patients	_____ patients

I estimate that I will refer 102 patients to the proposed ASTC during its second year following the receipt of the requested Certificate of Need Permit.

Attached is a ZIP Code-specific patient origin analysis of my 2018 patients.

The information contained in this letter is true and correct, to the best of my information and belief, and has not been used in the support of another project.

Sincerely,

Notarized:

GERALDINE ESCAMILLA
Official Seal
Notary Public - State of Illinois
My Commission Expires Aug 11, 2019

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Gluskin 2018

Name	Zip	IP & OP	Count
Larry Gluskin, MD	60033 - HARVARD	Inpatient	1
Larry Gluskin, MD	60178 - SYCAMORE	Inpatient	1
Larry Gluskin, MD	60605 - CHICAGO	Inpatient	1
Larry Gluskin, MD	60618 - CHICAGO	Inpatient	1
Larry Gluskin, MD	60619 - CHICAGO	Inpatient	1
Larry Gluskin, MD	60619 - CHICAGO	Inpatient	1
Larry Gluskin, MD	60625 - CHICAGO	Inpatient	1
Larry Gluskin, MD	60640 - CHICAGO	Inpatient	1
Larry Gluskin, MD	60657 - CHICAGO	Inpatient	1
Larry Gluskin, MD	07070 -	Outpatient	1
Larry Gluskin, MD	34110 -	Outpatient	1
Larry Gluskin, MD	46304 -	Outpatient	1
Larry Gluskin, MD	46342 -	Outpatient	1
Larry Gluskin, MD	46368 -	Outpatient	1
Larry Gluskin, MD	49117 -	Outpatient	1
Larry Gluskin, MD	55427 -	Outpatient	1
Larry Gluskin, MD	60010 - BARRINGTON	Outpatient	1
Larry Gluskin, MD	60015 - DEERFIELD	Outpatient	1
Larry Gluskin, MD	60015 - DEERFIELD	Outpatient	1
Larry Gluskin, MD	60016 - DES PLAINES	Outpatient	1
Larry Gluskin, MD	60020 - FOX LAKE	Outpatient	1
Larry Gluskin, MD	60030 - GRAYSLAKE	Outpatient	1
Larry Gluskin, MD	60031 - GURNEE	Outpatient	1
Larry Gluskin, MD	60053 - MORTON GROVE	Outpatient	1
Larry Gluskin, MD	60056 - MOUNT PROSPECT	Outpatient	1
Larry Gluskin, MD	60060 - MUNDELEIN	Outpatient	1
Larry Gluskin, MD	60068 - PARK RIDGE	Outpatient	1
Larry Gluskin, MD	60069 - LINCOLNSHIRE	Outpatient	1
Larry Gluskin, MD	60076 - SKOKIE	Outpatient	3
Larry Gluskin, MD	60076 - SKOKIE	Outpatient	1
Larry Gluskin, MD	60076 - SKOKIE	Outpatient	4
Larry Gluskin, MD	60076 - SKOKIE	Outpatient	1
Larry Gluskin, MD	60077 - SKOKIE	Outpatient	1
Larry Gluskin, MD	60077 - SKOKIE	Outpatient	2
Larry Gluskin, MD	60077 - SKOKIE	Outpatient	2
Larry Gluskin, MD	60077 - SKOKIE	Outpatient	1
Larry Gluskin, MD	60089 - BUFFALO GROVE	Outpatient	1
Larry Gluskin, MD	60126 - ELMHURST	Outpatient	1
Larry Gluskin, MD	60131 - FRANKLIN PARK	Outpatient	2
Larry Gluskin, MD	60137 - GLEN ELLYN	Outpatient	2
Larry Gluskin, MD	60142 - HUNTLEY	Outpatient	2
Larry Gluskin, MD	60148 - LOMBARD	Outpatient	1

ATTACHMENT 24c5

8L

Larry Gluskin, MD	60148 - LOMBARD	Outpatient	1
Larry Gluskin, MD	60154 - WESTCHESTER	Outpatient	1
Larry Gluskin, MD	60155 - BROADVIEW	Outpatient	1
Larry Gluskin, MD	60164 - MELROSE PARK	Outpatient	1
Larry Gluskin, MD	60164 - MELROSE PARK	Outpatient	1
Larry Gluskin, MD	60174 - SAINT CHARLES	Outpatient	1
Larry Gluskin, MD	60176 - SCHILLER PARK	Outpatient	1
Larry Gluskin, MD	60193 - SCHAUMBURG	Outpatient	1
Larry Gluskin, MD	60201 - EVANSTON	Outpatient	2
Larry Gluskin, MD	60201 - EVANSTON	Outpatient	2
Larry Gluskin, MD	60201 - EVANSTON	Outpatient	2
Larry Gluskin, MD	60202 - EVANSTON	Outpatient	2
Larry Gluskin, MD	60202 - EVANSTON	Outpatient	1
Larry Gluskin, MD	60202 - EVANSTON	Outpatient	1
Larry Gluskin, MD	60301 - OAK PARK	Outpatient	1
Larry Gluskin, MD	60301 - OAK PARK	Outpatient	1
Larry Gluskin, MD	60302 - OAK PARK	Outpatient	1
Larry Gluskin, MD	60304 - OAK PARK	Outpatient	2
Larry Gluskin, MD	60305 - RIVER FOREST	Outpatient	1
Larry Gluskin, MD	60305 - RIVER FOREST	Outpatient	1
Larry Gluskin, MD	60402 - BERWYN	Outpatient	1
Larry Gluskin, MD	60402 - BERWYN	Outpatient	3
Larry Gluskin, MD	60409 - CALUMET CITY	Outpatient	3
Larry Gluskin, MD	60409 - CALUMET CITY	Outpatient	2
Larry Gluskin, MD	60417 - CRETE	Outpatient	1
Larry Gluskin, MD	60419 - DOLTON	Outpatient	1
Larry Gluskin, MD	60419 - DOLTON	Outpatient	1
Larry Gluskin, MD	60422 - FLOSSMOOR	Outpatient	1
Larry Gluskin, MD	60426 - HARVEY	Outpatient	1
Larry Gluskin, MD	60430 - HOMEWOOD	Outpatient	1
Larry Gluskin, MD	60438 - LANSING	Outpatient	1
Larry Gluskin, MD	60440 - BOLINGBROOK	Outpatient	1
Larry Gluskin, MD	60453 - OAK LAWN	Outpatient	1
Larry Gluskin, MD	60456 - HOMETOWN	Outpatient	1
Larry Gluskin, MD	60461 - OLYMPIA FIELDS	Outpatient	1
Larry Gluskin, MD	60461 - OLYMPIA FIELDS	Outpatient	1
Larry Gluskin, MD	60462 - ORLAND PARK	Outpatient	1
Larry Gluskin, MD	60464 - PALOS PARK	Outpatient	2
Larry Gluskin, MD	60466 - PARK FOREST	Outpatient	2
Larry Gluskin, MD	60466 - PARK FOREST	Outpatient	1
Larry Gluskin, MD	60471 - RICHTON PARK	Outpatient	1
Larry Gluskin, MD	60473 - SOUTH HOLLAND	Outpatient	1
Larry Gluskin, MD	60473 - SOUTH HOLLAND	Outpatient	2
Larry Gluskin, MD	60484 - UNIVERSITY PARK	Outpatient	1
Larry Gluskin, MD	60484 - UNIVERSITY PARK	Outpatient	1

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Larry Gluskin, MD	60504 - AURORA	Outpatient	1
Larry Gluskin, MD	60513 - BROOKFIELD	Outpatient	1
Larry Gluskin, MD	60521 - HINSDALE	Outpatient	1
Larry Gluskin, MD	60527 - WILLOWBROOK	Outpatient	1
Larry Gluskin, MD	60527 - WILLOWBROOK	Outpatient	1
Larry Gluskin, MD	60546 - RIVERSIDE	Outpatient	1
Larry Gluskin, MD	60563 - NAPERVILLE	Outpatient	1
Larry Gluskin, MD	60601 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60601 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60601 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60601 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60602 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60605 - CHICAGO	Outpatient	5
Larry Gluskin, MD	60605 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60605 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60605 - CHICAGO	Outpatient	3
Larry Gluskin, MD	60606 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60606 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60606 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60607 - CHICAGO	Outpatient	3
Larry Gluskin, MD	60607 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60607 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60608 - CHICAGO	Outpatient	3
Larry Gluskin, MD	60608 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60608 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60609 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60609 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60609 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60609 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60610 - CHICAGO	Outpatient	7
Larry Gluskin, MD	60610 - CHICAGO	Outpatient	5
Larry Gluskin, MD	60610 - CHICAGO	Outpatient	5
Larry Gluskin, MD	60610 - CHICAGO	Outpatient	11
Larry Gluskin, MD	60611 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60611 - CHICAGO	Outpatient	5
Larry Gluskin, MD	60611 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60611 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60612 - CHICAGO	Outpatient	3
Larry Gluskin, MD	60612 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60612 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60613 - CHICAGO	Outpatient	15
Larry Gluskin, MD	60613 - CHICAGO	Outpatient	9
Larry Gluskin, MD	60613 - CHICAGO	Outpatient	10
Larry Gluskin, MD	60613 - CHICAGO	Outpatient	19
Larry Gluskin, MD	60614 - CHICAGO	Outpatient	11

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Larry Gluskin, MD	60614 - CHICAGO	Outpatient	19
Larry Gluskin, MD	60614 - CHICAGO	Outpatient	19
Larry Gluskin, MD	60614 - CHICAGO	Outpatient	14
Larry Gluskin, MD	60615 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60615 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60615 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60615 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60616 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60616 - CHICAGO	Outpatient	5
Larry Gluskin, MD	60616 - CHICAGO	Outpatient	3
Larry Gluskin, MD	60616 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60617 - CHICAGO	Outpatient	5
Larry Gluskin, MD	60617 - CHICAGO	Outpatient	6
Larry Gluskin, MD	60617 - CHICAGO	Outpatient	11
Larry Gluskin, MD	60617 - CHICAGO	Outpatient	6
Larry Gluskin, MD	60618 - CHICAGO	Outpatient	13
Larry Gluskin, MD	60618 - CHICAGO	Outpatient	11
Larry Gluskin, MD	60618 - CHICAGO	Outpatient	14
Larry Gluskin, MD	60618 - CHICAGO	Outpatient	10
Larry Gluskin, MD	60619 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60619 - CHICAGO	Outpatient	5
Larry Gluskin, MD	60619 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60619 - CHICAGO	Outpatient	7
Larry Gluskin, MD	60620 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60620 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60620 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60620 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60621 - CHICAGO	Outpatient	3
Larry Gluskin, MD	60621 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60621 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60622 - CHICAGO	Outpatient	3
Larry Gluskin, MD	60622 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60622 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60622 - CHICAGO	Outpatient	3
Larry Gluskin, MD	60623 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60623 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60624 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60625 - CHICAGO	Outpatient	9
Larry Gluskin, MD	60625 - CHICAGO	Outpatient	8
Larry Gluskin, MD	60625 - CHICAGO	Outpatient	8
Larry Gluskin, MD	60625 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60626 - CHICAGO	Outpatient	7
Larry Gluskin, MD	60626 - CHICAGO	Outpatient	7
Larry Gluskin, MD	60626 - CHICAGO	Outpatient	7
Larry Gluskin, MD	60626 - CHICAGO	Outpatient	6

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Larry Gluskin, MD	60628 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60628 - CHICAGO	Outpatient	5
Larry Gluskin, MD	60628 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60628 - CHICAGO	Outpatient	5
Larry Gluskin, MD	60629 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60629 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60630 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60630 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60630 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60630 - CHICAGO	Outpatient	5
Larry Gluskin, MD	60631 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60631 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60632 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60632 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60632 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60632 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60633 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60634 - CHICAGO	Outpatient	6
Larry Gluskin, MD	60634 - CHICAGO	Outpatient	7
Larry Gluskin, MD	60634 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60634 - CHICAGO	Outpatient	9
Larry Gluskin, MD	60636 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60637 - CHICAGO	Outpatient	6
Larry Gluskin, MD	60637 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60638 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60638 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60639 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60639 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60639 - CHICAGO	Outpatient	5
Larry Gluskin, MD	60640 - CHICAGO	Outpatient	12
Larry Gluskin, MD	60640 - CHICAGO	Outpatient	10
Larry Gluskin, MD	60640 - CHICAGO	Outpatient	14
Larry Gluskin, MD	60640 - CHICAGO	Outpatient	12
Larry Gluskin, MD	60641 - CHICAGO	Outpatient	5
Larry Gluskin, MD	60641 - CHICAGO	Outpatient	8
Larry Gluskin, MD	60641 - CHICAGO	Outpatient	9
Larry Gluskin, MD	60641 - CHICAGO	Outpatient	7
Larry Gluskin, MD	60642 - CHICAGO	Outpatient	3
Larry Gluskin, MD	60642 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60642 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60643 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60643 - CHICAGO	Outpatient	3
Larry Gluskin, MD	60643 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60643 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60645 - CHICAGO	Outpatient	3

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Larry Gluskin, MD	60645 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60645 - CHICAGO	Outpatient	7
Larry Gluskin, MD	60645 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60646 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60646 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60646 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60647 - CHICAGO	Outpatient	6
Larry Gluskin, MD	60647 - CHICAGO	Outpatient	8
Larry Gluskin, MD	60647 - CHICAGO	Outpatient	7
Larry Gluskin, MD	60647 - CHICAGO	Outpatient	10
Larry Gluskin, MD	60649 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60649 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60649 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60649 - CHICAGO	Outpatient	7
Larry Gluskin, MD	60651 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60651 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60651 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60652 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60652 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60652 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60652 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60653 - CHICAGO	Outpatient	7
Larry Gluskin, MD	60653 - CHICAGO	Outpatient	3
Larry Gluskin, MD	60653 - CHICAGO	Outpatient	5
Larry Gluskin, MD	60653 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60654 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60654 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60654 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60654 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60656 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60656 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60656 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60657 - CHICAGO	Outpatient	25
Larry Gluskin, MD	60657 - CHICAGO	Outpatient	26
Larry Gluskin, MD	60657 - CHICAGO	Outpatient	20
Larry Gluskin, MD	60657 - CHICAGO	Outpatient	25
Larry Gluskin, MD	60659 - CHICAGO	Outpatient	4
Larry Gluskin, MD	60659 - CHICAGO	Outpatient	2
Larry Gluskin, MD	60659 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60659 - CHICAGO	Outpatient	3
Larry Gluskin, MD	60660 - CHICAGO	Outpatient	16
Larry Gluskin, MD	60660 - CHICAGO	Outpatient	11
Larry Gluskin, MD	60660 - CHICAGO	Outpatient	8
Larry Gluskin, MD	60660 - CHICAGO	Outpatient	11
Larry Gluskin, MD	60661 - CHICAGO	Outpatient	3

ATTACHMENT 24c5

Larry Gluskin, MD	60661 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60661 - CHICAGO	Outpatient	1
Larry Gluskin, MD	60680 -	Outpatient	1
Larry Gluskin, MD	60706 - HARWOOD HEIGHTS	Outpatient	1
Larry Gluskin, MD	60706 - HARWOOD HEIGHTS	Outpatient	1
Larry Gluskin, MD	60706 - HARWOOD HEIGHTS	Outpatient	2
Larry Gluskin, MD	60707 - ELMWOOD PARK	Outpatient	1
Larry Gluskin, MD	60707 - ELMWOOD PARK	Outpatient	3
Larry Gluskin, MD	60707 - ELMWOOD PARK	Outpatient	1
Larry Gluskin, MD	60712 - LINCOLNWOOD	Outpatient	2
Larry Gluskin, MD	60712 - LINCOLNWOOD	Outpatient	1
Larry Gluskin, MD	60712 - LINCOLNWOOD	Outpatient	1
Larry Gluskin, MD	60712 - LINCOLNWOOD	Outpatient	2
Larry Gluskin, MD	60714 - NILES	Outpatient	1
Larry Gluskin, MD	60714 - NILES	Outpatient	1
Larry Gluskin, MD	60804 - CICERO	Outpatient	3
Larry Gluskin, MD	60804 - CICERO	Outpatient	1
Larry Gluskin, MD	60805 - EVERGREEN PARK	Outpatient	1
Larry Gluskin, MD	60805 - EVERGREEN PARK	Outpatient	1
Larry Gluskin, MD	60827 - RIVERDALE	Outpatient	1
Larry Gluskin, MD	60827 - RIVERDALE	Outpatient	1
		Total	1004

ATTACHMENT 24c5

AMITA HEALTH

Illinois Health Facilities and
Services Review Board
Springfield, Illinois

To Whom It May Concern:

This letter is being provided in response to review criterion 1110.235.c.6), relating to the establishment of an ambulatory surgical treatment center ("ASTC") on the campus of AMITA Health Saint Joseph Hospital Chicago ("the hospital").

Please be advised that Presence Chicago Hospitals Network operates the hospital, and will, participate in a cooperative venture to own and operate the proposed ASTC. Further, please be advised that Presence Chicago Hospitals Network agrees not to increase the number of operating rooms or gastrointestinal procedure rooms available at the hospital, until the procedure rooms at the proposed ASTC have operated at or above the utilization rate specified in 77 Ill. Adm. Code 1100 for twelve consecutive months.

Sincerely,

G. Thor Thordarson
President
Presence Chicago Hospitals Network

Notarized:

DEBORAH E MIKOLS
Official Seal
Notary Public - State of Illinois
My Commission Expires Oct 6, 2023

2601 Navistar Drive
Lisle, IL 60532

ATTACHMENT 24c6

UNNECESSARY DUPLICATION/MAL-DISTRIBUTION

The proposed project will not result in an unnecessary duplication or a mal-distribution of services.

The geographic service area ("GSA"), per IDPH rule, consists of those communities and ZIP Code areas located within ten miles of the proposed site. This area generally covers the area north to Wilmette, west to the Chicago city limit, and south to Archer Avenue. This area consists of 87 ZIP Code areas, having a 2018 population of 2,365,222, per ESRI.

Nine hospitals and four ASTCs providing gastrointestinal services are located in the GSA. The nine hospitals and four ASTCs provide 165 operating rooms and 63 procedure rooms, per 2017 IDPH facility *Profiles.*

The GSA population and the number of ORs and procedure rooms in the GSA, as identified above, results in 0.096 ORs and procedure rooms per 1,000 population in the GSA. The 2020 state-wide population projection provided on the HFSRB website is 13,129,223. The hospital and data summaries, also provided on the HFSRB's website, identify 2,904 ORs and procedure rooms, state-wide. The resultant state-wide rate of ORs and procedure rooms per, 1,000 population is therefore 0.22 per 1,000 population. Based on the HFSRB's definition of "mal-distribution", that being 1.5 times the state-wide average, the distribution of ORs and procedure rooms in the GSA does not meet the definition of a "mal-distribution" and the four proposed procedure rooms included in the project will increase the GSA's distribution to only .098 operating/procedure rooms per 1,000; not causing or resulting in a "mal-distribution".

ATTACHMENT 24c7

Hospitals and ASTCs Located in the Geographic Service Area

Hospitals

	ORs	Procedure Rooms
Advocate Illinois Masonic Med. Center	18	10
Ann & Robert Lurie Children's Hospital	21	
Louis A. Weiss memorial Hospital	10	4
Methodist Hospital of Chicago	4	3
Northwestern Memorial Hospital	70	18
Presence Saint Elizabeth's Hospital	5	1
Presence Saint Joseph Hospital	13	6
Presence Saint Mary's Hospital	8	5
Thorek Memorial Hospital	5	12
	154	59

ASTCs

	ORs	Procedure Rooms
Fullerton Kimball Medical & Surgical Center	1	1
Grand Avenue Surgical Center	3	
The Surgery Center at 900 N. Michigan Avenue	5	2
Western Diversey Surgical Center	2	
	11	3
	165	62

Source: 2017 IDPH *Profiles*

ATTACHMENT 24c7

STAFFING

The staffing of the proposed ASTC will be addressed by the applicants approximately two months prior to the ASTC's opening.

The applicants do not envision any unusual difficulties in staffing the proposed ASTC with qualified nurses, technicians, and other support personnel, due to the attractiveness of working in an ASTC setting for allied medical professionals.

Staffing will be consistent with or exceed applicable licensure and accreditation standards.

Staff will be recruited through a combination of word-of-mouth, newspaper advertisements, and if necessary, professional publications. The proposed ASTC will occupy an existing hospital-operated endoscopy suite, and it is anticipated that a portion of the personnel currently working in that suite will be employed by the ASTC.

The Medical Director of the proposed ASTC will be Lawrence E. Gluskin, M.D., and a copy of his CV is attached.

ATTACHMENT 24c8

LAWRENCE E. GLUSKIN, M.D.

2800 N. Sheridan Road., Suite 510 • Chicago, IL 60657 • legluskin@gmail.com • 773.248.1616

PROFESSIONAL EXPERIENCE:

PRESENCE SAINT JOSEPH HOSPITAL 1983 -Present
Chicago, IL
Section Chief of Gastroenterology (1995)
Medical Director for the Center of Digestive Diseases (1995)
Attending Gastroenterology Physician (1983)
PRIVATE PRACTICE 1983 - Present
Chicago, IL
Gastroenterologist, Hepatologist and Internal Medicine

EDUCATION:

UNIVERSITY OF ILLINOIS COLLEGE OF MEDICINE 1978
Chicago, IL
Doctorate of Medicine

RESIDENCY:
UNIVERSITY OF ILLINOIS HOSPITAL 1978 - 1981
Chicago, IL
Internal Medicine

MEDICAL LICENSE 1978
Illinois License Number 033-036-059381-1

BOARD CERTIFICATIONS:
American Board of Gastroenterology 1983
American Board of Internal Medicine 1981

FELLOWSHIPS:
Rush Presbyterian St. Luke's Hospital, Gastroenterology 1981 - 1983

CLINICAL TRIALS:
RAB - USA - 4. The F.A.S.T. Trial 1999 - 2000

A Study Of The Effect Of Misoprostol 50mcg, 100mcg, 200mcg versus Placebo on the Antiarthritic Efficacy Induced by Diclofenac 50mg TID in patients with Rheumatoid Arthritis or Osteoarthritis. 1992

Intron A in the Treatment of Chronic Hepatitis Non-A, Non-B. 1992

CONTINUED ON PAGE TWO

LAWRENCE E. GLUSKIN, M.D.

HOSPITAL APPOINTMENTS:
Chicago, IL
Courtesy Staff, Illinois Masonic Hospital 1999 - Present
Courtesy Staff, Grant Hospital 1994 - 2000
Attending, Columbus Hospital 1994 - 1999
Attending, St. Joseph Hospital 1999 – Present

Assistant In Medicine, Rush-Presbyterian-St. Luke's Medical Center 1981 - 1983
Assistant In Medicine, University of Illinois 1981 - 1983

Skokie, IL
Courtesy Staff, Rush North Shore Hospital 1985 - 2000
Courtesy Staff, Emergency Room, Skokie Valley Hospital 1980 - 1983

Highland Park, IL
Courtesy Staff, Emergency Room, Highland Park Hospital 1980 - 1983

FACULTY APPOINTMENTS:
Chicago, IL
Clinical Instructor. Gastroenterology and Hepatology 2014
University of Illinois
Chairman, Promotions, Appointments and Credentialing Committee 1995
St. Joseph Hospital
Member, Pharmacy and Therapeutics Committee 1990
Saint Joseph Hospital
Assistant Professor of Clinical Medicine 1985
Northwestern University
Attending, Saint Joseph Hospital 1983
Instructor In Advanced Cardiac Life Support 1980
American Heart Association

COMMITTEES:
Chicago, IL
Illinois State Medical Inter-Insurance Exchange PREP Committee 1990 - Present
Saint Joseph Hospital
Pharmacy And Therapeutics Committee 1988 - Present
Saint Joseph Hospital

SOCIETIES:
Chicago, IL
American College of Physicians, 1995
American College of Gastroenterology, Elected Fellow 1984
American Society for the Study of Liver Disease 1984
American Society for the Study of Gastrointestinal Endoscopy 1984
Illinois State Medical Society 1983

CONTINUED ON PAGE THREE

GP

LAWRENCE E. GLUSKIN, M.D.
PAGE THREE

Chicago Medical Association 1983
American Medical Association 1983
American Gastroenterology Association 1981
Chicago Society of Gastroenterology 1981
American College Of Emergency Physicians 1980
American College Of Physicians 1978
Alpha Omega Alpha Honor Medical Society 1978

BIBLIOGRAPHY:

JOURNAL OF CLINICAL GASTROENTEROLOGY
Gluskin, L.E. et al 1985
Hepatocellular Carcinoma in a patient with Pre-cirrhotic Primary Biliary Cirrhossis
78: 441-44

Leist, M.H., Gluskin L.E. and Payne, J.A. 1985
Enhanced Toxicity of Acetaminophen in Alcoholics: Report of Three Cases
7:55 - 59

AMERICAN JOURAL OF GASTROENTEROLOGY 1983
Gluskin, L.E., Payne, J.A.
Cystic Dilatation as a Radiographic Sign of Cholangiocarcinoma
Complicating Sclerosing Cholangitis
78:661-4

ANNALS OF INTERNAL MEDICINE 1981
Gluskin, L.E., Payne, J.A.
Verapamil-Induced Hyperprolactinema and Galactorrhea
95:66-67

PATENTS:
Medical Apparatus for the Treatment and Prevention of Heel Decubitus 2001
Patent Number 6,260,221B1

Endoscopy Control End and Biopsy Channel Shield 1998
Patent Number 5,782,750

CONTINUED ON PAGE FOUR

LAWRENCE E. GLUSKIN, M.D.

LECTURES AND SYMPOSIA: PRESENTED AT HOSPITAL AND MEDICAL CONFERENCES

Presence Saints Mary and Elizabeth Medical Center 2017
Update on Irritable Bowel Syndrome

Union Health 2016
Viberzi / Linzess, a Clinical Review

Saint Joseph Hospital, Chicago, IL 2016
Evaluation of Liver Enzymes

Saint Joseph Hospital, Chicago, IL 2015
Evaluation of Liver Enzymes
Irritable Bowel Syndrome
GI Bleeding
Evaluation of Liver Enzymes

Saint Joseph Hospital, Chicago, IL 2014
Irritable Bowel Syndrome
Evaluation of Liver Enzymes
Inflammatory Bowel Disease
Management of GI Bleeding
Gastroenterology Board Review

Sanford Health, Detroit Lakes, MN 2014
A Clinical Review of Linzess

Saint Gabriel's Hospital, Little Falls, MN 2013
A Clinical Review of Linzess

Saint Joseph Hospital, Chicago, IL 2013
Evaluation of Liver Enzymes

Mastro's Steak House, Chicago, IL 2013
A Clinical Review of Linzess

Saint Joseph Hospital, Chicago, IL 2013
Evaluation of Liver Enzymes
GI Bleeding

Evergreen Internal Medicine, Little Rock, AR 2013
A Clinical Review of Linzess

Mario's Italian Steakhouse, Rochester, NY 2013
A Clinical Review of Linzess

CONTINUED ON PAGE FIVE

LAWRENCE E. GLUSKIN, M.D.

Methodist Medical Center, Peoria, IL 2013
A Clinical Review of Linzess
Saint Joseph Hospital, Chicago, IL 2013
Evaluation of Liver Function Tests

Metropolitan Interists, Minneapolis, MN 2013
A Clinical Review of Linzess

Saint Luke's Gastroenterology, Duluth, MN 2013
A Clinical Review of Linzess

Saint Vincent Family Clinic, Little Rock, AR 2013
A Clinical Review of Linzess

Francesco's, Rockford, IL 2013
A Clinical Review of Linzess

Arkansas Gastroenterolgy, North Little , AR 2013
A Clinical Review of Linzess

Del Frisco's Double Eagle Steak House, Chicago, IL 2013
A Clinical Review of Linzess

Duck City Bistro, Davenport, IA 2013
A Clinical Review of Linzess

Ditka's , Oakbrook Terrace, IL 2013
A Clinical Review of Linzess

McCormick and Schmick's, Skokie, IL 2013
A Clinical Review of Linzess

Jim's Steakhouse, Peoria, IL 2013
A Clinical Review of Linzess

Sushi Sono, Columbia, MD 2013
A Clinical Review of Linzess

The Clubhouse, Oak Brook, IL 2013
A Clinical Review of Linzess

Coopers Hawk, Merriville, IN 2013
A Clinical Review of Linzess

CONTINUED ON PAGE SIX

LAWRENCE E. GLUSKIN, M.D.

Riva's, Chicago, IL 2013
A Clinical Review of Linzess
Saint Joseph Hospital, Chicago, IL 2013 - 2011 Celiac Disease
Evaluation of Liver Enzymes (four symposia in 2012)
Viral Hepatitis
GI Bleeding
Celiac Disease
Inflammatory Bowel Disease
GI Bleeding
Evaluation of Liver Enzymes
Evaluation of Liver Tests (two symposia in 2012)
GI Board Review
Irritable Bowel Syndrome
Mon Ami Gabi, Chicago, IL 2011
GI Practice in the United States
Saint Joseph Hospital, Chicago, IL 2010 - 2008
Irritable Bowel Syndrome
Evaluation Of Liver Tests (three symposia in 2010)
GI Bleeding
GERD: From Heartburn to Serious Medical Problems
GI Board Review
Viral Hepatitis
Abdominal Pain
Evaluation Of Liver Tests
GI Bleeding
GI Board Review Course
Viral Hepatitis
Evaluation of Patients with Liver Disease
GI Bleeding
The Intestinal Time of Your Life: Updates on Screening and Treatment of Colon Cancer
Gastroenterology Board Review
Peptic Ulcer Disease
Celiac Disease

Stefani's Restaurant, Chicago, IL 2007
ZEGERID Patient Profiles

Saint Mary of Nazareth Medical Center, Chicago, IL 2007
GERD Update

Saint Elizabeth Hospital, Chicago, IL 2007
GERD Update

CONTINUED ON PAGE SEVEN

LAWRENCE E. GLUSKIN, M.D.

Shanghai Terrace, Chicago, IL 2007
First and Only Immediate Release PPI

Saint Joseph Hospital, Chicago, IL 2007 - 2006
GERD
Liver Disease
Irritable Bowel Syndrome
Advances in Treatment of Irritable Bowel Syndrome and Chronic Constipation
GI Bleeding
Chronic Constipation and IBS-C
Common GI Disorders in Women
Viral Hepatitis

Illinois Masonic Hospital, Chicago, IL 2006
Advances in Treatment of Irritable Bowel Syndrome

Ida Grove Hospital, Ida Grove, IA 2006
Advancing the Management of IBS with Constipation and Chronic Constipation

Spencer Medical Clinic, Spencer ,IA 2006
Advancing the Management of IBS with Constipation and Chronic Constipation

Joe's Seafood and Steak, Chicago, IL 2006
Meeting the Challenge of Nightime GERD and Healing Erosive Esophagitis

Madison County Memorial Hospital, Winterset, IA 2006
Advancing the Management of IBS with Constipation and Chronic Constipation

Sam and Gabe's, Des Moines, IA 2006
Advancing the Management of IBS with Constipation and Chronic Constipation

Wildfire Restaurant, Chicago, IL 2006
Meeting the Challenge of Nightime GERD and Healing Erosive Esophagitis

Carle Clinic, Bloomington, IL 2006
Meeting the Challenge of Nightime GERD and Healing Erosive Esophagitis

The Hammond Clinic, Munster, IN 2006
Meeting the Challenge of Nightime GERD and Healing Erosive Esophagitis

Riva's Restaurant, Chicago, IL 2006
Chronic Constipation

City of Chicago Training Center, Chicago, IL 2006
Chronic Constipation
CONTINUED ON PAGE EIGHT

LAWRENCE E. GLUSKIN, M.D.

Le Francias, Wheeling, IL 2006

Chronic Constipation

Saint Joseph Hospital, Chicago, IL 2005
Viral Hepatitis
GI Bleeding
Advances for Screening in Colorectal Cancer

Novartis Pharmaceuticals Sales Training, Renaissance Hotel, Chicago, IL 2005
Chronic Constipation and IBS-C

Mt. Ayr Hospital, Mt. Ayr, IA 2005
Constipation and IBS-C

Mercy Hospital, Des Moines, IA 2005
Constipation and IBS-C

Gibson's Restaurant, Chicago, IL 2005
Constipation

West Hay Medical Center, Decatur, IL 2005
Unmasking Nightime Gastroesophageal Reflux

City of Chicago Health Clinic, Chicago, IL 2005
Constipation

Joe's Seafood and Prime Steak, Chicago, IL 2005
Urinary Incontinence, Gastrointestinal Disorders, Hypertension and Onychomycosis
TEGASAROD: Diagnosing and Treating Patients with a Gastrointestinal Dysmotility Disorder

Nick's Fish Market,Chicago, I 2005
IBS and Constipation

TAP Pharmaceuticals Detail U, Hyatt Deerfield, Deerfield, IL 2005
Training Program

Hyatt Regency Woodfield, Schaumburg, IL 2005
Zelnorm Training Method

Everest Restaurant, Chicago, IL 2005
TEAGASEROD: Diagnosing and Treating Patients with a Gastrointestinal Dysmotility Disorder

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LAWRENCE E. GLUSKIN, M.D.

Saint Joseph Hospital, Chicago, IL 2004 - 2003
Viral Hepatitis (three symposia in 2004 - 2003)
GI Bleeding (two symposia in 2004 - 2003)
Update on Viral Hepatitis

Braisserie Jo, Chicago, IL 2004
Update in Gastroesophageal Reflux Management

Shula's Steak House, Chicago, IL 2004
Nighttime Manifestations of GERD

Everest Restaurant, Chicago, IL 2004
TEGASEROD Efficacy and Safety Profile

Saint Anne's Hospital, Chicago, IL 2004
GERD

Chicago Tribune, Chicago, IL 2003
Targeting the Burn

Saint Francis Howard Clinic, Evanston, IL 2003
Evidence Based Medicine Approach to the Management of GERD

Roy's Restaurant, Chicago, IL 2003
GERD Case Study Program

Carlo's Restaurant, Chicago, IL 2003
Current Treatment Protocols for GERD Therapy

Saint Elizabeth Hospital, Chicago, IL 2003
Peptic Ulcer Disease

Ruth's Chris Steakhouse, Northbrook, IL 2003
GERD

Ambria Restaurant, Chicago, IL 2003
Focusing in on Barrett's Esophagous

Peninsula Hotel, Chicago, IL 2003
Case Studies in Irritable Bowel Syndrome

Saint Francis Hospital, Evanston, IL 2003
Case Studies in Irritable Bowel Syndrome
CONTINUED ON PAGE TEN

LAWRENCE E. GLUSKIN, M.D.

Saint Joseph Hospital, Chicago, IL 2002 - 2000
Viral Hepatitis
Management of GI Bleeding (two symposia 2002 - 2000)
Enteral and Parenteral Nutrition (two symposia 2002 - 2000)
Reflux and Heartburn
Common GI Problems in Women
Inflammatory Bowel Disease (two symposia 2002 - 2000)
Evaluation of Dyspepsia

Roy's Restaurant, Chicago, IL 2002
Case Studies in the Management of Gastroesophageal Disease

Saint Francis Hospital, Evanston, IL 2002
Irritable Bowel Syndrome

Piece Restaurant, Chicago, IL 2002
Tegaserod Efficacy and Safety Profile

Saint Elizabeth Hospital, Chicago, IL 2002
Update on GERD

MOD Restaurant, Chicago, IL 2001
Gastroesophageal Reflux Disease

Bank One Wellness Center, Chicago, IL 2001
Hepatitis C, Who is at Risk?
Colon Cancer Update

House of Blues, Chicago, IL 2001
Update on GERD

Echo Restaurant, Chicago, IL 2001
GERD

Meritage Cafe and Wine Bar, Chicago, IL 2001
Prescribing Decisions in Acid-Peptic Disorders

Ambria Restaurant, Chicago, IL 2000
Update on Gastroesophageal Reflux Disease

The Capital Grille, Chicago, IL 2000
Treatment of Hepatitis C

CONTINUED ON PAGE ELEVEN

LAWRENCE E. GLUSKIN, M.D.

Arun's Restaurant, Chicago, IL 2000
Update on Gastroesophageal Reflux Disease

Museum of Science and Industry, Chicago, IL 2000
Rethinking IBS

Rhapsody's Restaurant, Chicago, IL 2000
Rethinking IBS

Nick's Fishmarket, Chicago, IL 2000
Rethinking IBS

Bank One Wellness Center, Chicago, IL 2000
Hepatitis C

Saint Joseph Hospital, Chicago, IL 1999 - 1996
H-Pylori
Evaluation of Dyspepsia
Hepatitis C
How to Keep Your Stomach Healthy
Gastroesophageal Reflux Disease
Common GI Disorders in Women (two symposia in 1999)
The Cancer Everyone is Talking About (three symposia in 1999 - 1996)
Liver Diseases in Pregnancy
Irritable Bowel Syndrom Reflux Esophagitis

Saint Anthony Hospital, Chicago, IL 1999
Update on Cirrhosis

Columbian Medical Society, Chicago, IL 1999
Update on GERD

Le Francais Restaurant, Wheeling, IL 1999
Case Studies in GERD

Saint Francis Hospital, Evanston, IL 1998
Update on Peptic Ulcer Disease

Center For Healthy Aging, Chicago, IL 1998
Healthy Colon

Columbus Hospital, Chicago, IL 1997
Update on H-Pylori

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LAWRENCE E. GLUSKIN, M.D.

Showplace Cinemas, Evansville, IN 1997
Update on Acid Related Disorders

Columbus Hospital, Chicago, IL 1997
Malabsorption

Spago, Restaurant, Chicago, IL 1997
Update on Gastroesophageal Reflux Disease

Western Michigan Pharmacists Society, Silver Lake, MI 1996
Reflux Esopohagitis

Mercy Memorial Medical Center, Benton Harbor, MI 1996
Silent GI Bleeding

Chicago Hilton and Towers, Chicago, IL 1996
Update on Gastroesophageal Reflux Disease

Center For Healthy Aging, Chicago, IL 1996
Gastrointestinal Problems in Aging Adults (two symposia in 1996)

Merriville, IN 1996
Prescribing Decisions in Acid-Peptic Disorders

Chicago, IL 1996
Prescribing Decisions in Acid-Peptic Disorders

Grand Rapids, MI 1996
Prescribing Decisions in Acid-Peptic Disorders

Saint Joseph Hospital, Chicago, IL 1995 - 1985
Prescribing Decisions in Acid-Peptic Disorders
Update on Peptic Ulcer Disease
Liver Disease in Pregnancy
Management of Gallstones
GI Problems in the Elderly
Complications in ERCP
Update on Viral Hepatitis (two symposia in 1990)
Understanding Your Digestive System
Indications and Contraindications for Flexible Sigmoidoscopy

Oak Brook, IL 1995
Prescribing Decisions in Acid-Peptic Disorders

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LAWRENCE E. GLUSKIN, M.D.

Chicago, IL
Prescribing Decisions in Acid-Peptic Disorders 1995

Seton Family Health Center, Chicago, IL 1995
Flexible Sigmoidoscopy

Intracorp Insurance Review 1992
Update in GI Diseases

Cablevision TV1992
Reflux Espohagitis

Peoria, IL 1991
Medical Management of Gallstones

Current Concept Seminars, Inc., Chicago, IL 1990
Flexible Sigmoidoscopy

Saint Francis Hospital, Milwaukee, WI 1989
Medical Management of Gallstones

Como Inn Restaurant, Chicago, IL 1989
Medical Management of Gallstones

Current Concept Seminars, Inc., Chicago, IL 1988
Flexible Sigmoidoscopy

Health Matters TV 1985
Ulcers

STATEMENT OF CHARGES

Description	Code	Charge
Ablation	43258	$2,300
Ablation	45339	$2,550
Ablation	45383	$2,450
Balloon Dilation <30mm	43249	$2,200
Balloon Dilation >30mm	43233	$2,250
Band Ligation	43244	$2,250
Biopsy	43239	$2,250
Biopsy	45380	$2,250
Colonoscopy	45378	$2,450
Colonscopy w/dilation	45386	$2,450
Control Bleeding	43255	$2,200
Control Bleeding	45334	$2,050
Control Bleeding	45382	$2,250
EGD	43235	$2,150
Flexible Sigmoidoscopy	45330	$2,010
G Tube Placement	43246	$2,450
Hemorrhoidectomy Ligation; Qty >2	46946	$2,650
Hemorrhoidectomy Ligation; Single	46945	$2,650
Hot Biopsy	43250	$2,200
Hot Biopsy	45333	$2,050
Hot Biopsy	45384	$2,450
Inj/Botx	43236	$2,250
Inj/Botx	45381	$2,250
Ligation of Hemorrhoid	46221	$2,450
Removal of Foreign Body	43247	$2,450
Removal of Foreign Body	45331	$2,010
Removal of Foreign Body	45379	$2,550
Sigmoidoscopy w/balloon dilation	45340	$2,050
Sigmoidoscopy w/removal of tumor	45338	$2,050
Sigmoidoscopy with submucing	45335	$2,050
Snare	43251	$2,200
Snare	45332	$2,050
Snare	45385	$2,450
Tube Insert	43241	$2,250
Variceal Sclerosis	43243	$2,250

ATTACHMENT 24c9

AMITA HEALTH

John D. Baird
CEO/President

February 7, 2020

Illinois Health Facilities and
Services Review Board
Springfield, Illinois

To Whom It May Concern:

RE: Review Criteria 1110.24c9 and 1110.24c10

With this letter, I hereby attest that the charge structure provided in this Certificate of Need application will not increase for, at minimum, two years following the opening of the proposed ambulatory surgical treatment center ("ASTC").

Further, I herein attest that a peer review program will be implemented at the proposed ASTC that evaluates whether patient outcomes are consistent with quality standards established by professional organizations for ASTC services, and if outcomes do not meet or exceed those standards, that a quality improvement plan will be initiated.

Last, the applicants anticipate that in the second year of operation, the annual utilization of the procedure rooms will meet or exceed the utilization standard specified in 77 Ill. Adm. Code 1100. This anticipation is based on the applicant's knowledge of the practices of the physicians anticipated to refer patients to the proposed ASTC.

Sincerely,

John Baird

Notarized:

GERALDINE ESCAMILLA
Official Seal
Notary Public - State of Illinois
My Commission Expires Aug 27, 2023

AMITA Health
Saint Joseph Hospital
Chicago
2900 N. Lake Shore Dr.
Chicago, IL 60657

773.665.3972

AMITAhealth.org

ATTACHMENT 24c9 and 24c10

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PEER REVIEW

Attached is a policy that serves as the foundation for the ASTC's Peer Review program.

With the signatures on the Certification pages of the application, the applicants attest that the peer review program addressed through the attached policy will be implemented, and if the ASTC's outcomes are inconsistent with established standards, a quality improvement plan will be implemented.

ATTACHMENT 24b10

Clinical Policies and Procedures Manual

SECTION: Credentialing
TITLE: PEER REVIEW & CORRECTIVE ACTION PROGRAM
PAGE: 1 of 6
EFFECTIVE DATE:
REVISION DATE:

POLICY:

Facility Peer Review will be conducted on all members of the Medical Staff and the Allied Health Staff on a continuous basis.

PROCEDURE:

Maintaining an active and organized process for peer review can be accomplished by adhering to the following recommendations:

1. At least 2 physicians are involved to provide peer review. In a solo physician organization and outside physician is involved to provide peer –based review.

    a. At least 2 health care professionals, one of whom may be a physician or dentist, are involved to provide peer-based review within their scope of practice for professionals such as nurse practitioners, CRNA and physician assistants. Peer review as part of an employee's performance evaluation is acceptable.

2. Healthcare professionals may review professionals within or below their scope of practice. For example, CRNAs may review CRNAs; Anesthesiologists may review CRNAs, but a CRNA may not review an Anesthesiologist who is above the scope of practice of a CRNA. Podiatrists may review Podiatrists, an Orthopedic Surgeon may review a Podiatrist, but a Podiatrist may not review an Orthopedic Surgeon.

    a. At least two (2) professionals, one of whom may be physician or dentist, are involved in peer-based review.
    b. If a professional is not available or is conceivably a competitor or otherwise might not offer unbiased review, an outside practitioner will be engaged in the process.

2. The QC Committee will establish and develop criteria to evaluate care in the facility.

    a. The criteria developed by the QC Committee will be recommended to and approved by the Governing Body.
    b. The QC Committee will apply the criteria when reviewing the results of the chart reviews.
    c. The QC Committee will review criteria annually and establish internal benchmarks

3. Consistent forms will be used for peer review on each healthcare professional and findings will be reviewed for patterns or trends.

    a. The healthcare reviewer will document their findings and any recommendations on the Peer

ATTACHMENT 24b10

Review Form.

b. The findings will be reviewed by the QC Committee and presented to the Governing Body.

4. Credentialing and Recredentialing:
   a. Each healthcare professional will have a minimum of four (4) charts or 5% of total cases, whichever is greater, peer reviewed for each year credentialed. Peer review can be performed biannually.
   b. All outliers will be reviewed, in addition to the 5% of total cases. Outliers include:
      1) Quality of care reports
      2) Anesthesia and surgical screen indicators
   c. The peer review documents will be available during the recredentialing process and will be utilized in granting continuation of clinical privileges.
   d. Peer references which are part of peer review will also be required during the initial credentialing phase to the Medical Staff or Allied Health Staff.
   e. Peer references will be part of the recredentialing process to document clinical competence.

5. The following items will be established as criteria for peer review:
   Surgical:
   - Utilization Management - Appropriate Setting for Surgical Procedure
   - Hospital transfers or admissions within 24 hours
   - Unplanned returns to the OR during same admission
   - Post-op infections (SSI)
   - Adverse drug utilizations
   - Prophylactic Antibiotic Use
   - Complications
   - Customer Satisfaction & Complaint Resolution
   - Sentinel/Adverse Event or "Near Miss" Review
   - Pathology & Clinical Laboratory Results

Anesthesia:

- Choice of Anesthesia appropriate for setting
- Cardiac/Respiratory arrest - use of Ambu bag
- Need to intubate
- Aspiration during anesthesia delivery or in recovery area
- Pre-operative Evaluation completed and documented on Chart
  - Review of labs
  - X-ray, EKG (if appropriate)
  - Know allergies
  - Current medications
  - Informed consent
  - Reassessed prior to anesthesia
- Complications (anesthesia related) post-discharge (with 72 hours)
  - Ex. MI within 72 hours

Each medical staff member will be evaluated at least every two years by a physician or surgeon of his/her specialty. If the surgeon or physician to be evaluated does not have a peer on the facility staff, the governing body will consult an outside source to complete said evaluation. Peer review will consist of chart review, personnel file review and credentialing file review.

Peer review reports will be submitted to the governing body.

Corrective Action Program

Problem Identification

All substandard clinical care identified through the Peer Review Process and Quality Management shall be categorized by severity in accordance with the Peer Review Policy and Procedures. Problems identified shall include both acts of commission and omission, deficiencies in the clinical quality of care, and any instances of practitioner impairment documented to be a result of substance abuse.

Corrective Actions

Following a determination by the Peer Review Committee that a practitioner has rendered sub-standard care, the Committee will recommend a list of acceptable corrective actions appropriate to the severity of the substandard care, using the guidelines identified as attached in support of their recommendations. The final recommendations of the Committee may also take into consideration other pertinent quality data regarding the practitioner in question, including but not limited to the following:

- Trended patient complaints specific to that practitioner during the previous two years.
- Additional quality reviews specific to that practitioner
- Any data or quality metrics maintained by a state or federal agency.
- Any patient and peer satisfaction survey results specific to that practitioner during the previous two years.
- Any credentials file information documenting current limitations of clinical privileges or disciplinary actions, current or past substance abuse or mandated treatment for same, and records of malpractice proceedings.

Supervising Practitioner

The recommendations for corrective action shall be implemented by the Medical Director and/or designee.

Implementation of Corrective Action Plan

The Medical Director, in each case, reviews personally with the practitioner in question, the results of the Peer Review Committee. The Medical Director shall also establish with the practitioner in question, the Corrective Action Plan, using as a guideline the specific recommendations of the Peer Review Committee. The Medical Director will document the confirming a completion of a feedback session with the practitioner in question, as well as the agreed upon Corrective Action Plan and a timetable for its accomplishment.

It is the responsibility of the Medical Director to document that the Corrective Action Plan has been implemented in accordance with the specific timetable. If the Corrective Action Plan is not implemented within the specified timetable, the Medical Director shall provide the Peer Review Committee a written summary of any explanations for the failure to complete the Corrective Action Plan (practitioner termination, practitioner illness, etc.) as well as a revised timetable. If the explanations offered are not acceptable, or if the revised timetable also results in non-compliance, then the chairman of the Peer Review Committee shall recommend to the Board of Managers appropriate alteration of the practitioner's clinical privileges, commensurate with the severity of the substandard care. Such alteration may include a probationary status for low risk deviations from the standard of care (severity Level 1 or 2), as well as more aggressive restriction of privileges, up to and including termination for substandard care graded as severity Level 4 or 5

Oversight of Corrective Actions and Peer Review Activities

The Peer Review Committee shall report quarterly to the MEC Committee, including a summary activity and status report regarding all Corrective Action Plans. Peer review activities which identify practitioners who are impaired by virtue of substance abuse shall also be reported to the Illinois Department of Human Services – Licensure Unit. Practitioners whose privileges are suspended, altered or revoked shall also be reported by the Medical Director to the National Practitioner Databank and to the Illinois Department of Human Services – Licensure Unit.

SEVERITY RATING FOR ADVERSE CLINICAL EVENTS

Note: Cases with relatively minor negative consequences for the member may require upgrading to a higher level of substandard care if the potential hazard to the member was clearly severe.

Category 0	No substandard care. No identifiable patient injury.
Category 1	Minor substandard care with benign consequences for the patient requiring no specific treatment or intervention.
Category 2	Moderate substandard care with modest clinical intervention required to reverse or treat the condition. No hospitalization or invasive therapy required (excepting routine venipuncture).
Category 3	Serious substandard care with temporary impairment. Aggressive medical intervention required to treat or reverse the condition. May involve hospitalization or invasive corrective therapy. No permanent irreversible patient disability attributable.
Category 4	Serious substandard care with permanent patient impairment. Irreversible injury or serious impairment resulting from substandard care. May involve loss of limb or permanently impaired bodily function.
Category 5	Fatal substandard care with death directly related to the clinical misadventure. This may involve acts of commission as well as acts of omission.

APPROPRIATE CORRECTIVE ACTION OPTIONS BY LEVEL OF SEVERITY OF SUBSTANDARD CARE

Note: Cases with relatively minor negative consequences for the member may require upgrading to a higher level of substandard care if the potential hazard to the member was clearly severe.

	Description	***Acceptable Corrective Actions***
Level I Minor Severity	Temporary negative consequences for member not requiring corrective medical treatment.	• Practitioner counseling • Targeted CME requirement • Probationary status, time limited with outcomes monitoring. • CME presentation by practitioner.
Level II Moderate Severity	Temporary negative consequences for member, corrective medical treatment required, not including hospitalization or invasive intervention.	**As for Level I, plus:** • Clinician mentor relationship for specific medical problems, possibly including but not limited to mandatory consultation or second opinions for specified medical conditions.
Level III Serious Severity	Temporary negative consequences for member, possibly including invasive treatment or hospitalization.	**As for Levels I & II plus:** • Limitation of clinical privileges, pending documentation of improved outcomes and/or specific CME.
Level IV Serious Severity	With permanent negative consequences for member, including permanent disability and/or disfigurement.	**As for Levels I, II, & III plus:** • Loss of clinical privileges and revocation of contract (if applicable), depending also on mitigating circumstances and other trends regarding substandard quality performance for the practitioner in question.
Level V	Fatal substandard care with death directly related to clinical acts of commission or omission.	**As for Level IV plus:** • Loss of clinical privileges and revocation of contract (if applicable).

MOODY'S
INVESTORS SERVICE

Rating Action: Moody's assigns Aa2 to Ascension's Ser. 2019A,B,C bonds; stable outlook

25 Sep 2019

New York, September 25, 2019 -- Moody's Investors Service has assigned Aa2 ratings to Ascension Health Alliance's (Ascension) Revenue Bonds (Ascension Senior Credit Group), Series 2019A ($146 million), Ascension's Taxable Bonds, Series 2019B ($304 million) and Ascension's Taxable Bonds, Series 2019C (up to $500 million). The proposed Series 2019A will be tax-exempt fixed rate bonds and will be issued through the Wisconsin Health and Educational Facilities Authority. The outlook is stable. We affirmed senior debt ratings of Aa2 and Aa2/VMIG 1, subordinated debt ratings of Aa3 and Aa3/VMIG 1, and the commercial paper rating of P-1. We have also affirmed the senior debt ratings of Aa2 for Presence Health, IL's Series 2016C and Hospital de la Concepcion's Series 2017A and the Aa2/VMIG 1 rating for St. Vincent de Paul Center's Series 2000A bonds.These actions affect approximately $7.5 billion of outstanding debt, including debt by Presence Health and secured under Ascension's master trust indenture.

RATINGS RATIONALE

The Aa2 long-term senior rating is based on significant strengths Ascension will continue to derive from its status as one of the largest not-for-profit healthcare systems in the US, including a large diversified portfolio of sizable hospitals and further growth in non-acute care business lines from commercialization opportunities. The system's centralized governance and operating model, as well as recent management restructuring, will provide a strong platform for further efficiencies and accelerated growth strategies. Before considering investment performance, near-term liquidity growth will slow because of increasing capital spending. However, liquidity will remain strong since cashflow will largely support capital spending; additionally, Ascension has $1 billion in undrawn committed bank facilities. Leverage metrics will improve from cashflow improvement and no material incremental debt is expected. Reflecting industry-wide trends, the system's margins will remain modest and revenue growth will be constrained because of increased reliance on governmental payers and volume pressure. Most hospitals will face increasing competition as providers consolidate and become larger and more formidable. The Aa3 long-term subordinated rating reflects the structural subordination of the related bonds.

The VMIG 1 and P-1 short-term ratings are based on the system's ability to provide liquidity for unremarketed tenders or maturing commercial paper. This ability is supported by a strong treasury management function, large portfolio of diversified investments, strong daily liquidity, availability of a backup bank facility, and other factors that suggest manageable liquidity needs.

RATING OUTLOOK

The stable outlook reflects expected improvement in margins in FY 2020, excluding the effect of a pension accounting change, given continued cost reductions and accelerated growth strategies, which will compensate for higher governmental payers and volume pressures. Increasing capital spending will likely slow further liquidity growth, but we expect cashflow will largely cover capital spending and liquidity will remain strong. We expect commercialization strategies of non-acute care businesses will provide revenue and balance sheet opportunities. The stable outlook anticipates no new material debt outside of acquisitions and that any acquisitions or mergers will not be significantly dilutive to key credit measures nor present high execution risk.

FACTORS THAT COULD LEAD TO AN UPGRADE

- Significant and sustained improvement in operating margins

- Reduction in leverage and improved debt metrics

- Continued diversification of non-acute care revenues

FACTORS THAT COULD LEAD TO A DOWNGRADE

- Sustained decline in margins

- Significant increase in leverage

- Materially dilutive merger or acquisition

- Notable sustained decline in liquidity

- For short-term ratings, significant decline in liquidity

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LEGAL SECURITY

Security for the senior bondholders is a revenue pledge of the senior credit group. Security for the subordinated bondholders is an unsecured general obligation of Ascension and the bonds are subordinate to all outstanding senior bonds. No debt service reserve funds are in place. Covenants include minimal debt service coverage test and no additional indebtedness tests. Replacement of the master indenture is allowed without bondholder consent if certain conditions are met, including rating agency confirmations of no rating impact. Members of the subordinate credit group are identical to those in the senior credit group.

USE OF PROCEEDS

Proceeds from the Series 2019 bonds will be used to refinance existing bonds.

PROFILE

Ascension is one of the largest not-for-profit healthcare systems in the U.S. with $25 billion in revenue, operating 119 general acute care hospitals, two long-term care acute care hospitals, eight behavioral health hospitals and five rehabilitation hospitals. The system operates in 21 states and D.C.

METHODOLOGY

The principal methodology used in the long-term ratings was Not-For-Profit Healthcare published in December 2018. The principal methodology used in the short-term ratings was Municipal Bonds and Commercial Paper Supported by a Borrower's Self-Liquidity published in March 2018. The principal methodology used in the Series 2000A and 2017A long-term ratings was Rating Transactions Based on the Credit Substitution Approach: Letter of Credit-backed, Insured and Guaranteed Debts published in May 2017. Please see the Rating Methodologies page on www.moodys.com for a copy of these methodologies.

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Please see www.moodys.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

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Lisa Martin
Lead Analyst
PF Healthcare
Moody's Investors Service, Inc.
7 World Trade Center
250 Greenwich Street
New York 10007
US
JOURNALISTS: 1 212 553 0376
Client Service: 1 212 553 1653

Lisa Goldstein
Additional Contact
PF Healthcare
JOURNALISTS: 1 212 553 0376
Client Service: 1 212 553 1653

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Releasing Office:
Moody's Investors Service, Inc.
250 Greenwich Street
New York, NY 10007
U.S.A
JOURNALISTS: 1 212 553 0376
Client Service: 1 212 553 1653

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ASCENSION

CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

Years Ended June 30, 2019 and 2018
With Reports of Independent Auditors

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Ascension

Consolidated Financial Statements and Supplementary Information

Years Ended June 30, 2019 and 2018

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Building a better working world

Ernst & Young LLP
The Plaza in Clayton
Suite 1300
190 Carondelet Plaza
St. Louis, MO 63105-3434

Tel: +1 314 290 1000
Fax: +1 314 290 1882
ey.com

Report of Independent Auditors

The Board of Directors
Ascension Health Alliance d/b/a Ascension

We have audited the accompanying consolidated financial statements of Ascension Health Alliance d/b/a Ascension, which comprise the consolidated balance sheets as of June 30, 2019 and 2018, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

EY
Building a better working world

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Ascension Health Alliance d/b/a Ascension at June 30, 2019 and 2018, and the consolidated results of its operations and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Ernst + Young LLP

September 11, 2019

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Ascension

Consolidated Balance Sheets
(Dollars in Thousands)

	June 30, 2019	2018
Assets		
Current assets:		
Cash and cash equivalents	**$ 896,262**	$ 850,958
Short-term investments	**92,072**	83,166
Accounts receivable	**3,172,747**	3,163,172
Inventories	**409,129**	414,169
Due from brokers *(see Notes 4 and 5)*	**324,977**	91,919
Estimated third-party payor settlements	**178,556**	129,693
Other *(see Notes 4 and 5)*	**959,477**	780,713
Total current assets	**6,033,220**	5,513,790
Long-term investments *(see Notes 4 and 5)*	**19,786,061**	19,404,559
Property and equipment, net	**10,851,422**	10,597,730
Other assets:		
Investment in unconsolidated entities	**1,233,209**	1,139,306
Capitalized software costs, net	**641,533**	793,322
Other *(see Notes 4 and 5)*	**1,173,051**	1,078,905
Total other assets	**3,047,793**	3,011,533
Total assets	**$ 39,718,496**	$ 38,527,612

Continued on next page.

Ascension

Consolidated Balance Sheets (continued)
(Dollars in Thousands)

	June 30, 2019	2018
Liabilities and net assets		
Current liabilities:		
Current portion of long-term debt	**$ 125,577**	$ 100,919
Long-term debt subject to short-term remarketing arrangements*	**1,043,150**	738,770
Accounts payable and accrued liabilities *(see Notes 4 and 5)*	**2,951,322**	2,915,838
Estimated third-party payor settlements	**599,959**	683,229
Due to brokers *(see Notes 4 and 5)*	**369,213**	253,264
Current portion of self-insurance liabilities	**269,561**	288,975
Other	**465,499**	407,496
Total current liabilities	**5,824,281**	5,388,491
Noncurrent liabilities:		
Long-term debt (senior and subordinated)	**6,760,464**	7,123,611
Self-insurance liabilities	**675,860**	756,028
Pension and other postretirement liabilities	**1,580,867**	914,045
Other *(see Notes 4 and 5)*	**1,352,740**	1,227,680
Total noncurrent liabilities	**10,369,931**	10,021,364
Total liabilities	**16,194,212**	15,409,855
Net assets:		
Without donor restrictions:		
Controlling interest	**20,776,747**	20,446,065
Noncontrolling interests	**1,988,121**	1,930,466
Total net assets without donor restrictions	**22,764,868**	22,376,531
Net assets with donor restrictions	**759,416**	741,226
Total net assets	**23,524,284**	23,117,757
Total liabilities and net assets	**$ 39,718,496**	$ 38,527,612

*Consists of variable rate demand bonds with put options that may be exercised at the option of the bondholders, with stated repayment installments through 2047, as well as certain serial mode bonds with scheduled remarketing/mandatory tender dates occurring prior to June 30, 2020. In the event that bonds are not remarketed upon the exercise of put options or the scheduled mandatory tenders, management would utilize other sources to access the necessary liquidity. Potential sources include liquidating investments, a draw on the line of credit totaling $1 billion, and issuing commercial paper. The commercial paper program is supported by $300 million of the $1 billion line of credit.

The accompanying notes are an integral part of the consolidated financial statements.

Ascension

Consolidated Statements of Operations and Changes in Net Assets

(Dollars in Thousands)

	Year Ended June 30, 2019	2018
Operating revenue:		
Net patient service revenue	$ 23,706,590	$ 21,665,860
Other revenue	1,616,217	1,493,096
Total operating revenue	25,322,807	23,158,956
Operating expenses:		
Salaries and wages	10,133,885	9,407,216
Employee benefits	1,996,444	1,856,103
Purchased services	2,730,431	2,320,700
Professional fees	1,306,585	1,258,652
Supplies	3,721,362	3,387,222
Insurance	288,598	237,275
Interest	268,338	238,981
Provider tax	629,983	531,703
Depreciation and amortization	1,212,908	1,132,378
Other	2,499,162	2,518,918
Total operating expenses before impairment, restructuring and nonrecurring losses, net	24,787,696	22,889,148
Income from operations before self-insurance trust fund investment return and impairment, restructuring and nonrecurring losses, net	535,111	269,808
Self-insurance trust fund investment return	24,554	28,000
Income from recurring operations	559,665	297,808
Impairment, restructuring and nonrecurring losses, net	(177,157)	(193,047)
Income from operations	382,508	104,761
Nonoperating gains (losses):		
Investment return, net	1,108,597	1,589,337
Contributions from business combinations	26,025	734,127
Other	(112,774)	(53,239)
Total nonoperating gains (losses), net	1,021,848	2,270,225
Excess of revenues and gains over expenses and losses	1,404,356	2,374,986
Less noncontrolling interests	177,741	213,948
Excess of revenues and gains over expenses and losses attributable to controlling interest	1,226,615	2,161,038

Continued on next page.

Ascension

Consolidated Statements of Operations And Changes in Net Assets (continued)

(Dollars in Thousands)

	Year Ended June 30, 2019	2018
Net assets without donor restrictions, controlling interest:		
Excess of revenues and gains over expenses and losses	**$ 1,226,615**	$ 2,161,038
Transfers to sponsors and other affiliates, net	**(4,958)**	(5,189)
Net assets released from restrictions for property acquisitions	**69,958**	51,458
Pension and other postretirement liability adjustments	**(956,059)**	313,638
Change in unconsolidated entities' net assets	**4,242**	1,612
Other	**(12,289)**	5,740
Increase in net assets without donor restrictions, controlling interest	**327,509**	2,528,297
Gain (loss) from discontinued operations	**3,173**	(16,155)
Increase in net assets without donor restrictions, controlling interest	**330,682**	2,512,142
Net assets without donor restrictions, noncontrolling interest:		
Excess of revenues and gains over expenses and losses	**177,741**	213,948
Net distributions of capital	**(133,501)**	(57,689)
Membership interest changes, net	**18,603**	(27,653)
Contributions from business combinations	**-**	5,478
Other	**(5,188)**	(1,979)
Increase in net assets without donor restrictions, noncontrolling interests	**57,655**	132,105
Net assets with donor restrictions:		
Contributions and grants	**120,536**	109,466
Investment return	**19,595**	27,398
Net assets released from restrictions	**(118,869)**	(104,873)
Contributions from business combinations	**-**	31,350
Other	**(3,072)**	(3,955)
Increase in net assets with donor restrictions	**18,190**	59,386
Increase in net assets	**406,527**	2,703,633
Net assets, beginning of year	**23,117,757**	20,414,124
Net assets, end of year	**$ 23,524,284**	$ 23,117,757

The accompanying notes are an integral part of the consolidated financial statements.

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Ascension

Consolidated Statements of Cash Flows
(Dollars in Thousands)

	Year Ended June 30, 2019	2018
Operating activities		
Increase in net assets	**$ 406,527**	$ 2,703,633
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	**1,212,908**	1,132,378
Amortization of bond premiums and debt issuance costs	**(23,881)**	(18,814)
Loss on extinguishment of debt	**100**	9,850
Pension and other postretirement liability adjustments	**956,059**	(313,638)
Contributions from business combinations	**(17,938)**	(770,955)
Unrealized (gains) losses on investments, net	**(494,356)**	(506,736)
Change in fair value of interest rate swaps	**27,459**	(49,019)
Change in equity of unconsolidated entities	**(188,337)**	(95,224)
Gain on sale of assets, net	**(35,262)**	(34,796)
Impairment and nonrecurring expenses	**7,780**	11,482
Transfers to sponsor and other affiliates, net	**4,958**	5,189
Donor restricted contributions, investment return and other	**(132,339)**	(152,401)
Other restricted activity	**1,405**	(31,988)
Distributions of noncontrolling interest, net	**133,501**	57,689
Other	**(273)**	(234)
Increase (decrease) in:		
Short-term investments	**(8,906)**	64,739
Accounts receivable	**(49,101)**	(63,629)
Inventories and other current assets	**49,825**	43,202
Due from brokers	**(233,058)**	105,276
Investments classified as trading	**85,377**	(1,170,443)
Other assets	**(86,800)**	(134,160)
Increase (decrease) in:		
Accounts payable and accrued liabilities	**68,556**	(153,406)
Estimated third-party payor settlements, net	**(129,989)**	31,963
Due to brokers	**115,949**	137,481
Other current liabilities	**38,125**	35,633
Self-insurance liabilities	**(99,582)**	(30,182)
Other noncurrent liabilities	**(194,891)**	(196,950)
Net cash provided by continuing operating activities	**1,413,816**	615,940
Net cash provided by discontinued operations	**14,278**	14,540
Net cash provided by operating activities	**1,428,094**	630,480

Continued on next page.

Ascension

Consolidated Statements of Cash Flows (continued)

(Dollars in Thousands)

	Year Ended June 30, 2019	2018
Investing activities		
Property, equipment, and capitalized software additions, net	**(1,447,151)**	$ (1,170,085)
Proceeds from sale of property and equipment	**44,076**	15,335
Distributions from unconsolidated entities, net	**99,148**	208,663
Net proceeds from sale/acquisition of other assets	**12,500**	298,825
Net cash used in investing activities	**(1,291,427)**	(647,262)
Financing activities		
Issuance of debt	**225,236**	695,501
Repayment of debt	**(312,502)**	(789,442)
Debt issuance costs paid	**(573)**	(3,091)
Decrease in assets under bond indenture agreements	**2,596**	15,869
Transfers to sponsors and other affiliates, net	**(4,958)**	(5,189)
Donor restricted contributions, investment return, and other	**132,339**	154,176
Distributions of noncontrolling interest, net	**(133,501)**	(57,689)
Net cash (used in) provided by financing activities	**(91,363)**	10,135
Net increase (decrease) in cash and cash equivalents	**45,304**	(6,647)
Cash and cash equivalents at beginning of year	**850,958**	857,605
Cash and cash equivalents at end of year	**$ 896,262**	$ 850,958

The accompanying notes are an integral part of the consolidated financial statements.

Ascension

Notes to Consolidated Financial Statements
(Dollars in Thousands)

June 30, 2019

1. Organization and Mission

Organizational Structure

Ascension Health Alliance, d/b/a Ascension (Ascension), is a Missouri nonprofit corporation formed on September 13, 2011. Ascension is the sole corporate member and parent organization of Ascension Health (d/b/a Ascension Healthcare), a Catholic national health system consisting primarily of nonprofit corporations that own and operate local healthcare facilities, or Ministry Markets, located in 21 states and the District of Columbia.

Ascension serves as the member or shareholder of various subsidiaries as listed below:

- Ascension Care Management
- AscensionConnect
- Ascension Global Mission
- Ascension Healthcare
- Ascension Holdings
- Ascension Technologies
- Ascension Investment Management (AIM)
- Ascension Leadership Academy
- Ascension Associate Assistance Fund
- Ascension Ministry Service Center
- Ascension Ventures (AV)
- AV Holding Company
- Consulting Network
- The Resource Group
- Smart Health Solutions

Ascension is also the majority investor in Ascension Alpha Fund, LLC (Alpha Fund) as discussed in the Pooled Investment Fund note. Ascension and its member organizations are hereafter referred to collectively as the System.

Ascension

Notes to Consolidated Financial Statements (continued)
(Dollars in Thousands)

1. Organization and Mission (continued)

Sponsorship

Ascension is sponsored by Ascension Sponsor, a Public Juridic Person. The Participating Entities of Ascension Sponsor are the Daughters of Charity of St. Vincent de Paul, St. Louise Province; the Congregation of St. Joseph; the Congregation of the Sisters of St. Joseph of Carondelet; the Congregation of Alexian Brothers of the Immaculate Conception Province, Inc. – American Province; and the Sisters of the Sorrowful Mother of the Third Order of St. Francis of Assisi – US/Caribbean Province.

Mission

The System directs its governance and management activities toward strong, vibrant, Catholic Ministries united in service and healing, and dedicates its resources to spiritually centered care which sustains and improves the health of the individuals and communities it serves. In accordance with the System's mission of service to those persons living in poverty and other vulnerable persons, each Ministry Market accepts patients regardless of their ability to pay. The System uses four categories to identify the resources utilized for the care of persons living in poverty and community benefit programs:

- Traditional charity care includes the cost of services provided to persons who cannot afford healthcare because of inadequate resources and/or who are uninsured or underinsured.

- Unpaid cost of public programs, excluding Medicare, represents the unpaid cost of services provided to persons covered by public programs for persons living in poverty and other vulnerable persons.

- Cost of other programs for persons living in poverty and other vulnerable persons includes unreimbursed costs of programs intentionally designed to serve the persons living in poverty and other vulnerable persons of the community, including substance abusers, the homeless, victims of child abuse, and persons with acquired immune deficiency syndrome.

- Community benefit consists of the unreimbursed costs of community benefit programs and services for the general community, not solely for the persons living in poverty, including health promotion and education, health clinics and screenings, and medical research.

(Dollars in Thousands)

1. Organization and Mission (continued)

Discounts are provided to all uninsured and underinsured patients, including those with the means to pay. Discounts provided to those patients who did not qualify for financial assistance are not included in the cost of providing care of persons living in poverty and other community benefit programs. The cost of providing care to persons living in poverty and other community benefit programs is estimated by reducing charges forgone by a factor derived from the ratio of each entity's total operating expenses to the entity's billed charges for patient care. Certain costs such as graduate medical education and certain other activities are excluded from total operating expenses for purposes of this computation.

The amount of traditional charity care provided, determined on the basis of cost, was $605,987 and $576,267 for the year ended June 30, 2019 and 2018, respectively. The amount of unpaid cost of public programs, cost of other programs for persons living in poverty and other vulnerable persons, and community benefit cost is reported in the accompanying supplementary information.

2. Significant Accounting Policies

Principles of Consolidation

All corporations and other entities for which operating control is exercised by the System or one of its member corporations are consolidated, and all significant inter-entity transactions have been eliminated in consolidation. Investments in entities where the System does not have operating control are recorded under the equity or cost method of accounting. Income from unconsolidated entities is included in consolidated excess of revenues and gains over expenses and losses in the accompanying Consolidated Statements of Operations and Changes in Net Assets as follows:

	Year Ended June 30,	
	2019	**2018**
Other revenue	**$181,427**	$106,584
Nonoperating gains	**8,019**	5,248

Use of Estimates

Management has made estimates and assumptions that affect the reported amounts of certain assets, liabilities, revenues, and expenses. Actual results could differ from those estimates.

2. Significant Accounting Policies (continued)

Fair Value of Financial Instruments

Carrying values of financial instruments classified as current assets and current liabilities approximate fair value. The fair values of financial instruments measured at fair value are disclosed in the Fair Value Measurements note.

New Accounting Standards Adopted

The System adopted Financial Accounting Standards Board (FASB) Accounting Standard Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)* using the full retrospective method of application, and our accounting policies related to revenues were revised accordingly effective July 1, 2018, as discussed below. The most significant impact of adopting the new standard is to the presentation of the System's Consolidated Statements of Operations and Changes in Net Assets, where the provision for doubtful accounts is no longer a separate line item and net patient service revenue is presented net of estimated implicit price concessions (formerly referred to as bad debt allowance). While the standard requires disclosure of the aggregate amount of transaction price allocated to performance obligations that are partially satisfied at the end of the reporting period and adjustments of expected consideration from patients and third party payors for the effects of any financing components, management elected not to disclose as the effects of both are not considered significant. The adoption of the new standard did not have an impact on the System's recognition of net revenues for any periods prior to adoption and eliminated the presentation of the allowance for doubtful accounts on the Consolidated Balance Sheets.

In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities.* This ASU is intended to improve the net asset classification requirements and the information presented in the financial statements and notes about a not-for-profit entity's liquidity, financial performance and cash flows. In adoption of the standard, Ascension revised the disclosures of net assets with and without donor restrictions, liquidity resources, presentation of investment income, net of investment expenses, and presentation of expenses by both their natural and functional classification. On July 1, 2018, this standard was adopted by the System on a retrospective basis. The prior period consolidated financial statements presented were adjusted to reflect the changes in net assets with and without donor restrictions.

2. Significant Accounting Policies (continued)

New Accounting Standards Not Yet Adopted

In February 2016, FASB issued ASU 2016-02, *Leases (Topic 842)*, and a related ASU 2018-11, *Leases (Topic 842): Targeted Improvements*, in July 2018. The guidance in these ASUs requires the rights and obligations arising from all lease contracts to be recognized as assets and liabilities on the balance sheet and provides an option to apply the guidance on an entity's effective date instead of the earliest comparative period presented in the entity's financial statements. This standard is effective for the System, beginning July 1, 2019. The System is finalizing its analysis of certain key assumptions that will be utilized to transition to this guidance on the effective date, including discount rates. The primary effect of adopting this guidance will be the recognition of right-of-use assets and obligations for current operating leases.

In March 2017, the FASB issued ASU 2017-07, *Compensation – Retirement Benefits (Topic 715)*. This standard is effective for the System, beginning July 1, 2019. This ASU changes how employers that sponsor defined benefit pension and post-retirement benefit plans present the cost of the benefits in the consolidated statements of operations and changes in net assets. The service cost component of net periodic benefit cost related to these plans will be reported in the same financial statement line as other compensation costs arising from services rendered during the period. The other components of net periodic benefit cost are required to be presented separately from service cost and outside of operating income.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and interest-bearing deposits with original maturities of three months or less.

Short-Term Investments

Short-term investments consist of investments with original maturities exceeding three months and up to one year.

Inventories

Inventories, consisting primarily of medical supplies and pharmaceuticals, are stated at the lower of cost or market value using first-in, first-out (FIFO) or a methodology that closely approximates FIFO.

Ascension

Notes to Consolidated Financial Statements (continued)
(Dollars in Thousands)

2. Significant Accounting Policies (continued)

Long-Term Investments and Investment Return

Investments, excluding investments in unconsolidated entities, are measured at fair value, are classified as trading securities, and include pooled short-term investment funds; U.S. government, state, municipal and agency obligations; corporate and foreign fixed income securities; asset-backed securities; and equity securities. Investments also include alternative investments and other investments which are valued based on the net asset value of the investments, as further discussed in the Fair Value Measurements note. Investments also include derivatives held by the Alpha Fund, also measured at fair value, as discussed in the Pooled Investment Fund note.

Long-term investments include assets limited as to use of approximately $1,343,000 and $1,391,000 at June 30, 2019 and June 30, 2018, respectively, comprised primarily of investments placed in trust and held by captive insurance companies for the payment of self-insured claims and investments which are limited as to use, as designated by donors.

Purchases and sales of investments are accounted for on a trade-date basis. Investment returns consist of dividends, interest, and gains and losses. The cost of substantially all securities sold is based on the FIFO method. Investment returns, excluding returns of self-insurance trust funds, are reported as nonoperating gains (losses) in the Consolidated Statements of Operations and Changes in Net Assets, unless the return is restricted by donor or law. Investment returns of self-insurance trust funds are reported as a separate component of income from operations in the Consolidated Statements of Operations and Changes in Net Assets.

Property and Equipment

Property and equipment are stated at cost or, if donated, at fair market value at the date of the gift. Depreciation is determined on a straight-line basis over the estimated useful lives of the related assets. The range of estimated useful lives used in computing depreciation is as follows: buildings and leasehold improvements, 2 to 40 years; and equipment, 2 to 20 years. Depreciation expense for the year ended June 30, 2019 and 2018 was $986,864 and $900,676, respectively.

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

A summary of property and equipment is as follows:

	June 30, 2019	June 30, 2018
Land and improvements	**$ 1,256,944**	$ 1,252,833
Buildings and equipment	**19,309,205**	18,684,610
	20,566,149	19,937,443
Less accumulated depreciation	**10,605,708**	10,019,090
	9,960,441	9,918,353
Construction in progress	**890,981**	679,377
Total property and equipment, net	**$ 10,851,422**	$ 10,597,730

Several capital projects have remaining construction and related equipment purchase commitments of approximately $590,100 as of June 30, 2019.

Intangible Assets

Intangible assets primarily consist of goodwill and capitalized computer software costs, including internally developed software. Costs incurred in the development and installation of internal use software are expensed or capitalized depending on whether they are incurred in the preliminary project stage, application development stage, or post-implementation stage, and the nature of the costs. Intangible assets are included in the Consolidated Balance Sheets as presented in the table that follows.

Capitalized software costs in the following table include software in progress of $96,717 and $143,562 at June 30, 2019 and June 30, 2018, respectively:

	June 30, 2019	June 30, 2018
Capitalized software costs	**$ 2,342,789**	$ 2,319,947
Less accumulated amortization	**1,701,256**	1,526,625
Capitalized software costs, net	**641,533**	793,322
Goodwill	**255,581**	212,061
Other, net	**44,319**	23,361
Intangible assets included in other assets	**299,900**	235,422
Total intangible assets, net	**$ 941,433**	$ 1,028,744

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

Intangible assets whose lives are indefinite, primarily goodwill, are not amortized and are evaluated for impairment at least annually or when circumstances indicate a possible impairment may exist, while intangible assets with definite lives, primarily capitalized computer software costs, are amortized over their expected useful lives. Amortization expense for these intangible assets for the year ended June 30, 2019 and 2018 was $226,044 and $231,702, respectively.

Estimated future amortization of intangible assets with definite lives, excluding software in progress, as of June 30, 2019 is as follows:

Year ending June 30:	
2019	$ 191,260
2020	154,299
2021	113,218
2022	61,151
2023	23,630
Thereafter	36,425
Total	$ 579,983

During the year ended June 30, 2018, the System substantially completed a significant multi-year, System-wide enterprise resource planning project (Symphony). Capitalized costs of Symphony were approximately $363,000 at both June 30, 2019 and June 30, 2018 and are being amortized on a straight-line basis over the expected useful life of the software. Accumulated amortization of Symphony was approximately $235,000 and $195,000 at June 30, 2019 and June 30, 2018, respectively. See the Impairment, Restructuring, and Nonrecurring Losses discussion below for additional information about costs associated with Symphony.

Noncontrolling Interests

The consolidated financial statements include all assets, liabilities, revenues, and expenses of entities that are controlled by the System and therefore consolidated. Noncontrolling interests in the Consolidated Balance Sheets represent the portion of net assets owned by entities outside the System, for those entities in which the System's ownership interest is less than 100%.

2. Significant Accounting Policies (continued)

Net Assets

Net Assets Without Donor Restrictions

Net assets without donor restrictions are those whose use by the System has not been limited by donors and are available for general operating use.

Net Assets With Donor Restrictions

Net assets with donor restrictions include those whose use by the System has been limited by donors for a specific time period or purpose, primarily for patient care, operations, and property and equipment. This category also includes net assets restricted by donors to be maintained in perpetuity, which include endowment funds. The income from these funds is used primarily to purchase equipment and to provide charity care and other health and educational services. Contributions with donor-imposed restrictions that are met in the same reporting period are reported as net assets without donor restrictions. Net assets with donor restrictions consist solely of controlling interests of the System.

Performance Indicator

The performance indicator is the excess of revenues and gains over expenses and losses. Changes in net assets without donor restrictions that are excluded from the performance indicator primarily include pension and other postretirement liability adjustments, transfers to or from sponsors and other affiliates, net assets released from restrictions for property acquisitions, and change in unconsolidated entities' net assets.

Operating and Nonoperating Activities

The System's primary mission is to meet the healthcare needs in its market areas through a broad range of general and specialized healthcare services, including inpatient acute care, outpatient services, long-term care, and other healthcare services. Activities directly associated with the furtherance of this purpose are considered to be operating activities. Other activities that result in gains or losses peripheral to the System's primary mission are considered to be nonoperating.

2. Significant Accounting Policies (continued)

Net Patient Service Revenue and Accounts Receivable

Net patient service revenue relates to contracts with patients and in most cases involve a third-party payor (Medicare, Medicaid, commercial and other managed care insurance companies) in which the System's performance obligations are to provide health care services. Net patient service revenues are recorded at expected collectible amounts over the time in which obligations to provide health care services are satisfied. Revenue is accrued to estimate the amount of revenue earned to date for patients who have not been discharged and whose care services are not complete as of the reporting period. Substantially all the System's performance obligations are satisfied in one year.

The transaction price is determined based on gross charges for services provided, reduced by contractual adjustments provided to third-party payers, discounts provided to uninsured patients in accordance with our charity care policy, and implicit price concessions provided primarily to uninsured patients. Patients who have health care insurance may also have discounts applied related to their copayment or deductible. Implicit price concessions are recorded as a direct reduction to net patient service revenue and are based primarily on historical collection experience. Estimates of contractual adjustments and discounts are determined by major payor classes for inpatient and outpatient revenues based on contractual agreements, discount policies and historical experience. Management continually reviews the contractual estimation process to consider and incorporate updates to laws and regulations and frequent changes in commercial and managed care contractual terms resulting from contract renegotiations and renewals.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Adjustments to revenue related to prior periods increased net patient service revenue by $127,562 and $60,037 for the year ended June 30, 2019 and 2018, respectively.

Settlements with third-party payers for retroactive revenue adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. Such estimates are determined through either a probability-weighted estimate or an estimate of the most likely amount, depending on the circumstances related to a given estimated settlement item.

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

These settlements are estimated based on the terms of the payment agreement with the payer, correspondence from the payer and our historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known, or as years are settled or are no longer subject to such audits, reviews and investigations.

Net patient service revenue earned for the years ended June 30, 2019 and 2018, is as follows:

	Year Ended June 30,	
	2019	**2018**
Inpatient care	**$ 11,483,963**	$ 10,466,751
Ambulatory care	**9,067,023**	8,238,071
Physician practices	**2,677,659**	2,591,780
Long-term care	**477,945**	369,258
Total net patient service revenue	**$ 23,706,590**	$ 21,665,860

The System grants credit without collateral to its patients. Net patient service revenues earned by payor and significant concentrations of accounts receivable are as follows:

	Net Patient Service Revenue June 30,		Accounts Receivable	
			June 30,	June 30,
	2019	**2018**	**2019**	**2018**
Medicare - traditional and managed	**36 %**	36 %	**28 %**	27 %
Medicaid - traditional and managed	**14**	13	**11**	12
Other commercial and managed care	**44**	44	**41**	40
Self-Pay and other	**6**	7	**20**	21
	100 %	100 %	**100 %**	100 %

Deductibles, copayments, and coinsurance under third-party payment programs which are the patient's responsibility are included within the primary payor category in the preceding table. The primary collection risks relate to uninsured patient accounts, including patient accounts for which the primary insurance carrier has paid the amounts covered by the applicable agreement, but patient deductibles and copayments remain outstanding.

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

Implicit price concessions relate primarily to amounts due directly from patients. Estimated implicit price concessions are recorded for all uninsured accounts, regardless of the aging of those accounts. Accounts are written off when all reasonable internal and external collection efforts have been performed.

The estimates for implicit price concessions are based upon management's assessment of historical write-offs and expected net collections, business and economic conditions, trends in federal, state and private employer health care coverage and other collection indicators. Management relies on the results of detailed reviews of historical write-offs and collections of revenues and accounts receivable as a primary source of information in estimating the collectability of our accounts receivable. Management updates the hindsight analysis at least quarterly, using primarily a rolling twelve-month collection history and write-off data. These routine, quarterly changes in estimates have not resulted in material adjustments to the valuations of accounts receivable or period-to-period comparisons of results of operations.

Other Operating Revenue

Other operating revenues are recorded at amounts the System expects to collect in exchange for providing goods or services not directly associated with patient care and recorded over the time in which obligations to provide goods or services are satisfied. The amounts recognized reflect consideration due from customers, third party payors, and others. Components of other operating revenue are included in the following table for the years ended June 30, 2019 and 2018:

	Year Ended June 30, 2019	2018
Cafeteria and vending	**84,226**	80,254
Contracted services	**180,971**	165,954
Donations and grants	**146,508**	146,461
Gains on sales of property and equipment	**49,251**	47,624
Insurance plans	**79,368**	74,623
Joint venture income	**181,427**	106,584
Lab services	**81,789**	77,447
Rental income	**98,210**	82,776
Retail pharmacy	**317,805**	280,824
Supplemental care programs	**204,197**	200,468
Other	**192,465**	230,081
Total other revenue	**$ 1,616,217**	$ 1,493,096

2. Significant Accounting Policies (continued)

Supplemental care is revenue related to expansion and improvement of care through programs including accountable care organizations, shared savings, and other similar arrangements. Contracted services primarily include revenue from services provided under third party arrangements.

Impairment, Restructuring, and Nonrecurring Losses

Long-lived assets are reviewed for impairment whenever events or business conditions indicate the carrying amount of such assets may not be fully recoverable. Initial assessments of recoverability are based on estimates of undiscounted future net cash flows associated with an asset or group of assets.

Where impairment is indicated, the carrying amount of these long-lived assets is reduced to fair value based on future discounted net cash flows or other estimates of fair value.

Nonrecurring expenses associated with Symphony primarily include deployment costs to implement Symphony in certain Health Ministries.

During the year ended June 30, 2019, the System recorded total impairment, restructuring, and nonrecurring losses, net of $177,157. This amount was comprised primarily of $12,801 of nonrecurring expenses associated with Symphony, one-time termination benefits and other restructuring expenses of $93,979, and other nonrecurring expenses of $70,377.

During the year ended June 30, 2018, the System recorded total impairment, restructuring, and nonrecurring losses, net of $193,047. This amount was comprised primarily of $11,881 of nonrecurring expenses associated with Symphony, one-time termination benefits and other restructuring expenses of $97,565, and other nonrecurring expenses of $83,601.

Amortization

Bond issuance costs, discounts, and premiums are amortized over the term of the bonds using a method approximating the effective interest method.

Capitalized software, including internally developed software, is amortized on a straight-line basis over the expected useful life of the software.

2. Significant Accounting Policies (continued)

Income Taxes

The member healthcare entities of the System are primarily tax-exempt organizations under Internal Revenue Code Section 501(c)(3) or Section 501(c)(2), and their related income is exempt from federal income tax under Section 501(a). The System accounts for uncertainty in income tax positions by applying a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The System has determined that no material unrecognized tax benefits or liabilities exist as of June 30, 2019.

In compliance with the Tax Cuts and Jobs Act of 2017 (The Act), enacted December 22, 2017, the federal components of both the deferred tax assets and the valuation allowance were revalued from 35% to 21%.

The System had deferred tax assets of approximately $399,000 and $386,000 for federal and state income tax purposes primarily related to net operating loss carryforwards for the years ended June 30, 2019 and 2018, respectively. Net operating losses incurred prior to July 1, 2018 have expiration dates through 2038, while net operating losses incurred during the current fiscal year and in any future periods can be carried forward indefinitely, under The Act. A valuation allowance of approximately $394,000 and $384,000 was recorded due to the uncertainty regarding use of the deferred tax assets for the years ended June 30, 2019 and 2018, respectively.

Regulatory Compliance

Ascension periodically undergoes investigations or audits by federal, state and local agencies involving compliance with a variety of laws and regulations. These investigations seek to determine compliance with, among other things, laws and regulations relating to Medicare and Medicaid reimbursement, including billing practice for certain services. While no assurance can be given concerning the outcome of any current investigation, management believes that adequate reserves have been established, when available information indicates that a loss is probable and the range of loss can be reasonably estimated, and the outcome of any current investigations will not have a material effect on the accompanying consolidated financial statements of the System.

Reclassifications

Certain reclassifications were made to the accompanying June 30, 2018 consolidated financial statements to conform to the June 30, 2019 presentation.

2. Significant Accounting Policies (continued)

Subsequent Events

The System evaluates the impact of subsequent events, which are events that occur after the Consolidated Balance Sheet date but before the consolidated financial statements are issued, for potential recognition or disclosure in the consolidated financial statements as of the Consolidated Balance Sheet date. For the year ended June 30, 2019, the System evaluated subsequent events through September 11, 2019, representing the date on which the accompanying consolidated financial statements were issued.

3. Organizational Changes

Business Combinations

Bay County Health System, LLC – Florida

Effective March 14, 2019, Sacred Heart Health System, Inc. (Sacred Heart), a subsidiary of Ascension Healthcare, acquired the remaining interest in a joint venture previously owned by LHP Bay County, LLC and Sacred Heart.

Presence Health Network – Illinois

Effective March 1, 2018, certain entities formerly controlled by Presence Health Network (Presence) were acquired by Ascension Healthcare in a series of transactions. These transactions were accounted for as an acquisition during the year ended June 30, 2018 in accordance with Accounting Standards Codification (ASC) Topic 958-805, *Business Combinations – Not-for-Profit Entities* and acquired assets and liabilities were recorded at fair value.

The fair value of net assets of $770,955 was recognized in the Consolidated Statement of Operations and Changes in Net Assets for the year ended June 30, 2018, as a nonoperating contribution from business combinations of $734,127, contributions of net assets without donor restrictions, noncontrolling interests of $5,478, and contributions of net assets with donor restrictions of $31,350.

For the year ended June 30, 2018, Ascension recognized four months of revenues from Presence totaling $802,573, and a deficit of revenues and gains over expenses and losses totaling $18,395, of which $18,714 was attributable to controlling interest.

(Dollars in Thousands)

3. Organizational Changes (continued)

The following unaudited pro forma financial information presents the combined results of operations of Ascension and Presence for the year ended June 30, 2018 as though the business combination transaction had occurred on June 30, 2017. This pro forma financial information is not necessarily indicative of the results of operations that would occur if these entities were consolidated into the System during those periods, nor is it necessarily indicative of future operating results.

	Year Ending June 30, 2018
Total operating revenue	**$ 24,780,242**
Excess of revenues and gains over expenses and losses attributable to controlling interest	**1,462,912**
Increase in net assets without donor restrictions, controlling interest	**1,841,128**
Increase in net assets without donor restrictions, noncontrolling interest	**126,428**
Increase in net assets with donor restrictions, controlling interest	**17,842**

The pro forma excess of revenues and gains over expenses and losses and other changes in net assets above includes certain adjustments attributable to the business combination transactions.

Divestitures

During the year ended June 30, 2019 and 2018, Ascension, including certain of its wholly owned subsidiaries, completed the sale of, or undertook actions to sell or transfer ownership of, certain assets and liabilities in Bridgeport, Connecticut and Pasco, Washington, as follows.

Assets Held for Sale

On September 28, 2018, Ascension Healthcare entered into an asset sale agreement to sell certain assets and liabilities and substantially all related operations of St. Vincent's Medical Center, an Ascension Healthcare subsidiary located in Bridgeport, Connecticut, to Hartford HealthCare Corporation. The sale is expected to close after all necessary regulatory approvals are obtained. Assets and liabilities held for sale at June 30, 2019 were $265,816 and $39,938, respectively, and are included in other current assets and other current liabilities in the accompanying Consolidated Balance Sheet.

3. Organizational Changes (continued)

Discontinued Operations

On September 1, 2018, Ascension completed the sale of substantially all assets and certain liabilities of Our Lady of Lourdes Hospital at Pasco in Pasco, Washington, d/b/a Lourdes Health Network, to RCCH HealthCare Partners. Assets and liabilities held for sale, included in other current assets and other current liabilities at June 30, 2018 were $33,184 and $24,518, respectively.

The gain (loss) from discontinued operations was $3,173 and ($16,155) for the years ended June 30, 2019 and 2018, respectively.

Other

On January 3, 2018, Ascension sold its interest in Health City Cayman Islands LTD under a contribution and redemption agreement with Narayana Hrudayalaya Limited, Narayana Cayman Holdings LTD and Health City Cayman Islands LTD.

4. Pooled Investment Fund

At June 30, 2019 and June 30, 2018, a significant portion of the System's investments consists of the System's interest in the Alpha Fund, a limited liability company organized in the state of Delaware. Certain System investments, including some held by the Health Ministries and their consolidated foundations, are managed outside of the Alpha Fund.

The Alpha Fund includes the investment interests of the System and other Alpha Fund members. AIM, a wholly owned subsidiary of the System, serves as the manager and primary investment advisor of the Alpha Fund, overseeing the investment strategies offered to the Alpha Fund's members.

AIM provides expertise in the areas of asset allocation, selection and monitoring of outside investment managers, and risk management. The Alpha Fund is consolidated in the System's financial statements.

The Alpha Fund's investments in certain alternative investment funds also include contractual commitments to provide capital contributions during the investment period, which is typically five years and can extend to the end of the fund term. During these contractual periods, investment managers may require the Alpha Fund to invest in accordance with the terms of the agreement.

4. Pooled Investment Fund (continued)

Commitments not funded during the investment period will expire and remain unfunded. As of June 30, 2019, contractual agreements of the Alpha Fund expire between July 2019 and March 2025. The remaining unfunded capital commitments of the Alpha Fund total approximately $1,721,000 for 216 individual funds as of June 30, 2019. Due to the uncertainty surrounding whether the contractual commitments will require funding during the contractual period, future minimum payments to meet these commitments cannot be reasonably estimated. These committed amounts are expected to be primarily satisfied by the liquidation of existing investments in the Alpha Fund.

In the normal course of business, the Fund enters into derivative contracts (derivatives) for trading purposes following Fund guidelines. Derivatives in which the Fund may invest include options, futures contracts, swaps, forward settling mortgage-backed securities, and index-based instruments. Advisers selected by AIM to manage the Fund's assets may actively trade futures contracts, options, and foreign currency forward contracts. AIM may direct these advisers to execute derivative transactions. These transactions are used to hedge against changes in the interest rates, security prices, currency fluctuations, and other market developments to manage risk or for the purposes of earning additional income. Derivatives are either exchange-traded or over the counter contracts. Exchange-traded derivatives are standard contracts traded on a regulated exchange. Over the counter contracts are private contracts negotiated with counterparties. See the Fair Value Measurements note for a discussion of how fair value for the Alpha Fund's derivatives is determined. At June 30, 2019 and June 30, 2018, the gross notional value of Alpha Fund derivatives outstanding was approximately $9,347,000 and $7,215,000, respectively.

The fair value of Alpha Fund derivatives in an asset position was $75,647 and $27,533 at June 30, 2019 and June 30, 2018, respectively, while the fair value of Alpha Fund derivatives in a liability position was $57,771 and $71,584 at June 30, 2019 and June 30, 2018, respectively. These derivatives are included in long-term investments in the accompanying Consolidated Balance Sheets at June 30, 2019 and June 30, 2018.

The Alpha Fund also participates in a securities lending program, whereby a portion of the Alpha Fund's investments are loaned to selected established brokerage firms in return for securities from the brokers as collateral for the investments loaned, usually on a short-term basis. The fair value of collateral held by the Alpha Fund associated with such lending agreements amounts to $391,125 at June 30, 2019.

Due from brokers and due to brokers on the Consolidated Balance Sheets at June 30, 2019 and June 30, 2018, represent the Alpha Fund's positions and amounts due from or to various brokers, primarily for security transactions not yet settled, and cash held by brokers for securities sold, not yet purchased.

Notes to Consolidated Financial Statements (continued)
(Dollars in Thousands)

5. Cash and Investments

The System's cash and investments are reported in the Consolidated Balance Sheets as presented in the table that follows. Total cash and investments, net, includes both the System's membership interest in the Alpha Fund and the noncontrolling interests held by other Alpha Fund members. System unrestricted cash and investments, net, represent the System's cash and investments excluding the noncontrolling interests held by other Alpha Fund members and assets limited as to use.

	June 30, 2019	June 30, 2018
Cash and cash equivalents	**$ 896,262**	$ 850,958
Short-term investments	**92,072**	83,166
Long-term investments	**19,786,061**	19,404,559
Subtotal	**20,774,395**	20,338,683
Other Alpha Fund assets and liabilities:		
In other current assets	**41,461**	38,161
In accounts payable and other accrued liabilities	**(11,542)**	(12,403)
In other noncurrent liabilities	**(20)**	(3,321)
Due (to) from brokers, net	**(44,236)**	(161,345)
Total cash and investments, net	**20,760,058**	20,199,775
Less noncontrolling interests of Alpha Fund	**1,755,068**	1,714,371
System cash and investments, including assets limited as to use	**19,004,990**	18,485,404
Less assets limited as to use:		
Under bond indenture agreement	**1,039**	3,635
Self-insurance trust funds	**639,006**	697,588
With donor restrictions	**703,017**	689,988
Total assets limited as to use	**1,343,062**	1,391,211
System unrestricted cash and investments, net	**$ 17,661,928**	$ 17,094,193

(Dollars in Thousands)

5. Cash and Investments (continued)

The composition of cash and cash equivalents, short-term investments and long-term investments, which include certain assets limited as to use, is summarized as follows.

	June 30, 2019	June 30, 2018
Cash and cash equivalents and short-term investments	$ 1,089,466	$ 1,137,098
Pooled short-term investment funds	728,104	965,960
U.S. government, state, municipal and agency obligations	2,741,689	2,752,951
Corporate and foreign fixed income securities	1,675,874	1,983,790
Asset-backed securities	3,078,928	1,610,733
Equity securities	5,358,824	5,766,018
Alternative investments and other investments:		
Private equity and real estate funds	2,768,605	2,334,655
Hedge funds	1,839,334	2,325,236
Commodities funds and other investments	1,493,571	1,462,242
Total alternative investments and other investments	6,101,510	6,122,133
Total cash and cash equivalents, short-term investments, and long-term investments	$ 20,774,395	$ 20,338,683

Investment return recognized by the System for the year ended June 30, 2019 and 2018, is summarized in the following table. Total investment return includes the System's return on certain investments held and managed outside the Alpha Fund and the investment return of the Alpha Fund. System investment return represents the System's total investment return, net of the investment return earned by the noncontrolling interests of other Alpha Fund members.

	Year Ended June 30, 2019	2018
Interest and dividends	$ 441,982	$ 363,227
Net gains on investments reported at fair value	691,169	1,254,110
Restricted investment return and unrealized gains, net	19,595	27,398
Investment return, net	1,152,746	1,644,735
Less return earned by noncontrolling interests of Alpha Fund	80,592	113,207
System investment return, net	$ 1,072,154	$ 1,531,528

Investment return is reduced by external and direct internal investment expenses.

(Dollars in Thousands)

6. Financial Assets and Liquidity Resources

As of June 30, 2019, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, principal payments on debt, and capital expenditures not financed with debt, are as follows:

	June 30, 2019
Financial assets:	
Cash and cash equivalents	$ 896,262
Short term investments	92,072
Accounts receivable	3,172,747
Due from brokers	324,977
Other current assets	959,477
Long term investments	19,786,061
Total financial assets	25,231,596
Less:	
Assets limited as to use and other restricted funds	(1,456,257)
Noncontrolling interests of Alpha Fund	(1,755,068)
Investments with liquidity more than one year	(3,516,214)
Total financial assets available within one year	18,504,057
Liquidity resources:	
Unused lines of credit	1,000,000
Total financial assets and liquidity resources available within one year	$ 19,504,057

As part of the System's investment policy, highly liquid investments are held to enhance the System's ability to satisfy liquidity. The System also maintains lines of credit as further discussed in the Long-Term Debt note.

7. Fair Value Measurements

The System measures the fair value of assets and liabilities in accordance with FASB ASC 820, *Fair Value Measurement*. Under ASC 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability at the measurement date. Assets and liabilities reported at fair value are classified and disclosed in one of the following four categories:

Level 1 – Quoted prices (unadjusted) that are readily available in active markets/exchanges for identical assets or liabilities.

Level 2 – Pricing inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 pricing inputs include prices quoted for similar assets and liabilities in active markets/exchanges or prices quoted for identical or similar assets and liabilities in markets that are not active. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Significant pricing inputs that are unobservable for the asset or liability, including assets or liabilities for which there is little, if any, market activity for such asset or liability. Inputs to determine the fair value of Level 3 assets and liabilities require management judgment and estimation.

Net Asset Value – Values are based on the calculated net asset value. The calculated net asset values for underlying investments are fair value estimates determined by an external fund manager and other sources based on quoted market prices, operating results, balance sheet stability, growth, and other business and market sector factors.

The System categorizes, for disclosure purposes, assets and liabilities measured at fair value in the consolidated financial statements based upon whether the inputs used to determine their fair values are observable or unobservable. Observable inputs are inputs that are based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about pricing the asset or liability based on the best information available in the circumstances.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an asset's or liability's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement of the asset or liability. The System's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

7. Fair Value Measurements (continued)

There were no significant transfers between Levels 1 and 2 during the year ended June 30, 2019 and 2018.

As of June 30, 2019, and June 30, 2018, the assets and liabilities listed in the fair value hierarchy tables below use the following valuation techniques and inputs:

Cash and Cash Equivalents and Short-Term Investments

Cash and cash equivalents and certain short-term investments include certificates of deposit, whose fair value is based on cost plus accrued interest. Significant observable inputs include security cost, maturity, and relevant short-term interest rates. Other short-term investments designated as Level 2 investments primarily consist of commercial paper, whose fair value is based on the income approach. Significant observable inputs include security cost, maturity, credit rating, interest rate, and par value.

Pooled Short-term Investment Fund

The pooled short-term investment fund is a short-term exchange traded money market fund primarily invested in treasury securities.

U S. Government, State, Municipal, and Agency Obligations

The fair value of investments in U.S. government, state, municipal, and agency obligations is primarily determined using techniques consistent with the income approach. Significant observable inputs include benchmark yields, reported trades, observable broker/dealer quotes, and issuer spreads.

Corporate and Foreign Fixed Income Securities

The fair value of investments in U.S. and international corporate bonds and foreign government bonds is primarily determined using techniques that are consistent with the market approach. Significant observable inputs include benchmark yields, reported trades, observable broker/dealer quotes, issuer spreads, and security-specific characteristics (e.g., such as early redemption options).

7. Fair Value Measurements (continued)

Asset-backed Securities

The fair value of U.S. agency, mortgage, and other asset-backed securities is primarily determined using techniques that are consistent with the income approach. Significant observable inputs include prepayment speeds and spreads, benchmark yield curves, volatility measures, and observable broker/dealer quotes.

Equity Securities

The fair value of investments in U.S. and international equity securities is primarily determined using techniques that are consistent with the market and income approaches. The values for underlying investments are based on readily available quoted market prices or represent fair value estimates determined by an external fund manager based on market prices, operating results, balance sheet stability, growth, dividend, dividend yield, and other business and market sector fundamentals.

Alternative Investments and Other Investments

Alternative investments consist of private equity, hedge funds, private equity funds, commodity funds, and real estate partnerships. The fair value of private equity is primarily determined using techniques consistent with both the market and income approaches, based on the System's estimates and assumptions in the absence of observable market data. The market approach considers comparable company, comparable transaction, and company-specific information, including but not limited to restrictions on disposition, subsequent purchases of the same or similar securities by other investors, pending mergers or acquisitions, and current financial position and operating results. The income approach considers the projected operating performance of the portfolio company.

The fair value of hedge funds, private equity funds, commodity funds, and real estate partnerships is primarily determined using net asset values, which approximate fair value, as determined by an external fund manager based on quoted market prices, operating results, balance sheet stability, growth, and other business and market sector fundamentals.

Other investments include derivative assets and derivative liabilities of the Alpha Fund, whose fair value is primarily determined using techniques consistent with the market approach. Significant observable inputs to valuation models include the time value of money, counterparty credit risk, interest rates, Treasury yields, volatilities, credit spreads, maturity date, recovery rates, and the current market and contractual prices of the underlying financial instruments.

7. Fair Value Measurements (continued)

Benefit Plan Assets

The fair value of benefit plan assets is based on original investment into a guaranteed fund, plus guaranteed, annuity contract-based interest rates. Significant unobservable inputs to the guaranteed rate include the fair value and average duration of the portfolio of investments underlying annuity contract, the contract value, and the annualized weighted-average yield to maturity of the underlying investment portfolio.

Interest Rate Swap Assets and Liabilities

The fair value of interest rate swaps is primarily determined using techniques consistent with the income method. Under the income method, fair values are calculated based on present value of expected future cash flows using discount rates appropriate with risks involved.

Significant observable inputs to valuation models include interest rates, Treasury yields, volatilities, credit spreads, maturity, and recovery rates.

Investments Sold, Not Yet Purchased

The fair value of investments sold, not yet purchased is primarily determined using techniques consistent with the income approach. Significant observable inputs to the income approach include data points for benchmark, constant maturity curves, and spreads.

(Dollars in Thousands)

7. Fair Value Measurements (continued)

The following table summarizes fair value measurements, by level, at June 30, 2019, for all financial assets and liabilities measured at fair value on a recurring basis in the System's consolidated financial statements:

June 30, 2019	Level 1	Level 2	Level 3	Total
Cash equivalents	$ 51,440	$ 702	$ -	$ 52,142
Short-term investments	52,989	20,206	-	73,195
Pooled short-term investment funds	728,104	-	-	728,104
U.S. government, state, municipal and agency obligations	-	2,741,689	-	2,741,689
Corporate and foreign fixed income securities	-	1,622,233	3,655	1,625,888
Asset-backed securities	-	2,875,234	203,694	3,078,928
Equity securities	4,212,135	64,892	8,386	4,285,413
Alternative investments and other investments:				
Private equity and real estate funds	2,868	2,500	333,434	338,802
Commodities funds and other investments	23,150	24,507	1,247	48,904
Assets at net asset value:				
Corporate and foreign fixed income securities				49,986
Equity securities				1,073,411
Private equity and real estate funds				2,429,803
Hedge funds				1,839,334
Commodities funds and other investments				1,363,501
Cash and other investments not at fair value				1,045,295
Cash and investments				$ 20,774,395
Benefit plan assets, in other noncurrent assets	$ 461,534	$ -	$ 50,078	$ 511,612
Interest rate swaps, in other noncurrent assets	-	3,174	-	3,174
Investments sold, not yet purchased, in other noncurrent liabilities	-	20	-	20
Interest rate swaps, included in other noncurrent liabilities	-	137,484	-	137,484

(Dollars in Thousands)

7. Fair Value Measurements (continued)

For the year ended June 30, 2019, the changes in the fair value of the assets and liabilities measured using significant unobservable inputs (Level 3) consisted of the following:

Year Ended June 30, 2019	Short-term investments	Corporate and Foreign Fixed Income Securities	Asset-Backed Securities	Equity Securities	Private Equity and Real Estate Funds	Commodities Funds and Other Investments	Benefit Plan Assets
Beginning balance	$ 1,130	$ 11,956	$ 305,278	$ 29,239	$ 295,109	$ 1,121	$ 47,827
Total realized and unrealized gains (losses):							
Included in nonoperating gains (losses)	-	(233)	(4,101)	(12,700)	118,049	17,631	-
Included in changes in net assets	-	-	-	-	-	44	-
Purchases	-	1,128	144,734	18,942	61,215	(1,197)	4,185
Issuances	-	-	-	-	615	-	-
Sales	-	(11,273)	(124,160)	(5,919)	(141,295)	(14,537)	(9,686)
Transfers into Level 3	-	5,189	4,642	128	44	-	9,907
Transfers out of Level 3	(1,130)	(3,112)	(122,699)	(21,304)	(303)	(1,815)	(2,155)
Ending balance	$ -	$ 3,655	$ 203,694	$ 8,386	$ 333,434	$ 1,247	$ 50,078
The amount of total gains or losses for the period included in nonoperating gains (losses) attributable to the changes in unrealized gains or losses relating to assets still held at June 30, 2019	$ -	$ (604)	$ (4,904)	$ (10,038)	$ -	$ 317	$ -

The basis for recognizing and valuing transfers into or out of Level 3, in the Level 3 rollforward, is as of the beginning of the period in which the transfers occur.

(Dollars in Thousands)

7. Fair Value Measurements (continued)

The following table summarizes fair value measurements, by level, at June 30, 2018, for all financial assets and liabilities measured at fair value on a recurring basis in the System's consolidated financial statements:

June 30, 2018	Level 1	Level 2	Level 3	Total
Cash equivalents	$ 43,822	$ 370	$ -	$ 44,192
Short-term investments	49,070	100,793	1,130	150,993
Pooled short-term investment funds	965,960	-	-	965,960
U.S. government, state, municipal and agency obligations	-	2,752,951	-	2,752,951
Corporate and foreign fixed income securities	-	1,971,834	11,956	1,983,790
Asset-backed securities	-	1,305,455	305,278	1,610,733
Equity securities	4,705,172	44,329	29,239	4,778,740
Alternative investments and other investments:				
Private equity and real estate funds	1,952	2,400	295,109	299,461
Commodities funds and other investments	(13,648)	(12,221)	1,121	(24,748)
Assets at net asset value:				
Corporate and foreign fixed income securities				-
Equity securities				987,278
Private equity and real estate funds				2,035,194
Hedge funds				2,325,236
Commodities funds and other investments				1,390,328
Cash and other investments not at fair value				1,038,575
Cash and investments				$ 20,338,683
Benefit plan assets, in other noncurrent assets	$ 453,193	$ 762	$ 47,827	$ 501,782
Interest rate swaps, in other noncurrent assets	-	1,930	-	1,930
Investments sold, not yet purchased, in other noncurrent liabilities	2,912	409	-	3,321
Interest rate swaps, included in other noncurrent liabilities	-	108,781	-	108,781

Notes to Consolidated Financial Statements (continued)
(Dollars in Thousands)

7. Fair Value Measurements (continued)

For the year ended June 30, 2018, the changes in the fair value of the assets and liabilities measured using significant unobservable inputs (Level 3) consisted of the following:

Year Ended June 30, 2018	Short-term investments	Corporate and Foreign Fixed Income Securities	Asset-Backed Securities	Equity Securities	Private Equity and Real Estate Funds	Commodities Funds and Other Investments	Benefit Plan Assets
Beginning balance	$ 345	$ 28,119	$ 193,211	$ 4,738	$ 241,420	$ 7,493	$ 54,698
Total realized and unrealized gains (losses):							
Included in nonoperating gains (losses)	-	383	1,585	7,856	101,835	(11,994)	-
Included in changes in net assets	-	-	-	-	-	(173)	-
Purchases	1,130	8,255	239,778	18,547	55,733	3,161	61,744
Issuances	-	-	-	-	650	-	-
Sales	-	(27,625)	(134,369)	(1,902)	(84,658)	2,448	(56,111)
Transfers into Level 3	-	13,638	5,073	-	-	186	44,057
Transfers out of Level 3	(345)	(10,814)	-	-	(19,871)	-	(56,561)
Ending balance	$ 1,130	$ 11,956	$ 305,278	$ 29,239	$ 295,109	$ 1,121	$ 47,827
The amount of total gains or losses for the period included in nonoperating gains (losses) attributable to the changes in unrealized gains or losses relating to assets still held at June 30, 2018	$ -	$ (735)	$ (2,029)	$ 7,725	$ (6,243)	$ (3,783)	$ -

The basis for recognizing and valuing transfers into or out of Level 3, in the Level 3 rollforward, is as of the beginning of the period in which the transfers occur.

(Dollars in Thousands)

8. Long-Term Debt

Long-term debt at June 30, 2019 and 2018 is comprised of the following and is presented in accordance with the specific master trust indenture to which the debt relates. As further discussed below, certain portions of long-term debt are secured under the Mercy Regional Health Center, Inc. Master Trust Indenture.

	June 30, 2019	2018
Tax-exempt hospital revenue bonds – secured under Ascension Health Alliance Senior Credit Group Master Trust Indenture:		
Variable rate demand bonds, subject to a seven-day put provision, payable through November 2047; interest (1.90% to 2.00% at June 30, 2019) set at prevailing market rates	**$ 532,815**	$ 519,965
Fixed rate serial, term and mode bonds fixed to maturity payable in installments through November 2051; interest at 3.00% to 5.00%	**3,892,290**	3,854,395
Fixed rate serial mode bonds payable through 2047 with purchase dates ranging from August 2019 through July 2024; interest at 1.10% to 5.00% through the purchase dates	**1,104,500**	1,210,955
Tax-exempt hospital revenue bonds – unsecured under Ascension Health Alliance Subordinate Master Trust Indenture:		
Variable rate demand bonds, subject to a seven-day put provision, payable through November 2025; interest (2.00% at June 30, 2019) set at prevailing market rates	**30,915**	35,065
Fixed rate serial mode bonds with maturity payable installments through November 2027; interest at 4.00%	**50,575**	51,955
Fixed rate serial mode bonds payable through 2027 with purchase dates through August 2020; interest at 1.25% to 2.80%	**269,520**	298,140
Taxable bonds – secured under Ascension Health Alliance Senior Credit Group Master Trust Indenture:		
Taxable fixed rate term bonds payable as of November 2053; interest at 4.847%	**425,000**	425,000
Taxable fixed rate term bonds payable as of November 2046; interest at 3.945%	**1,170,000**	1,170,000
Total hospital revenue bonds under Senior Master Trust Indenture and Subordinate Master Trust Indenture	**7,475,615**	7,565,475
Tax-exempt hospital revenue bonds – secured under Mercy Regional Health Center, Inc. Master Trust Indenture:		
Fixed rate serial and term bonds payable in installments through November 2029; interest at 5.00%	**18,385**	19,615
Total hospital revenue bonds – all Master Trust Indentures	**$ 7,494,000**	$7,585,080

Ascension

Notes to Consolidated Financial Statements (continued)
(Dollars in Thousands)

8. Long-Term Debt (continued)

	June 30, 2019	2018
Total hospital revenue bonds – all Master Trust Indentures	**$ 7,494,000**	$ 7,585,080
Other debt:		
Obligations under capital leases	**100,253**	10,340
Other	**31,025**	46,803
	7,625,278	7,642,233
Unamortized premium, net	**341,179**	360,164
Less debt issuance cost, net	**(37,266)**	(39,097)
Less current portion	**(125,577)**	(100,919)
Less long-term debt subject to short-term remarketing arrangements	**(1,043,150)**	(738,770)
Long-term debt, less current portion and long-term debt subject to short-term remarketing arrangements	**$ 6,760,464**	$ 7,123,611

	June 30, 2019	2018
Ascension Health Alliance Senior Master Trust Indenture long-term debt obligations, including unamortized premium and cost of issuance, net	**$ 6,528,206**	$ 6,741,328
Ascension Health Alliance Subordinate Master Trust Indenture long-term debt obligations, including unamortized premium and cost of issuance, net	**95,761**	323,050
Mercy Regional Health Center, Inc. Master Trust Indenture long-term debt obligations, including unamortized premium, net	**18,141**	19,664
Other	**118,356**	39,569
Long-term debt, less current portion, and long-term debt subject to short-term remarketing arrangements	**$ 6,760,464**	$ 7,123,611

(Dollars in Thousands)

8. Long-Term Debt (continued)

Scheduled principal repayments of long-term debt, considering obligations subject to short-term remarketing as due according to their long-term amortization schedule, as of June 30, 2019, are as follows:

	Ascension Health Alliance MTIs	Mercy Regional Health Center, Inc. MTI	Other Debt	Total
Year Ending June 30:				
2020	$ 111,370	$ 1,285	$ 12,922	$ 125,577
2021	122,805	1,350	12,432	136,587
2022	130,555	1,420	10,179	142,154
2023	136,020	1,495	10,118	147,633
2024	142,265	1,570	22,513	166,348
Thereafter	6,832,600	11,265	63,114	6,906,979
Total	$ 7,475,615	$ 18,385	$ 131,278	$ 7,625,278

The carrying values of fixed rate bonds were $6,930,270 and $7,030,060 at June 30, 2019 and 2018, respectively. The fair values of these fixed rate bonds were $7,567,480 and $7,391,287 at June 30, 2019 and 2018, respectively, representing Level 2 measurements obtained from an independent third party valuation service. The carrying amounts of variable rate bonds and other notes payable approximate fair value.

During the years ended June 30, 2019 and 2018, interest paid was approximately $299,000 and $248,000, respectively. Capitalized interest was approximately $3,500 and $1,500 for the years ended June 30, 2019 and 2018, respectively.

Certain members of the System formed the Ascension Health Alliance Credit Group (Senior Credit Group). Each Senior Credit Group member is identified as either a senior obligated group member, a senior designated affiliate, or a senior limited designated affiliate. Senior obligated group members are jointly and severally liable under a Senior Master Trust Indenture (Senior MTI) to make all payments required with respect to obligations under the Senior MTI and may be entities not controlled directly or indirectly by the System.

Senior designated affiliates and senior limited designated affiliates are not obligated to make debt service payments on the obligations under the Senior MTI. The System may cause each senior designated affiliate to transfer such amounts as are necessary to enable the obligated group to comply with the terms of the Senior MTI, including payment of the outstanding obligations. Additionally, each senior limited designated affiliate has an independent limited designated affiliate agreement and promissory note with the System with stipulated repayment terms and conditions, each subject to the governing law of the senior limited designated affiliate's state of incorporation.

8. Long-Term Debt (continued)

Pursuant to a Supplemental Master Indenture dated February 1, 2005, senior obligated group members, which are operating entities, have pledged and assigned to the Master Trustee a security interest in all of their rights, title, and interest in their pledged revenues and proceeds thereof.

A Subordinate Credit Group, which is comprised of subordinate obligated group members, subordinate designated affiliates, and subordinate limited designated affiliates, was created under the Subordinate Master Trust Indenture (Subordinate MTI). The subordinate obligated group members are jointly and severally liable under the Subordinate MTI to make all payments required with respect to obligations under the Subordinate MTI and may be entities not controlled directly or indirectly by the System. Subordinate designated affiliates and subordinate limited designated affiliates are not obligated to make debt service payments on the obligations under the Subordinate MTI.

The System may cause each subordinate designated affiliate to transfer such amounts as are necessary to enable the obligated group members to comply with the terms of the Subordinate MTI, including payment of the outstanding obligations. Additionally, each subordinate limited designated affiliate has an independent subordinate limited designated affiliate agreement and promissory note with the System, with stipulated repayment terms and conditions, each subject to the governing law of the subordinate limited designated affiliate's state of incorporation.

The unsecured variable rate demand bonds of both the Senior and Subordinate Credit Groups, while subject to long-term amortization periods, may be put to the System at the option of the bondholders in connection with certain remarketing dates. To the extent that bondholders may, under the terms of the debt, put their bonds within 12 months after June 30, 2019, the principal amount of such bonds has been classified as a current liability in the accompanying Consolidated Balance Sheets. Management believes the likelihood of a material amount of bonds being put to the System to be remote. However, to address this possibility, management has taken steps to provide various sources of liquidity in the event any bonds would be put, including the line of credit, commercial paper program, and maintaining unrestricted assets as a source of self-liquidity.

In September and October 2017, all previously outstanding bonds issued under the Alexian Brothers and St. John Health System Master Trust Indentures were defeased. Certain entities of Alexian Brothers and St. John Health System have been added to the Ascension Senior Credit Group. In October 2017, Ascension issued $245,000 of taxable bonds through a reopening of the Series 2016A taxable bond offering, a Senior Credit Group Obligation. The debt was issued primarily to refund the Series 2012 St. John Health System bonds and the Series 2008 and Series 2010 Alexian Brothers bonds. The only remaining bond series outside of the Ascension Master Trust Indenture is the Master Trust Indenture dated January 15, 2013, between Mercy Regional Health Center, Inc. and the Mercy Regional Health Center, Inc. Master Trustee.

8. Long-Term Debt (continued)

In May 2018, Ascension issued an Ascension Credit Group Master Trust Indenture Obligation (the "Ascension Obligation") to secure the $1,000,000 Illinois Finance Authority Revenue Bonds, Series 2016C (Presence Health Network) (the "Presence Bonds"). As permitted by the bond trust indenture for the Presence Bonds, the Direct Note Obligation originally issued under the Presence Master Trust Indenture dated as of August 1, 2016 was surrendered and cancelled concurrent with the execution of the Ascension Obligation. The Presence Master Trust Indenture was also cancelled simultaneously.

Due to aggregate financing activity during the fiscal years ended June 30, 2019 and 2018, losses on extinguishment of debt of $100 and $9,850, respectively, were recorded, which are included in nonoperating gains (losses) in the accompanying Consolidated Statements of Operations and Changes in Net Assets.

As of June 30, 2019, the Senior Credit Group had two lines of credit totaling $1,000,000. The first line of credit totals $300,000 which may be used as a source of funding for unremarketed variable debt (including commercial paper) or for general corporate purposes. The second line of credit totals $700,000 which may be used for general corporate purposes. Both lines are committed to December 4, 2020 and as of June 30, 2019 and 2018, there were no borrowings under either line of credit.

As of June 30, 2019, the Senior Credit Group had a $100,000 revolving line of credit related to its letters of credit program toward which a bank commitment of $100,000 extends to November 14, 2019. The revolving line of credit may be accessed solely in the form of Letters of Credit issued by the bank for the benefit of the members of the Credit Groups. Of this $100,000 revolving line of credit, letters of credit totaling $79,337 have been issued as of June 30, 2019. No borrowings were outstanding under the letters of credit as of June 30, 2019 and 2018.

9. Derivative Instruments

The System uses interest rate swap agreements to manage interest rate risk associated with its outstanding debt. Interest rate swaps with varying characteristics are outstanding under the Master Trust Indenture of the System. These swaps have historically been used to effectively convert interest rates on variable rate bonds to fixed rates and rates on fixed rate bonds to variable rates. At June 30, 2019 and June 30, 2018, the notional values of outstanding interest rate swaps were $1,020,775 and $1,084,975, respectively.

The System recognizes the fair value of its interest rate swaps in the Consolidated Balance Sheets as assets, recorded in other noncurrent assets, or liabilities, recorded in other noncurrent liabilities, as appropriate.

9. Derivative Instruments (continued)

The fair value of interest rate swaps in an asset position was $3,174 and $1,930 at June 30, 2019 and June 30, 2018, respectively. The fair value of interest rate swaps in a liability position was $137,484 and $108,781 at June 30, 2019 and June 30, 2018, respectively.

The System's interest rate swap agreements include collateral requirements for each counterparty under such agreements, based upon specific contractual criteria, subject to master netting arrangements. Collateral requirements are calculated based on the System's credit ratings. The applicable credit rating is the Senior Credit Group long-term debt credit ratings (Senior Debt Credit Ratings), as obtained from each of two major credit rating agencies. Credit rating and the net liability position of total interest rate swap agreements outstanding with each counterparty determine the amount of collateral to be posted. No collateral was posted at June 30, 2019 and June 30, 2018.

The System does not account for any of its interest rate swaps as hedges, and accordingly, all changes in the fair value of interest rate swaps are recognized in nonoperating gains (losses) in the accompanying Consolidated Statements of Operations and Changes in Net Assets. The System does not offset fair value amounts recognized for derivative instruments.

10. Retirement Plans

Certain System entities participate in defined-benefit pension plans (the System Plans), which are noncontributory, defined-benefit pension plans. Benefits are based on each participant's years of service and compensation. At June 30, 2019, primarily all of the System Plans' assets are invested in the Master Pension Trust (the Trust). At June 30, 2018, the System Plans' assets were also invested in one additional other trust (the Other Trust).

The System Plans' assets primarily consist of short-term investments, equity, fixed income, and alternative investments, consisting of various hedge funds, real estate funds, private equity funds, commodity funds, private credit funds, and certain other private funds.

Contributions to the System Plans are based on actuarially determined amounts sufficient to meet the benefits to be paid to participants. Most System defined benefit plans were frozen effective December 31, 2012. Two of the System Plans remain ongoing at June 30, 2019.

The assets of the System Plans are available to pay the benefits of eligible employees and retirees of all participating entities. In the event entities participating in the System Plans are unable to fulfill their financial obligations under the System Plans, the other participating entities are obligated to do so.

(Dollars in Thousands)

10. Retirement Plans (continued)

The following table sets forth the combined benefit obligations and assets of the System Plans at June 30, 2019 and 2018, components of net periodic benefit costs for the years then ended, and a reconciliation of the amounts recognized in the accompanying consolidated financial statements.

	Year Ended June 30, 2019	2018
Change in projected benefit obligation:		
Projected benefit obligation at beginning of year	**$ 9,441,554**	$ 9,173,650
Service Cost	**682**	6,418
Interest Cost	**389,386**	352,931
Assumption change	**711,560**	(535,210)
Actuarial loss	**40,486**	51,229
Acquisitions	**-**	893,732
Curtailment	**-**	(3,780)
Benefits paid	**(572,020)**	(497,416)
Projected benefit obligation at end of year	**10,011,648**	9,441,554
Change in plan assets:		
Fair value of plan assets at beginning of year	**8,602,710**	7,919,767
Actual return on plan assets	**468,256**	405,550
Employer contributions	**4,157**	5,601
Acquisitions	**-**	769,208
Benefits paid	**(572,020)**	(497,416)
Fair value of plan assets at end of year	**8,503,103**	8,602,710
Net amount recognized at end of year and funded status	**$ (1,508,545)**	$ (838,844)
Accumulated benefit obligation at end of year	**$ 10,010,998**	$ 9,438,370

(Dollars in Thousands)

10. Retirement Plans (continued)

The System Plans' funded status as a percentage of both the projected and accumulated benefit obligations was 84.9% and 91.1% at June 30, 2019 and 2018, respectively.

Included in net assets without donor restrictions at June 30, 2019 and 2018, are the following amounts that have not yet been recognized in net periodic pension cost for the System Plans:

	Year Ended June 30, 2019	2018
Unrecognized prior service credit	$ 8	$ (2,509)
Unrecognized actuarial loss	2,506,799	1,576,969
	$ 2,506,807	$ 1,574,460

Changes in plan assets and benefit obligations recognized in net assets without donor restrictions for System Plans during 2019 and 2018 include:

	Year Ended June 30, 2019	2018
Current year actuarial (gain) loss	$ 1,001,500	$ (206,792)
Amortization of actuarial (loss) gain	(71,671)	(73,786)
Amortization of prior service credit	2,518	2,776
	$ 932,347	$ (277,802)

	Year Ended June 30, 2019	2018
Components of net periodic benefit cost		
Service cost	$ 682	$ 6,418
Interest cost	389,386	352,931
Expected return on plan assets	(717,710)	(686,518)
Amortization of prior service credit	(2,518)	(2,776)
Amortization of actuarial loss	65,952	74,540
Settlement loss (gain)	5,719	(754)
Net periodic benefit cost	$ (258,489)	$ (256,159)

(Dollars in Thousands)

10. Retirement Plans (continued)

The prior service credit and actuarial loss included in net assets without donor restrictions and expected to be recognized in net periodic pension cost during the year ending June 30, 2019, are $700 and $111,170, respectively.

The assumptions used to determine the benefit obligation and net periodic benefit cost for the System Plans are set forth below:

	June 30,	
	2019	**2018**
To determine benefit obligations:		
Discount rate	**3.55%**	**4.30%**
To determine net periodic benefit cost:		
Discount rate	**4.30%**	**3.87%**
Expected return on plan assets	**8.37%**	**8.37%**

The expected long-term rate of return on the System Plans' assets is based on historical and projected rates of return for current and planned asset categories in the investment portfolio. Assumed projected rates of return for each asset category were selected after analyzing historical experience and future expectations of the returns and volatility for assets of that category using benchmark rates. Based on the target asset allocation among the asset categories, the overall expected rate of return for the portfolio was developed and adjusted for historical and expected experience of active portfolio management results compared to benchmark returns and for the effect of expenses paid from plan assets.

The System Plans' assets invested in the Trust are invested in a portfolio designed to protect principal and obtain competitive investment returns and long-term investment growth, consistent with actuarial assumptions, with a reasonable and prudent level of risk. Diversification is achieved by allocating to funds and managers that correlate to one of three economic strategies: growth, deflation, and inflation. Growth strategies include U.S. equity, emerging market equity, global equity, international equity, directional hedge funds, private equity, high yield, and private credit. Deflation strategies include core fixed income, absolute return hedge funds, and cash. Inflation strategies include inflation-linked bonds, commodity-related investments, and real assets. The System Plans use multiple investment managers with complementary styles, philosophies, and approaches. In accordance with the System Plans' objectives, derivatives may also be used to gain market exposure in an efficient and timely manner.

(Dollars in Thousands)

10. Retirement Plans (continued)

In accordance with the System Plans' asset diversification targets, as presented in the table that follows, the Trust holds certain alternative investments, consisting of various hedge funds, real asset funds, private equity funds, commodity funds, private credit funds, and certain other private funds. These investments do not have observable market values. As such, each of these investments is valued at net asset value (NAV) as determined by each fund's investment manager, which approximates fair value. Management elected to use the NAV per share, or equivalent, for fair value. Collectively, these funds have liquidity terms ranging from daily to annual with notice periods ranging from 1 to 180 days. Due to redemption restrictions, investments of certain private funds, whose fair value was approximately $1,176,000 at June 30, 2019, cannot currently be redeemed. However, the potential for the System Plans to sell their interest in real asset funds and private equity funds in a secondary market prior to the end of the fund term does exist.

The investments in these alternative investment funds may also include contractual commitments to provide capital contributions during the investment period, which is typically five years, and may extend to the end of the fund term. During these contractual periods, investment managers may require the System Plans to invest in accordance with the terms of the agreement. Commitments not funded during the investment period will expire and remain unfunded. As of June 30, 2019, investment periods expire between August 2019 and January 2025. The remaining unfunded capital commitments of the Trust total approximately $695,000 for 133 individual contracts as of June 30, 2019. The weighted-average asset allocation for the System Plans in the Trust at the end of fiscal 2019 and 2018 and the target allocation for fiscal 2019, by asset category, are as follows:

Asset Category	Target Allocation 2020	Percentage of Plan Assets at June 30, 2019	2018
Growth	57%	57%	60%
Deflation	28%	31%	25%
Inflation	15%	12%	15%
Total	100%	100%	100%

(Dollars in Thousands)

10. Retirement Plans (continued)

The System Plans' assets in the Other Trust were invested in portfolios designated to best serve the participants of the System Plans' through a long-term investment strategy designed to ensure that funds are available to pay benefits as they become due and to maximize the total return at a prudent level of investment risk. The System Plans' assets invested in the Other Trust were diversified among various asset classes based upon established investment guidelines. All of the assets in the Other Trust were transferred to the Trust during the year ended June 30, 2019. The allocation of the System Plans' assets in the Other Trust at the end of fiscal 2018, by asset category, are as follows:

Asset Category	Percentage of Plan Assets at June 30, 2018
Equity securities	**68%**
Fixed-income securities and real assets	**31%**
Cash and cash equivalents	**1%**
Total	**100%**

The following tables summarize fair value measurements at June 30, 2019 and 2018, by asset class and by level, for the System Plans' assets and liabilities. As also discussed in the Fair Value Measurements note, the System follows the three-level fair value hierarchy to categorize plan assets and liabilities recognized at fair value, which prioritizes the inputs used to measure such fair values. The inputs and valuation techniques discussed in the Fair Value Measurements note also apply to the System Plans' assets and liabilities as presented in the following tables.

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

10. Retirement Plans (continued)

	Level 1	Level 2	Level 3	Total
June 30, 2019				
Short-term investments	$ 614,483	$ 12,993	$ -	$ 627,476
Derivatives receivable	2,123	144,629	1,590	148,342
U.S. government, state, municipal and agency obligations	-	1,594,359	-	1,594,359
Corporate and foreign fixed income securities	-	539,310	1,057	540,367
Asset-backed securities	-	1,353,768	18,134	1,371,902
Equity securities	1,959,773	4,434	14	1,964,221
Assets at net value:				
Corporate and foreign fixed income securities				13,097
Equity securities				138,360
Private equity and real estate funds				1,314,431
Hedge funds				900,388
Commodities funds and other investments				32,396
Other receivables				187,571
Total				8,832,910
Derivatives payable	2,841	210,938	641	214,420
Other payables				115,387
Total				329,807
Fair value of plan assets				$ 8,503,103

Notes to Consolidated Financial Statements (continued)

(Dollars in Thousands)

10. Retirement Plans (continued)

	Level 1	Level 2	Level 3	Total
June 30, 2018				
Short-term investments	$ 480,368	$ 57,743	$ -	$ 538,111
Derivatives receivable	3,461	93,046	-	96,507
U.S. government, state, municipal and agency obligations	-	1,392,245	-	1,392,245
Corporate and foreign fixed income securities	-	741,841	1,034	742,875
Asset-backed securities	-	676,429	6,078	682,507
Equity securities	2,702,687	7,073	1,778	2,711,538
Assets at net value:				
Corporate and foreign fixed income securities				10,256
Equity securities				238,192
Private equity and real estate funds				1,091,535
Hedge funds				1,057,421
Commodities funds and other investments				131,694
Other receivables				336,253
Total				9,029,134
Derivatives payable	5,061	313,649	391	319,101
Investments sold, not yet purchased	1,110	-	-	1,110
Other payables				106,213
Total				426,424
Fair value of plan assets				$ 8,602,710

(Dollars in Thousands)

10. Retirement Plans (continued)

For the years ended June 30, 2018 and 2017, the changes in the fair value of the System Plans' assets measured using significant unobservable inputs (Level 3) consisted of the following:

	Net Derivatives	Corporate and Foreign Fixed Income Securities	Asset-Backed Securities	Equity Securities
June 30, 2019				
Beginning balance	**$ (391)**	**$ 1,034**	**$ 6,078**	**$ 1,778**
Total actual return on assets	**1,447**	**1,040**	**(84)**	**(2,023)**
Purchases, issuances, and settlements	**(107)**	**(1,017)**	**14,101**	**475**
Transfers into Level 3	**-**	**-**	**(1,961)**	**(216)**
Ending balance	**$ 949**	**$ 1,057**	**$ 18,134**	**$ 14**
Actual return on plan assets relating to plan assets still held at June 30, 2019	**$ 1,590**	**$ -**	**$ (236)**	**$ (1,917)**

	Net Derivatives	Corporate and Foreign Fixed Income Securities	Asset-Backed Securities	Equity Securities
June 30, 2018				
Beginning balance	$ (203)	$ 931	$ 4,523	$ 12,481
Total actual return on assets	8,376	(472)	640	1,166
Purchases, issuances, and settlements	(8,564)	(1,044)	617	(12,420)
Transfers (out of) into Level 3	-	1,619	298	551
Ending balance	$ (391)	$ 1,034	$ 6,078	$ 1,778
Actual return on plan assets relating to plan assets still held at June 30, 2018	$ -	$ 4	$ 638	$ (4)

(Dollars in Thousands)

10. Retirement Plans (continued)

The Trust has entered into a series of swap agreements with a net notional amount of approximately $2,706,100. The combined targeted duration of these swaps and the Trust's fixed income investments approximates the duration of the liabilities of the Trust. Currently, 50% of the dollar duration of the liability is subject to this economic hedge. The purpose of this strategy is to economically hedge the change in the net funded status for a significant portion of the liability that can occur due to changes in interest rates.

Information about the expected cash flows for the System Plans follows:

Expected employer contributions 2020	$ 702
Expected benefit payments:	
2020	868,402
2021	669,920
2022	692,403
2023	680,410
2024	668,360
2025-2029	3,112,170

The contribution amount above includes expected amounts paid to Trusts. The benefit payment amounts above reflect the total benefits expected to be paid from Trusts.

Defined-Contribution Plans

System entities participate in contributory and noncontributory defined-contribution plans covering all eligible associates. There are three primary types of contributions to these plans: employer automatic contributions, employee contributions, and employer matching contributions. Benefits for employer automatic contributions are determined as a percentage of a participant's salary and, for certain entities, increases over specified periods of employee service. These benefits are funded annually, and participants become fully vested over a period of time. Benefits for employer matching contributions are determined as a percentage of an eligible participant's contributions each payroll period. These benefits are funded each payroll period, and participants become fully vested in these employer contributions over time. Expenses for the defined-contribution plans were $382,456 and $391,397 during 2019 and 2018, respectively, and are included in employee benefits in the Consolidated Statements of Operations and Changes in Net Assets.

11. Self-Insurance Programs

Certain System hospitals and other entities participate in pooled risk programs to insure professional and general liability risks and workers' compensation risks to the extent of certain self-insured limits. Within these pooled risk programs, various insurance policies have been purchased to provide coverage in excess of the self-insured limits. The System provides this self-insurance through various trust funds and captive insurance companies. Actuarially determined amounts, discounted at 5.5%, are contributed to the trust funds and the captive insurance companies to provide for the estimated cost of claims. The associated loss reserves recorded for estimated self-insured professional, general liability, and workers' compensation claims include estimates of the ultimate costs for both reported claims and claims incurred but not reported, which were discounted at 5.5% in 2019 and 2018.

Entities acquired in the Presence business combination did not participate in the Ascension pooled risk program prior to July 1, 2018 At June 30, 2019, the loss reserves for estimated self-insured professional, general liability, and workers' compensation claims reported prior to July 1, 2018 for Presence entities were actuarially determined and recorded on an undiscounted basis. The self-insured professional and general liabilities for these claims are retained up to $20,000 per occurrence with no aggregate and subject to reinsurance by commercial carriers up to $170,000.

Professional and General Liability Programs

Professional and general liability coverage is primarily provided on a claims-made basis through a wholly owned onshore trust and through Ascension Health Insurance, Ltd. (AHIL), a direct subsidiary of Ascension Risk Services.

The wholly owned onshore revocable trust has a self-insured retention up to $10,000 per occurrence with no aggregate. Excess coverage is provided through AHIL with limits up to $250,000. AHIL retains 75% of the first $5,000 per incident and in the aggregate for professional liability. The excess coverage is reinsured by commercial carriers.

Employed physicians and certain entities in the states of Indiana, Kansas, and Wisconsin are provided coverage by ProAssurance Corporation (ProAssurance) on a fronted basis and are reinsured through AHIL. These entities and physicians are provided professional liability coverage with limits in compliance with participation in the Patient Compensation Funds. The Patient Compensation Funds apply to claims in excess of the primary self-insured limit, except the Fund in Kansas, which only covers claims up to the first $1,000 and then the trust and AHIL cover amounts above $1,000.

11. Self-Insurance Programs (continued)

Effective July 1, 2014, the reinsurance of Ascension's independent physician professional liability program with ProAssurance, the System's partner insurance company, was transferred from AHIL to Sunflower Assurance, Ltd. (Sunflower), a wholly owned subsidiary of Ascension Risk Services.

Beginning July 1, 2014, Sunflower offered physician professional liability coverage through insurance or reinsurance arrangements to nonemployed physicians practicing at the System's various facilities, primarily in Michigan, Indiana, Texas, Florida, Illinois and Alabama. Coverage is offered to physicians with limits ranging from $100 per claim to $1,000 per claim with various aggregate limits. Beginning July 1, 2014, AHIL offered similar coverage to employed physicians in the states of Indiana, Kansas, and Wisconsin.

Included in operating expenses in the accompanying Consolidated Statements of Operations and Changes in Net Assets is professional and general liability claim and insurance expense of $258,473 and $185,050 for the years ended June 30, 2019 and 2018, respectively. Included in current and long-term self-insurance liabilities on the accompanying Consolidated Balance Sheets are professional and general liability loss reserves of $785,021 and $867,297 at June 30, 2019 and 2018, respectively.

Workers' Compensation

Workers' compensation coverage is primarily provided on an occurrence basis through a grantor trust. The self-insured trust provides coverage up to $1,500 per occurrence with no aggregate. The trust provides a mechanism for funding the workers' compensation obligations of its members.

Included in employee benefits in the accompanying Consolidated Statements of Operations and Changes in Net Assets is workers' compensation claim and insurance expense of $60,092 and $31,064 for the years ended June 30, 2019 and 2018, respectively. Included in current and long-term self-insurance liabilities on the accompanying Consolidated Balance Sheets are workers' compensation loss reserves of $135,809 and $135,052 at June 30, 2019 and 2018, respectively.

(Dollars in Thousands)

12. Lease Commitments

Certain System entities are lessees under operating lease agreements for the use of space in buildings owned by third parties, including medical office buildings (MOBs) and medical and information technology equipment. In addition, certain System entities have subleased space within buildings where the entity has a current operating lease commitment. Certain System entities are also lessors under operating lease agreements, primarily ground leases related to third-party-owned MOBs on land owned by the System entity.

The System's future minimum noncancelable payments associated with operating leases with terms of one year or more where a System entity is the lessee, as well as future minimum noncancelable receipts associated with operating leases where a System entity is the sublessor or lessor, are presented in the table that follows. Future minimum payments and receipts relate to noncancelable leases with terms of one year or more.

	Future Payments Where the System is Lessee	Future Receipts Where the System is Sublessor/Lessor	Net Future Payments
Year ending June 30:			
2020	$ 238,801	$ 40,062	$ 198,739
2021	220,172	31,590	188,582
2022	185,614	25,784	159,830
2023	153,824	20,259	133,565
2024	117,774	15,059	102,715
Thereafter	494,523	249,120	245,403
Total	$1,410,708	$ 381,874	$ 1,028,834

Rental expense under operating leases amounted to $460,426 and $425,750 in 2019 and 2018, respectively.

13. Related Parties

The System has agreements with related parties for revenue cycle management services and clinical engineering services. The System expensed approximately $1,076,000 and $877,000 for these services during the years ended June 30, 2019 and 2018.

(Dollars in Thousands)

14. Contingencies and Commitments

The System is involved in litigation and regulatory investigations arising in the ordinary course of business. In the opinion of management, after consultation with legal counsel, these matters are expected to be resolved without material adverse effect on the System's Consolidated Balance Sheet.

The System enters into agreements with non-employed physicians that include minimum revenue guarantees. The terms of the guarantees vary. The maximum amount of future payments that the System could be required to make under these guarantees is approximately $6,000.

The System entered into Master Service Agreements for information technology services provided by third parties. The maximum amount of future payments that the System could be required to make under these agreements is approximately $234,700.

Guarantees and other commitments represent contingent commitments issued by Ascension Health Alliance Senior and Subordinate Credit Groups, generally to guarantee the performance of an affiliate to a third party in borrowing arrangements such as commercial paper issuances, bond financing, and other transactions. The terms of guarantees are equal to the terms of the related debt, which can be as long as 21 years. The following represents the remaining guarantees and other commitments of the Senior and Subordinate Credit Groups at June 30, 2019:

Hospital de la Concepción 2017 Series A debt guarantee	$	23,330
St. Vincent de Paul Series 2000 A debt guarantee		28,300
Other guarantees and commitments		28,800

(Dollars in Thousands)

15. Functional Expenses

Ascension provides healthcare services, including inpatient, outpatient, ambulatory, long-term care and community-based services. Management support services include administration, finance and accounting, revenue cycle, information technology, public relations, human resources, legal, supply chain, risk management, compliance and other functions. Expenses are allocated to healthcare services and management support services based on the functional department for which they are incurred. Departmental expenses may include various allocations of costs based on direct assignment, expenses or other methods.

Expenses by functional classification for the year ended June 30, 2019 consist of the following:

	Health care services	Management support services	Total
Salaries, wages, and employee benefits	$ 11,223,019	$ 907,310	$ 12,130,329
Purchased services and professional fees	2,969,789	1,067,227	4,037,016
Supplies	3,718,193	3,169	3,721,362
Other	4,443,955	455,034	4,898,989
Total operating expenses	**$ 22,354,956**	**$ 2,432,740**	**$ 24,787,696**

Expenses by functional classification for the year ended June 30, 2018 consist of the following:

	Health care services	Management support services	Total
Salaries, wages, and employee benefits	$ 10,418,477	$ 844,842	$ 11,263,319
Purchased services and professional fees	2,617,701	961,651	3,579,352
Supplies	3,385,079	2,143	3,387,222
Other	4,171,544	487,711	4,659,255
Total operating expenses	**$ 20,592,801**	**$ 2,296,347**	**$22,889,148**

Supplementary Information

(unaudited)

ATTACHMENT 35

Building a better working world

Ernst & Young LLP
The Plaza in Clayton
Suite 1300
190 Carondelet Plaza
St. Louis, MO 63105-3434

Tel: +1 314 290 1000
Fax: +1 314 290 1882
ey.com

Report of Independent Auditors on Supplementary Information

The Board of Directors
Ascension Health Alliance d/b/a Ascension

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying Schedule of Net Cost of Providing Care of Persons Living in Poverty and Other Community Benefit Programs is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Ernst + Young LLP

September 11, 2019

Ascension

Schedule of Net Cost of Providing Care of Persons Living in Poverty and Other Community Benefit Programs

(Dollars in Thousands)

Years Ended June 30, 2019 and 2018

The net cost of providing care to persons living in poverty and other community benefit programs is as follows *(unaudited)*:

	Year Ended June 30,	
	2019	**2018***
Traditional charity care provided	**$ 605,987**	$ 576,267
Unpaid cost of public programs for persons living in poverty	**904,895**	1,061,482
Other programs for persons living in poverty and other vulnerable persons	**154,552**	171,757
Community benefit programs	**343,486**	320,817
Care of persons living in poverty and other community benefit programs	**$ 2,008,920**	$2,130,323

*Restated

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE

	Cost/Sq. Ft.		DGSF		DGSF		New Const. $	Modernization $	Costs
	New	Mod.	New	Circ.	Mod.	Circ.	(A x C)	(B x E)	(G + H)
Reviewable									
Procedure Area		$ 65.00			2,076			$ 134,949	$ 134,949
Recovery Area		$ 65.00			3,303			$ 214,692	$ 214,692
Clinical Support Areas		$ 65.00			4,058			$ 263,764	$ 263,764
Contingency		$ 4.00						$ 37,748	$ 37,748
		$ 69.00			9,437			$ 651,153	$ 651,153
Non-Reviewable									
Administrative Areas		$ 60.00			1,161			$ 69,660	$ 69,660
Public Areas		$ 60.00			2,248			$ 134,880	$ 134,880
Contingency		$ 4.00						$ 13,636	$ 13,636
		$ 64.00			3,409			$ 218,176	$ 218,176
TOTAL		$ 67.67			12,846			$ 869,329	$ 869,329

ATTACHMENT 36C

#20-012

PROJECTED OPERATING COSTS
and
TOTAL EFFECT OF THE PROJECT ON CAPITAL COSTS

YEAR 2 OPERATING COST per CASE

Projected Cases: 9,886

Salaries and Benefits		$3,951,237
Medical Supplies		$567,578
		$4,518,815
per Case:	$	457.09

YEAR 2 CAPITAL COST per CASE

Projected Cases: 9,886

Interest,		
Depreciation & Amort.	$	214,000
	$	214,000
per Case:	$	21.65

ATTACHMENTS 36D and 36E

SAFETY NET IMPACT STATEMENT

Due to the nature of an ASTC, such facilities are not providers of safety net services, with all procedures scheduled on an elective basis. Applicant Ascension, directly and through its subsidiaries provides safety net services, including services provided by/though AMITA Health Saint Joseph Hospital Chicago. In addition, the applicants intend to become a valued member of the community, and to the extent reasonable, anticipate participation in community-based events, such as health fares.

ATTACHMENT 37

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

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Zipcode	Dr. David Chua
60022	1
60035	1
60045	1
60048	1
60060	1
60074	1
60087	1
60119	1
60150	1
60173	1
60187	1
60190	1
60404	1
60422	1
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60689	1
60827	1
60914	1
61102	1
61111	1
61354	1
61443	1
61853	1
62711	1
74137	1
77302	1
80128	1
89139	1
90292	1
94080	1
95928	1
60638	1
60645	1
Total	**4516**

ATTACHMENT 24c5

#20-012

Axel & Associates, Inc.

MANAGEMENT CONSULTANTS

by FedEX

February 10, 2020

Ms. Courtney Avery
Administrator
Illinois Health Facilities and
Services Review Board
525 West Jefferson
Springfield, IL 62761

Dear Ms. Avery:

Enclosed please find two copies of a Certificate of Need ("CON") application addressing the establishment of an ambulatory surgical treatment center ("ASTC") on the campus of AMITA Health Saint Joseph Hospital-Chicago.

The application is accompanied by a check, in the amount of $2,500.00, as a filing fee.

Should any additional information be required, please do not hesitate to contact me.

Sincerely,

Jacob M. Axel
President

enclosures

675 North Court, Suite 210
Palatine, Illinois 60067

Phone (847) 776-7101
Fax (847) 776-7004