

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Kendall Pointe Surgery Center, LLC		
Street Address: 100 West Fifth Street		
City and Zip Code: Oswego, Illinois 60543		
County: Kendall	Health Service Area: 009	Health Planning Area: 093

Legislators

State Senator Name: Linda Holmes
State Representative Name: Stephanie A. Kifowit

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

Exact Legal Name: Kendall Pointe Holdings, LLC
Street Address: 11221 Roe Avenue
City and Zip Code: Leawood, Kansas 66211
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: Daniel R. Tasset
CEO Street Address: 11221 Roe Avenue
CEO City and Zip Code: Leawood, Kansas 66211
CEO Telephone Number: (913) 381-0515

Type of Ownership of Applicants

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

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

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

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Juan Morado Jr. and Mark J. Silberman
Title: Partner, CON Counsel
Company Name: Benesch Friedlander Coplan & Aronoff LLP
Address: 71 South Wacker Drive, Suite 1600, Chicago, Illinois 60606
Telephone Number: (312) 212-4967 and (312) 212-4952
E-mail Address: JMorado@Beneschlaw.com and MSilberman@Beneschlaw.com
Fax Number: (312) 767-9192

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Kendall Pointe Surgery Center, LLC		
Street Address: 100 West Fifth Street		
City and Zip Code: Oswego, Illinois 60543		
County: Kendall	Health Service Area: 009	Health Planning Area: 093

Legislators

State Senator Name: Linda Holmes
State Representative Name: Stephanie A. Kifowit

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

Exact Legal Name: PBC Oswego, LLC
Street Address: 7456 South State Road Suite 301
City and Zip Code: Bedford Park, IL 60638
Name of Registered Agent: Kenneth A. Goldstein
Registered Agent Street Address: 500 West Madison Street, Suite 3700
Registered Agent City and Zip Code: Chicago, IL 60661
Name of Chief Executive Officer: Guita Griffiths
CEO Street Address: 7456 S. State Road, Suite 301
CEO City and Zip Code: Bedford Park, IL 60638
CEO Telephone Number: (312) 543-1824

Type of Ownership of Applicants

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

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

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

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Juan Morado Jr. and Mark J. Silberman
Title: Partner, CON Counsel
Company Name: Benesch Friedlander Coplan & Aronoff LLP
Address: 71 South Wacker Drive, Suite 1600, Chicago, Illinois 60606
Telephone Number: (312) 212-4967 and (312) 212-4952
E-mail Address: JMorado@Beneschlaw.com and MSilberman@Beneschlaw.com
Fax Number: (312) 767-9192

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Kendall Pointe Surgery Center, LLC		
Street Address: 100 West Fifth Street		
City and Zip Code: Oswego, Illinois 60543		
County: Kendall	Health Service Area: 009	Health Planning Area: 093

Legislators

State Senator Name: Linda Holmes
State Representative Name: Stephanie A. Kifowit

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

Exact Legal Name: SMS Oswego ASC, LLC
Street Address: 1040 Golf Lane
City and Zip Code: Wheaton, IL 60189
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: Scott Sporer, M.D.
CEO Street Address: 1040 Golf Lane
CEO City and Zip Code: Wheaton, IL 60189
CEO Telephone Number: (312) 735-0988

Type of Ownership of Applicants

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

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

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

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Juan Morado Jr. and Mark J. Silberman
Title: Partner, CON Counsel
Company Name: Benesch Friedlander Coplan & Aronoff LLP
Address: 71 South Wacker Drive, Suite 1600, Chicago, Illinois 60606
Telephone Number: (312) 212-4967 and (312) 212-4952
E-mail Address: JMorado@Beneschlaw.com and MSilberman@Beneschlaw.com
Fax Number: (312) 767-9192

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

Name:
Title:
Company Name:
Address:
Telephone Number:
E-mail Address:
Fax Number:

Post Exemption Contact

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

Name: Karen Howey
Title: Senior Vice-President of Operations
Company Name: Kendall Pointe Holdings, LLC
Street Address: 11221 Roe Avenue
City and Zip Code: Leawood, Kansas 66211
E-mail Address: khowey@nuehealth.com
Fax Number: 913-522-3034

Site Ownership after the Project is Complete

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Kendal Pointe Surgery Center, LLC
Address of Site Owner: 100 West Fifth Street, Oswego, IL 60543
Street Address or Legal Description of the Site: Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor’s documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Current Operating Identity/Licensee

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

Exact Legal Name: Kendal Pointe Surgery Center, LLC
Address: 100 West Fifth Street, Oswego, IL 60543
<input type="checkbox"/> Non-profit Corporation <input type="checkbox"/> Partnership
<input type="checkbox"/> For-profit Corporation <input type="checkbox"/> Governmental
<input checked="" type="checkbox"/> Limited Liability Company <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/>
<input type="checkbox"/> Other

Operating Identity/Licensee after the Project is Complete

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

Exact Legal Name: Kendal Pointe Surgery Center, LLC	
Address: 100 West Fifth Street, Oswego, IL 60543	
<input type="checkbox"/> Non-profit Corporation <input type="checkbox"/> For-profit Corporation <input checked="" type="checkbox"/> Limited Liability Company <input type="checkbox"/> Other	<input type="checkbox"/> Partnership <input type="checkbox"/> Governmental <input type="checkbox"/> Sole Proprietorship
<ul style="list-style-type: none"> o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership. 	
APPEND DOCUMENTATION AS <u>ATTACHMENT 3</u>, 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 <u>ATTACHMENT 4</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Narrative Description

In the space below, provide a brief narrative description of the change of ownership. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does **NOT** have a street address, include a legal description of the site.

The facility is owned by the applicants and additional owners, most of whose ownership interests are not changing as a result of this proposed transaction. This application involves the change in the controlling ownership interest in the ambulatory surgical treatment center known as Kendall Pointe Surgery Center, LLC ("Facility"). Kendal Pointe Holdings, LLC proposes to increase its current ownership share of the Facility from 15% to 50%. SMS Oswego ASC, LLC proposed to increase its current ownership share of the Facility from 14.34% to 35.86%. The proposed acquisitions will be accomplished through a stock sale of PBC Oswego, LLC's current 56.52% ownership interest in the Facility. Following this proposed transaction, PBC Oswego, LLC will no longer maintain an ownership interest in the Facility.

Described fully below, the owners of the remaining 14.14% ownership interest in the facility will remain unchanged. Those owners, and their interest, are:

- Dr. Michael Coulson 0.79%
- Dr. Robert Foody 4.91%
- Dr. Brendon McCarthy 0.39%
- Drs. Bishop and Rappette 0.39%
- Dr. Jose Trevino 1.96%
- Dr. Jim Wilson 0.79%
- Dr. Mario Zapata 4.91%

The facility will continue to operate following this transaction and will continue to serve its existing patient base. The facility will also continue to offer the same categories of service that it is already approved for including:

- General Surgery
- Gastroenterology
- Neurosurgery
- Obstetrics/ Gynecology
- Ophthalmology
- Orthopedics
- Pain Management
- Plastic Surgery
- Podiatry
- Urology

The changes of ownership are expected to bring greater financial stability to the facility and enable it to continue to provide essential healthcare services to Illinois residents. The surgery center will continue to conduct business at the same location under the same operating license and will seek to improve the overall access to quality care for the community and the patient population served by this facility.

Related Project Costs

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

Land acquisition is related to project	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Purchase Price:	\$ N/A	
Fair Market Value:	\$ N/A	

Project Status and Completion Schedules

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

Anticipated exemption completion date (refer to Part 1130.570): December 31, 2020
--

State Agency Submittals

Are the following submittals up to date as applicable: <input type="checkbox"/> Cancer Registry- NOT APPLICABLE <input type="checkbox"/> APORS- NOT APPLICABLE <input checked="" type="checkbox"/> All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted <input checked="" type="checkbox"/> All reports regarding outstanding permits Failure to be up to date with these requirements will result in the Application being deemed incomplete.
--

CERTIFICATION

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

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

This Application is filed on the behalf of Kendall Pointe Holdings, LLC

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

Daniel R. Tasset
PRINTED NAME

Authorized Agent
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 19th day of November, 2020


Signature of Notary

Seal

SIGNATURE

PRINTED NAME

PRINTED TITLE

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

Signature of Notary

Seal



*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:

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

This Application is filed on the behalf of Kendall Pointe Surgery Center, LLC

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.

Greta B Griffiths
SIGNATURE

Greta B Griffiths
PRINTED NAME

President / CEO
PRINTED TITLE

[Signature]
SIGNATURE

Dr Kenny Bozorgi
PRINTED NAME

Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 18 day of November 2020

[Signature]
Signature of Notary

Seal



Notarization:
Subscribed and sworn to before me
this 18 day of November 2020

[Signature]
Signature of Notary

Seal



*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:

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

This Application is filed on the behalf of SMS Oswego ASC, LLC

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.

Scott Sporer
SIGNATURE

Scott Sporer
PRINTED NAME

Sole Member
Managing Member

SIGNATURE

PRINTED NAME

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 17 day of November

Melissa L Sanchez
Signature of Notary

Seal



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

Signature of Notary

Seal

*Insert the EXACT legal name of the applicant

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

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

This Application is filed on the behalf of PBC Oswego, LLC

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.

Gruta B Griffin
SIGNATURE

Gruta B Griffin
PRINTED NAME

Manager
PRINTED TITLE

Mandan Farahati MD
SIGNATURE

Mandan Farahati, MD
PRINTED NAME

Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 18 day of November 2020

Laura Galvin
Signature of Notary



Notarization:
Subscribed and sworn to before me
this 18 day of November 2020

Laura Galvin
Signature of Notary



*Insert the EXACT legal name of the applicant

SECTION II. BACKGROUND.

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.
3. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application. Please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.
4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
5. If, during a given calendar year, an applicant submits more than one Application, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

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

SECTION III. CHANGE OF OWNERSHIP (CHOW)**Transaction Type. Check the Following that Applies to the Transaction:**

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

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

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

APPLICABLE REVIEW CRITERIA	CHOW
1130.520(b)(1)(A) - Names of the parties	X
1130.520(b)(1)(B) - Background of the parties, which shall include proof that the applicant is fit, willing, able, and has the qualifications, background and character to adequately provide a proper standard of health service for the community by certifying that no adverse action has been taken against the applicant by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application.	X
1130.520(b)(1)(C) - Structure of the transaction	X
1130.520(b)(1)(D) - Name of the person who will be licensed or certified entity after the transaction	
1130.520(b)(1)(E) - List of the ownership or membership interests in such licensed or certified entity both prior to and after the transaction, including a description of the applicant's organizational structure with a listing of controlling or subsidiary persons.	X
1130.520(b)(1)(F) - Fair market value of assets to be transferred.	X
1130.520(b)(1)(G) - The purchase price or other forms of consideration to be provided for those assets. [20 ILCS 3960/8.5(a)]	X
1130.520(b)(2) - Affirmation that any projects for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of this Section	X
1130.520(b)(3) - If the ownership change is for a hospital, affirmation that the facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction. The hospital must provide affirmation that the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction	X

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

1130.520(b)(4) - A statement as to the anticipated benefits of the proposed changes in ownership to the community	X
1130.520(b)(5) - The anticipated or potential cost savings, if any, that will result for the community and the facility because of the change in ownership;	X
1130.520(b)(6) - A description of the facility's quality improvement program mechanism that will be utilized to assure quality control;	X
1130.520(b)(7) - A description of the selection process that the acquiring entity will use to select the facility's governing body;	X
1130.520(b)(9)- A description or summary of any proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within 24 months after acquisition.	X

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

SECTION IV.CHARITY CARE INFORMATION

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.
3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

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

A table in the following format must be provided for all facilities as part of Attachment 7.

CHARITY CARE			
	2016	2017	2018
Net Patient Revenue	\$1,880,482	\$1,952,757	\$2,445,716
Amount of Charity Care (charges)	\$6,156	0	0
Cost of Charity Care	\$6,156	0	0

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

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

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant Identification including Certificate of Good Standing	19 - 23
2	Site Ownership	24 - 26
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	27 - 29
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	30 – 32
5	Background of the Applicant	33 – 37
6	Change of Ownership	38 – 53
7	Charity Care Information	54

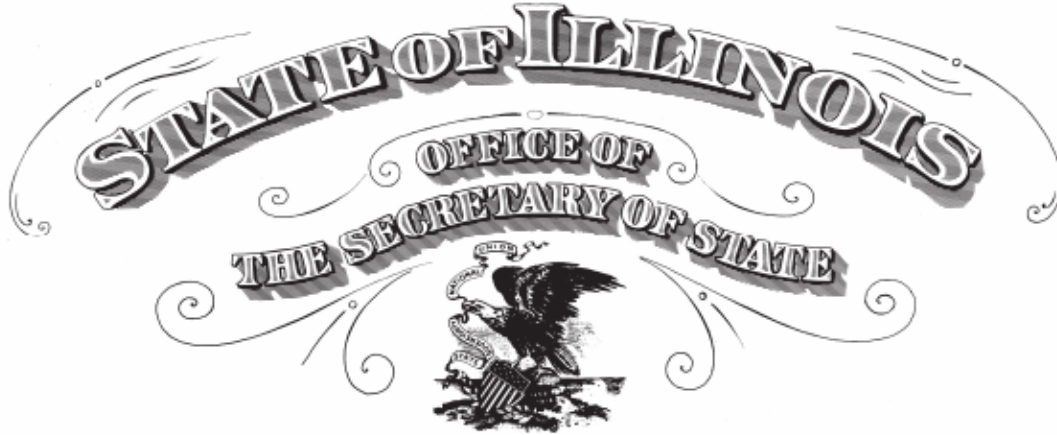
ATTACHMENT 1
TYPE OF OWNERSHIP OF APPLICANTS

Included with this attachment are:

1. The Certificate of Good Standing for the applicant facility, Kendall Pointe Surgery Center, LLC.
2. The Certificate of Good Standing for Kendall Pointe Holdings, LLC
3. The Certificate of Good Standing for PBC Oswego, LLC.
4. The Certificate of Good Standing for SMS Oswego ASC, LLC.

ATTACHMENT 1

File Number 0020626-1



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

KENDALL POINTE SURGERY CENTER, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON JULY 13, 1998, 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 19TH day of NOVEMBER A.D. 2020 .

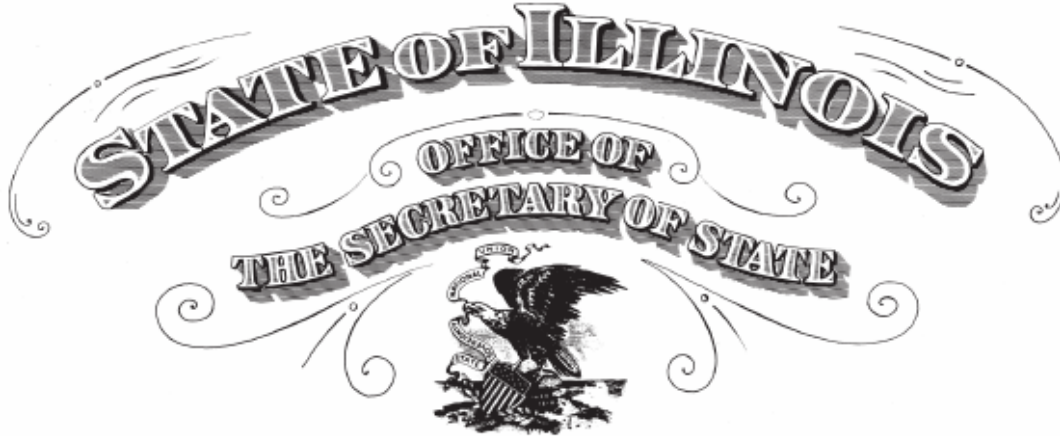
Jesse White

SECRETARY OF STATE

Authentication #: 2032404210 verifiable until 11/19/2021
Authenticate at: <http://www.cyberdriveillinois.com>

ATTACHMENT 1

File Number 0904632-1



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

KENDALL POINTE HOLDINGS, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON NOVEMBER 06, 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 17TH day of NOVEMBER A.D. 2020 .



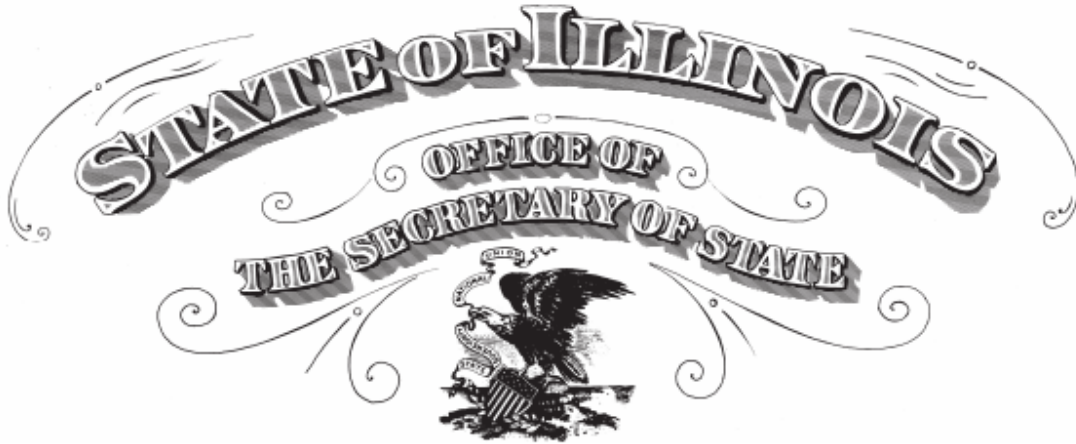
Authentication #: 2032201776 verifiable until 11/17/2021
Authenticate at: <http://www.cyberdriveillinois.com>

Jesse White

SECRETARY OF STATE

ATTACHMENT 1

File Number 0228536-3



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

PBC OSWEGO, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON JULY 26, 2007, 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.



Authentication #: 2032404234 verifiable until 11/19/2021
Authenticate at: <http://www.cyberdriveillinois.com>

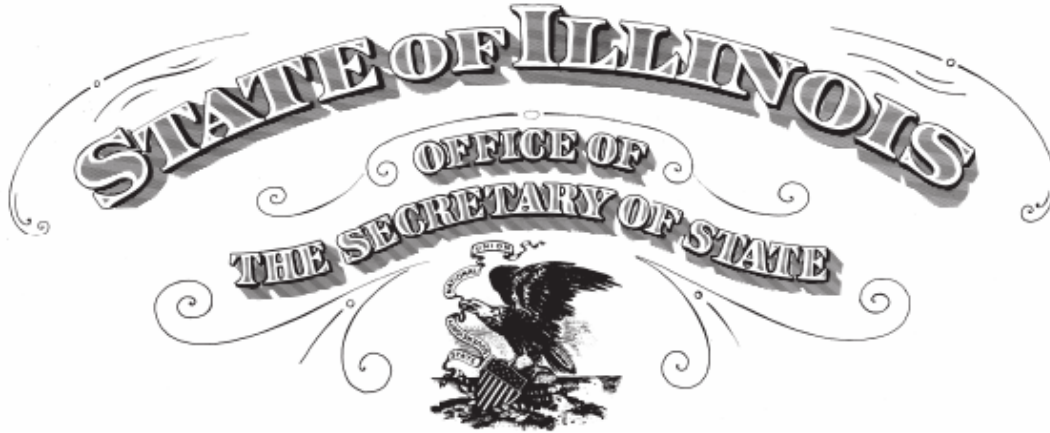
In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 19TH day of NOVEMBER A.D. 2020 .

Jesse White

SECRETARY OF STATE

ATTACHMENT 1

File Number 0941318-9



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

SMS OSWEGO ASC, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON OCTOBER 27, 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 19TH day of NOVEMBER A.D. 2020 .

Jesse White

SECRETARY OF STATE

Authentication #: 2032404274 verifiable until 11/19/2021
Authenticate at: <http://www.cyberdriveillinois.com>

ATTACHMENT 2
SITE OWNERSHIP

There will be no change in the site ownership. The site where the facility is located will continued to be owned by the license holder, Kendall Pointe Surgery Center, LLC. The facility itself sits on two parcels whose parcel index numbers are as 03-03-176-013 and 03-03-176-014. The address of the facility is 100 West Fifth Street, Oswego, Illinois, 60543. As evidence of control of the property included in this attachment are property tax bills for the site, which reflect the owner as Kendall Pointe Surgery Center, LLC.

ATTACHMENT 2

Kendall County Real Estate Tax Bill
Kendall County Collector's Office, 111 W. Fox Street, Yorkville, IL 60560 (630) 553-4124
JILL FERKO, KENDALL COUNTY TREASURER

Township: Oswego Township
Tax Code: OS008
Prop Class: 0052

Parcel Number: 03-03-176-014
Parcel Address:



**PLEASE READ REVERSE SIDE
FOR IMPORTANT INFORMATION**

FIRST INSTALLMENT	SECOND INSTALLMENT
\$1,681.55	\$1,681.55
COSTS	FORFEITED
PENALTY	PENALTY
TOTAL PAID	TOTAL PAID

C 11
S 5609

KENDALL POINTE SURGERY CENTER, LLC
100 5TH ST
OSWEGO IL 60543-8338



Legal Description
E 138.17 S 178.15 LOT 5 KENDALL PONT BUS
INESS CENTER UNIT 5 VILLAGE OF OSWEGO

1st INSTALL DUE: 06/15/2020
2nd INSTALL DUE: 09/15/2020

Taxing Body	Prior Year Rate	Prior Year Tax	Current Rate	Current Tax	Pension Amount	Difference
COUNTY	0.67277	\$235.70	0.64088	\$224.56	\$44.40	\$-11.14
OSWEGO FPD	0.71325	\$249.89	0.69297	\$242.79	\$33.87	\$-7.10
FOREST PRESERVE	0.15032	\$52.67	0.15416	\$54.01	\$0.00	\$1.34
JR COLLEGE #516	0.54129	\$189.65	0.52727	\$184.73	\$0.00	\$-4.92
OSWEGO LIBRARY DIST	0.27207	\$95.32	0.26465	\$92.72	\$8.20	\$-2.60
OSWEGOLAND PARK DIST	0.45016	\$157.72	0.43171	\$151.25	\$15.16	\$-6.47
FOX METRO WRD	0.00000	\$0.00	0.00000	\$0.00	\$0.00	\$0.00
OSWEGO TOWNSHIP	0.07634	\$26.75	0.07382	\$25.86	\$0.00	\$-0.89
OSWEGO ROAD DISTRICT	0.17109	\$59.94	0.16544	\$57.96	\$0.00	\$-1.98
SCHOOL DIST 308	6.79438	\$2,380.48	6.49615	\$2,275.99	\$100.42	\$-104.49
VILLAGE OF OSWEGO	0.15400	\$53.96	0.15192	\$53.23	\$63.22	\$-0.73
Totals	9.99567	\$3,502.08	9.59897	\$3,363.10	\$255.27	\$-138.98

TRUST #	0
TIF BASE	0
1977 EQUALIZED	0
SAF BASE	0
FAIR CASH VALUE	105,120
TOTAL ACRES	0.00
LAND VALUE	35,036
* BUILDING VALUE	0
HOME IMPROVEMENT	0
* ASSESSED VALUE	35,036
* STATE MULTIPLIER	1.0000
* EQUALIZED VALUE	35,036
* OWNER OCCUPIED	0
SENIOR EXMPT	0
* FREEZE EXEMPTIONS	0
* VETERAN EXEMPT	0
* DISABLED EXEMPT	0
* FARM LAND	0
* FARM BUILDING	0
* NET TAXABLE VAL	35,036
* TAX RATE	9.59897
* CURRENT TAX	\$3,363.10
* ENTERPRISE ZONE	\$0.00
* DRAINAGE / SSA	\$0.00
* FORFEITURE BAL	
* TOTAL TAX DUE	\$3,363.10

2019 PAYABLE 2020 MAKE CHECKS PAYABLE TO: KENDALL COUNTY COLLECTOR

Owner Name: KENDALL POINTE SURGERY CENTER, LLC,

Kendall County



Parcel Number 03-03-176-014
Bill Number 2019020836
Sold Years
Forfeiture Balance
First Installment Due Date 06/15/2020
Interest Penalty
Total Due 1st Install \$1,681.55
Total Tax Due \$3,363.10

2019 PAYABLE 2020

IF POSTMARKED AFTER THESE DATES PLEASE PAY THIS AMOUNT
06/15/2020 \$1,706.77
07/15/2020 \$1,732.00
08/15/2020 \$1,757.22

Paid by

CASH CHECK

Kendall County



Parcel Number 03-03-176-014
Bill Number 2019020836
Sold Years
Forfeiture Balance
Second Installment Due Date 09/15/2020
Interest Penalty
Total Due 2nd Install \$1,681.55
Total Tax Due \$3,363.10

2019 PAYABLE 2020

IF POSTMARKED AFTER THESE DATES PLEASE PAY THIS AMOUNT
09/15/2020 \$1,706.77
10/15/2020 \$1,732.00

Paid by

CASH CHECK

1 KENDALL POINTE SURGERY CENTER, LLC
100 5TH ST
OSWEGO IL 60543-8338

2 KENDALL POINTE SURGERY CENTER, LLC
100 5TH ST
OSWEGO IL 60543-8338

ATTACHMENT 2

Kendall County Real Estate Tax Bill
Kendall County Collector's Office, 111 W. Fox Street, Yorkville, IL 60560 (630) 553-4124
JILL FERKO, KENDALL COUNTY TREASURER



Township: Oswego Township
Tax Code: OS008
Prop Class: 0060

Parcel Number: 03-03-176-013
Parcel Address: 100 FIFTH ST
OSWEGO IL 60543

TRUST #	0
TIF BASE	0
1977 EQUALIZED	0
SAF BASE	0
FAIR CASH VALUE	2,475,750
TOTAL ACRES	0.00
LAND VALUE	150,691
BUILDING VALUE	674,478
HOME IMPROVEMENT	0
ASSESSED VALUE	825,169
STATE MULTIPLIER	1.0000
EQUALIZED VALUE	825,169
OWNER OCCUPIED	0
SENIOR EXMPT	0
FREEZE EXEMPTIONS	0
VETERAN EXEMPT	0
DISABLED EXEMPT	0
FARM LAND	0
FARM BUILDING	0
NET TAXABLE VAL	825,169
TAX RATE	9.59897
CURRENT TAX	\$79,207.72
ENTERPRISE ZONE	\$0.00
DRAINAGE / SSA	\$0.00
FORFEITURE BAL	
TOTAL TAX DUE	\$79,207.72

PLEASE READ REVERSE SIDE FOR IMPORTANT INFORMATION

FIRST INSTALLMENT	\$39,603.86	SECOND INSTALLMENT	\$39,603.86
COSTS		FORFEITED	
PENALTY		PENALTY	
TOTAL PAID		TOTAL PAID	

C 11
S 5688

KENDALL POINTE SURGERY CENTER LLC
100 5TH ST
OSWEGO IL 60543-8338



Legal Description
W 328 S 178.13 LOT 5 KENDALL POINT BUSIN
ESS CENTER UNIT 5 VILLAGE OF OSWEGO

1st INSTALL DUE: 06/15/2020
2nd INSTALL DUE: 09/15/2020

Taxing Body	Prior Year Rate	Prior Year Tax	Current Rate	Current Tax	Pension Amount	Difference
COUNTY	0.67277	\$5,296.72	0.64088	\$5,288.33	\$1,045.74	\$-8.39
OSWEGO FPD	0.71325	\$5,615.41	0.69297	\$5,718.17	\$797.69	\$102.76
FOREST PRESERVE	0.15032	\$1,183.47	0.15416	\$1,272.08	\$0.00	\$88.61
JR COLLEGE #516	0.54129	\$4,261.57	0.52727	\$4,350.87	\$0.00	\$89.30
OSWEGO LIBRARY DIST	0.27207	\$2,142.00	0.26465	\$2,183.81	\$193.09	\$41.81
OSWEGOLAND PARK DIST	0.45016	\$3,544.11	0.43171	\$3,562.34	\$357.05	\$18.23
FOX METRO WRD	0.00000	\$0.00	0.00000	\$0.00	\$0.00	\$0.00
OSWEGO TOWNSHIP	0.07634	\$601.02	0.07382	\$609.14	\$0.00	\$8.12
OSWEGO ROAD DISTRICT	0.17109	\$1,346.99	0.16544	\$1,365.16	\$0.00	\$18.17
SCHOOL DIST 308	6.79438	\$53,492.09	6.49615	\$53,604.22	\$2,365.12	\$112.13
VILLAGE OF OSWEGO	0.15400	\$1,212.44	0.15192	\$1,253.60	\$1,253.51	\$41.16
Totals	9.99567	\$78,695.82	9.59897	\$79,207.72	\$6,012.20	\$511.90

2019 PAYABLE 2020 MAKE CHECKS PAYABLE TO: KENDALL COUNTY COLLECTOR

Owner Name: KENDALL POINTE SURGERY CENTER LLC,

Kendall County

Parcel Number: 03-03-176-013
Bill Number: 2019020835
Sold Years:
Forfeiture Balance:

First Installment Due Date: 06/15/2020
Interest Penalty:
Total Due 1st Install: \$39,603.86
Total Tax Due: \$79,207.72

Kendall County

Parcel Number: 03-03-176-013
Bill Number: 2019020835
Sold Years:
Forfeiture Balance:

Second Installment Due Date: 09/15/2020
Interest Penalty:
Total Due 2nd Install: \$39,603.86
Total Tax Due: \$79,207.72

2019 PAYABLE 2020
IF POSTMARKED AFTER THESE DATES: 06/15/2020, 07/15/2020, 08/15/2020
PLEASE PAY THIS AMOUNT: \$40,197.92, \$40,791.98, \$41,386.03
Paid by: CASH CHECK

2019 PAYABLE 2020
IF POSTMARKED AFTER THESE DATES: 09/15/2020, 10/15/2020
PLEASE PAY THIS AMOUNT: \$40,197.92, \$40,791.98
Paid by: CASH CHECK

1 KENDALL POINTE SURGERY CENTER LLC
100 5TH ST
OSWEGO IL 60543-8338

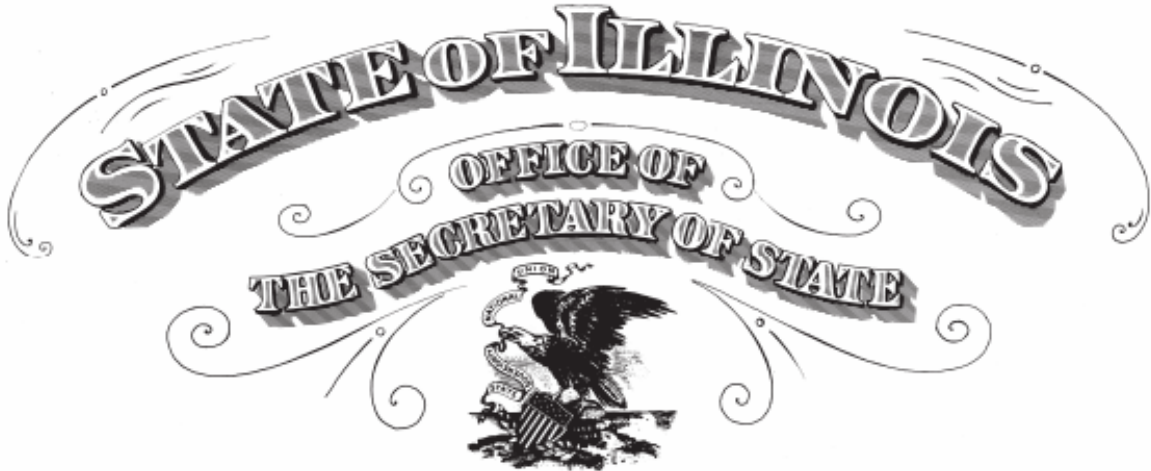
2 KENDALL POINTE SURGERY CENTER LLC
100 5TH ST
OSWEGO IL 60543-8338

ATTACHMENT 3
OPERATING ENTITY/LICENSEE

The licensee of the applicant facility will remain the same after the transaction. Included with this Attachment is the licensee's Certificate of Good Standing and copy of the facility license. All direct owners of a 5% or more interest in the applicant facility are identified in the organizational chart included with Attachment 4.

ATTACHMENT 3

File Number 0020626-1



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

KENDALL POINTE SURGERY CENTER, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON JULY 13, 1998, 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 19TH day of NOVEMBER A.D. 2020 .


Jesse White

SECRETARY OF STATE

Authentication #: 2032404210 verifiable until 11/19/2021
Authenticate at: <http://www.cyberdriveillinois.com>

ATTACHMENT 3

ASC License for Kendall Pointe Surgery Center, LLC



Illinois Department of PUBLIC HEALTH HF 119570

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

Ngozi O. Ezike, M.D.
Director

Issued under the authority of the Illinois Department of Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
1/23/2021		7002538

Ambulatory Surgery Treatment Center

Effective: 01/24/2020

Kendall Pointe Surgery Center, LLC
100 West 5th Street
Oswego, IL 60543

The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #19-493-001 10M 9/18

← DISPLAY THIS PART IN A CONSPICUOUS PLACE

Exp. Date 1/23/2021
Lic Number 7002538

Date Printed 12/26/2019

Kendall Pointe Surgery Center, LLC
100 West 5th Street
Oswego, IL 60543-8338

FEE RECEIPT NO.

ATTACHMENT 4
ORGANIZATIONAL RELATIONSHIPS

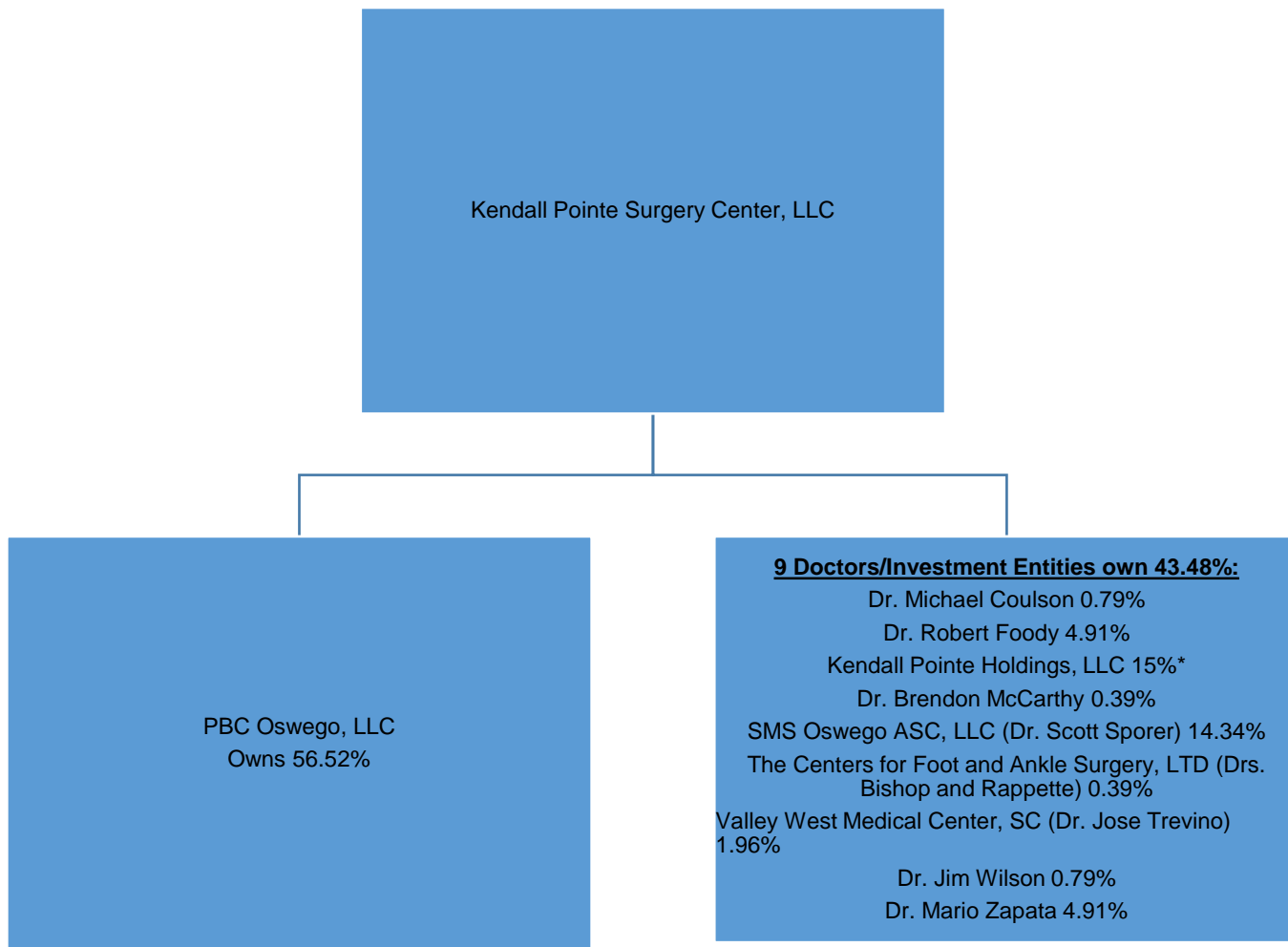
The facility is owned by the applicants and additional owners, most of whose ownership interests are not changing as a result of this proposed transaction. This application involves the change in the controlling ownership interest in the ambulatory surgical treatment center known as Kendall Pointe Surgery Center, LLC (“Facility”). Kendal Pointe Holdings, LLC proposes to increase its current ownership share of the Facility from 15% to 50%. SMS Oswego ASC, LLC proposed to increase its current ownership share of the Facility from 14.34% to 35.86%. The proposed acquisitions will be accomplished through a stock sale of PBC Oswego, LLC’s current 56.52% ownership interest in the Facility. Following this proposed transaction, PBC Oswego, LLC will no longer maintain an ownership interest in the Facility.

Described fully below, the owners of the remaining 14.14% ownership interest in the facility will remain unchanged. Those owners, and their interest, are:

- Dr. Michael Coulson 0.79%
- Dr. Robert Foody 4.91%
- Dr. Brendon McCarthy 0.39%
- Drs. Bishop and Rappette 0.39%
- Dr. Jose Trevino 1.96%
- Dr. Jim Wilson 0.79%
- Dr. Mario Zapata 4.91%

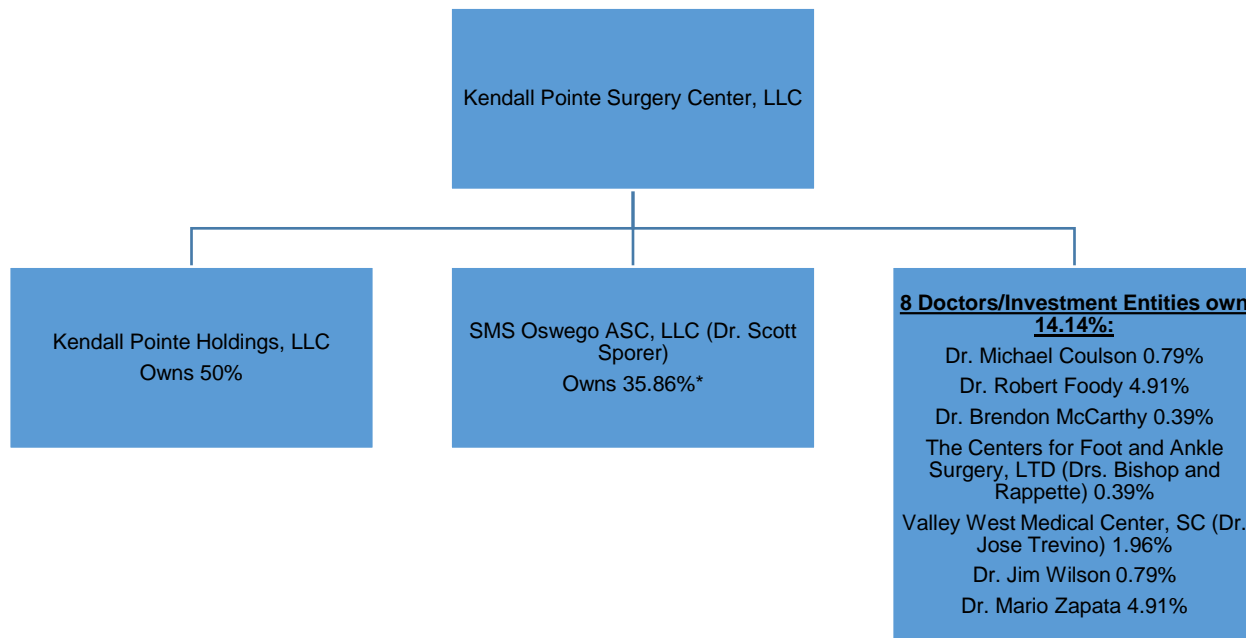
Current and proposed organizational charts are included with this Attachment. All owners in the applicant facility are identified in those organizational charts.

ATTACHMENT 4
Pre-Transaction Organizational Chart



*Kendall Pointe Holdings LLC, as referred to throughout, is ultimately controlled by Nueterra Capital.

ATTACHMENT 4
Post-Transaction Organizational Chart



*SMS Oswego ASC, LLC will maintain operational control as defined by 77 Ill. Admin. Code 1130.140.

ATTACHMENT 5
BACKGROUND OF THE APPLICANTS

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

Included with this Attachment is the applicants' verification that Kendall Pointe Holdings, LLC. has no ownership interest in any other healthcare facilities in Illinois. None of the other applicants hold an ownership interest in any other healthcare facilities in Illinois.

- 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.**

Other than the facilities listed in paragraph 1 above, no health care facilities are currently owned or operated in Illinois by any of the applicants identified in the organizational charts included in Attachment 4 and their respective corporate officers or directors.

- 3. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application. Please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.**

Included with this Attachment is the applicants' verification of no adverse action during the three years prior to the filing of the application.

- 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.**

Included with this attachment is the applicants' authorization permitting HFSRB and IDPH access to any documents necessary to verify the information submitted.

- 5. If, during a given calendar year, an applicant submits more than one Application, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion.**

No additional applications were filed by any of the applicants this calendar year.

ATTACHMENT 5

November 17, 2020

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

Dear Ms. Avery:

As representative of Kendall Pointe Surgery Center, LLC, I, Guita Griffiths, give authorization to the Health Facilities and Services Review Board and the Illinois Department of Public Health (IDPH) to access documents necessary to verify the information submitted including, but not limited to: official records of IDPH or other state agencies, the licensing or certification records of other states, and the records of nationally recognized accreditation organizations.

I further verify that, Kendall Pointe Surgery Center, LLC. owns no other healthcare facilities and has had no adverse action in the past three (3) years.

I hereby certify this is true and based upon my personal knowledge under penalty of perjury and in accordance with 735 ILCS 5/1-109.

Sincerely,



Guita Griffiths
CEO
Kendall Pointe Surgery Center, LLC

ATTACHMENT 5

November 17, 2020

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

Dear Ms. Avery:

As representative of PBC Oswego, LLC, I, Guita Griffiths, give authorization to the Health Facilities and Services Review Board and the Illinois Department of Public Health (IDPH) to access documents necessary to verify the information submitted including, but not limited to: official records of IDPH or other state agencies, the licensing or certification records of other states, and the records of nationally recognized accreditation organizations.

I further verify that, PBC Oswego, LLC. owns no other healthcare facilities and has had no adverse action in the past three (3) years.

I hereby certify this is true and based upon my personal knowledge under penalty of perjury and in accordance with 735 ILCS 5/1-109.

Sincerely,



Guita Griffiths
CEO
PBC Oswego, LLC

ATTACHMENT 5

November 17, 2020

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

Dear Ms. Avery:

As representative of Kendall Pointe Holdings, LLC, I, Daniel R. Tasset, give authorization to the Health Facilities and Services Review Board and the Illinois Department of Public Health (IDPH) to access documents necessary to verify the information submitted including, but not limited to: official records of IDPH or other state agencies, the licensing or certification records of other states, and the records of nationally recognized accreditation organizations.

I further verify that, Kendall Pointe Holdings, LLC. owns no other healthcare facilities and has had no adverse action in the past three (3) years.

I hereby certify this is true and based upon my personal knowledge under penalty of perjury and in accordance with 735 ILCS 5/1-109.

Sincerely,



Daniel R. Tasset
CEO
Kendall Pointe Holdings, LLC

ATTACHMENT 5

November 17, 2020

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

Dear Ms. Avery:

As representative of SMS Oswego ASC, LLC, I, Scott Sporer, M.D., give authorization to the Health Facilities and Services Review Board and the Illinois Department of Public Health (IDPH) to access documents necessary to verify the information submitted including, but not limited to: official records of IDPH or other state agencies, the licensing or certification records of other states, and the records of nationally recognized accreditation organizations.

I further verify that, SMS Oswego ASC, LLC. owns no other healthcare facilities and has had no adverse action in the past three (3) years.

I hereby certify this is true and based upon my personal knowledge under penalty of perjury and in accordance with 735 ILCS 5/1-109.

Sincerely,



Scott Sporer, M.D.
CEO
SMS Oswego ASC, LLC

ATTACHMENT 6
CHANGE OF OWNERSHIP

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

- a. Kendall Pointe Surgery Center, LLC
- b. Kendall Pointe Holdings, LLC
- c. PBC Oswego, LLC
- d. SMS Oswego ASC, LLC

ATTACHMENT 6**Section 1130.520(b)(1)(B) - Background of the parties**

We have included the applicants' certification of no adverse action within three years preceding the filing of the application. In addition, each of the applicants, by their signatures to the Certification pages of this application, attest that they are fit, willing, able, and have the qualifications, background, and character to adequately provide a proper standard of health service for the community. This is mostly a reallocation of ownership interests among related parties, with the most significant uptick in allocation being to Dr. Steven M. Sporer and Kendall Pointe Holdings, LLC.

Kendall Pointe Holdings, LLC is designed to help advance individual facility's ability to be nimble enough to manage the ongoing changes and reforms in healthcare because there's no question that today's healthcare system is ready for change. Shifting trends, emerging technologies and new visions for the future of healthcare have led countless companies and individuals to take part in reshaping the industry. This business model is based upon partner with entrepreneurial physicians, like Dr. Sporer, and is based on providing innovative solutions, strategic resources and focused guidance.

Dr. Sporer is a medical graduate from the University of Iowa College of Medicine, Iowa City, Iowa. Dr. Sporer completed his residencies at Dartmouth Hitchcock Medical Center in Lebanon, New Hampshire, and Connecticut Children's Medical Center in Hartford. Dr. Sporer specializes in hip, knee, and joint replacement with a special interest in primary and revision arthroplasty surgery, including the anterior and posterior approach to hip replacement, and minimally invasive techniques.

Dr. Sporer is Board Certified to the American Board of Orthopaedic Surgery, is currently on the board of directors for The American Joint Replacement Registry and the American Association of Hip and Knee Surgeons, and is a member of the American Association of Hip and Knee Surgeons, American Academy of Orthopedic Surgeons and Hip Society.

All of the existing and future owners have already been deemed to have sufficient fitness and background based upon their current ownership in this facility.

ATTACHMENT 6**Section 1130.520(b)(1)(C) - Structure of the transaction**

This transaction is, at its core, a corporate restructuring that is resulting in a change of ownership sufficient to constitute a change in control, thus warranting HFSRB approval. Prior to the submission of this Change of Ownership Exemption application, with notice hereby being provided consistent with the requirements of 77 Ill. Admin. Code 1130.240(g), both Dr. Sporer and Kendall Pointe Holdings acquired non-controlling interests in this facility in the anticipation of this transaction. This opportunity to be active owners prior to the request for a change in control and ownership sufficient to require HFSRB approval allows all parties to enter into this transaction with full transparency.

Ultimately, the transaction consists of:

- PBC Oswego, LLC relinquishing its 56.52% interest;
- SMS Oswego ASC, LLC increasing its ownership interest from 14.34% to 35.86%;
and
- Kendall Pointe Holdings, LLC increasing its ownership interest from 15% to 50%.

While one ownership interest has stepped out, there are no new owners pre-transaction v. post-transaction. The only reason this transaction requires HFSRB approval is because of the shifting ownerships that cross the 50% threshold. Thus, this application is being submitted in accordance with HFSRB rules.

ATTACHMENT 6

Section 1130.520(b)(1)(D) - Entity to be Licensed After Transaction

“Name of the person who will be licensed or certified entity after the transaction”

There will be no change in the licensed entity as a consequence of the proposed transaction. The licensee will remain Kendall Pointe Surgery Center, LLC.

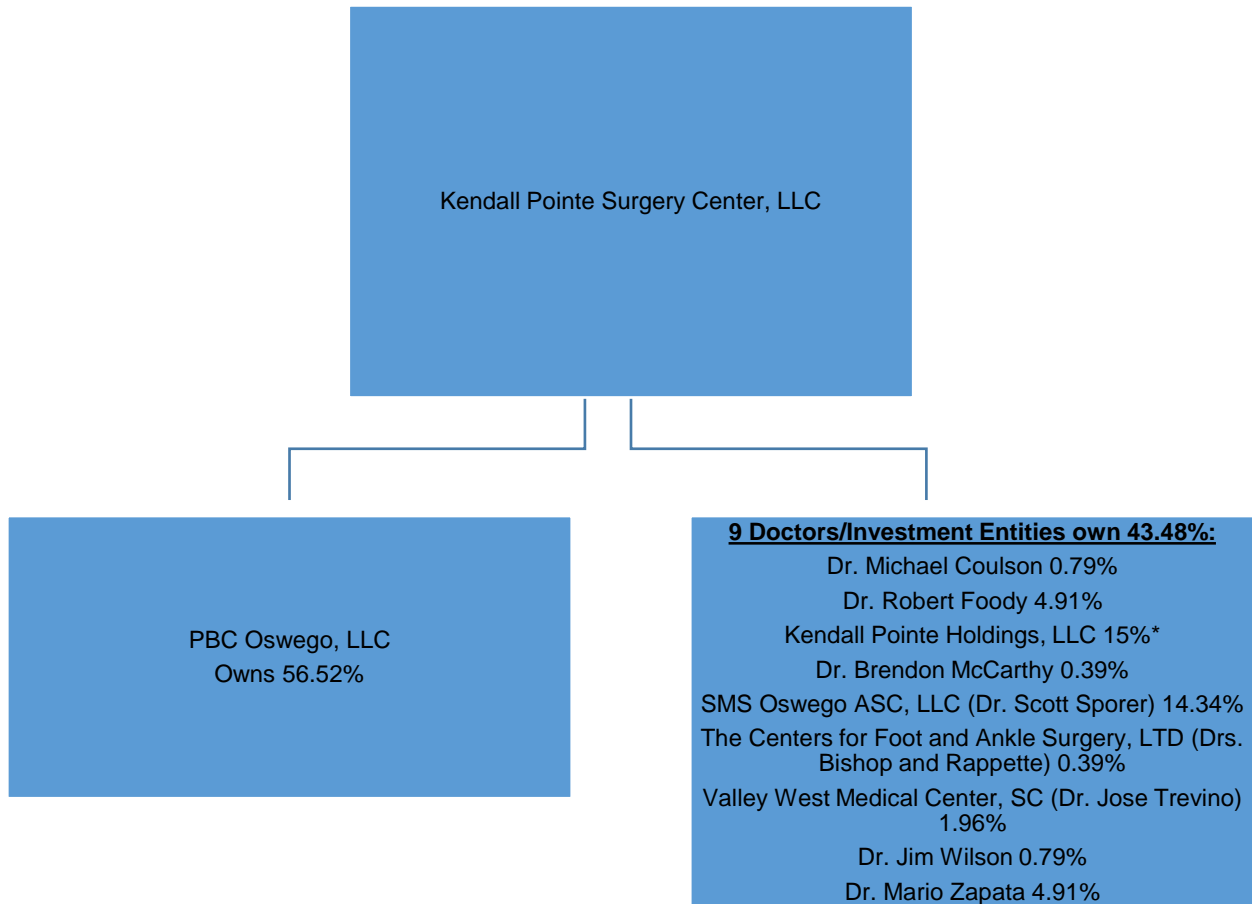
ATTACHMENT 6

Section 1130.520(b)(1)(E) - List of ownership

“List of the ownership or membership interests in such licensed or certified entity both prior to and after the transaction, including a description of the applicant's organizational structure with a listing of controlling or subsidiary persons.”

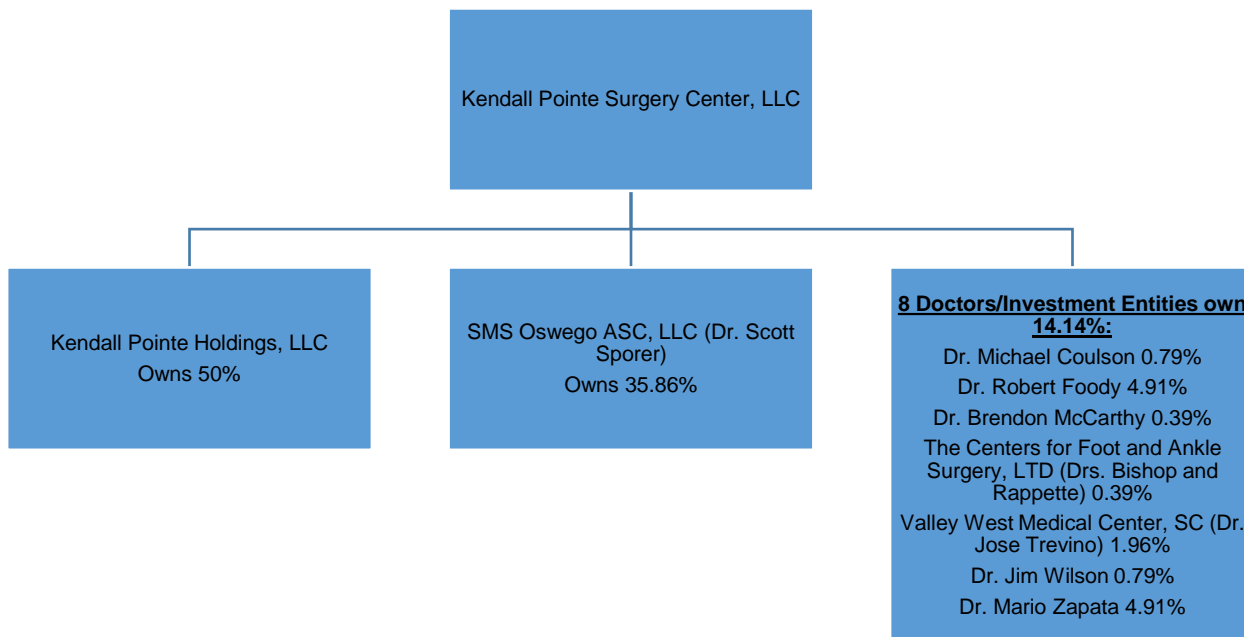
Organizational charts showing the current interest structure of the applicant facility and the post-change ownership interest are shown below.

Pre-Transaction Organizational Chart



ATTACHMENT 6

Post-Transaction Organizational Chart



ATTACHMENT 6**Section 1130.520(b)(1)(F) - Fair Market Value of the Transaction**

“Fair market value of assets to be transferred.”

The purchase price for Kendall Pointe Holdings, LLC is \$2,235,800 (such amount to be reduced by the amount of outstanding mortgage obligations). For SMS Oswego ASC, LLC the purchase price is \$1,374,235.76 (also minus a percentage of the outstanding mortgage obligation). Both amounts are based on an arm’s length transaction and represents the fair market value of the interest being transferred.

ATTACHMENT 6**Section 1130.520(b)(1)(G) - Purchase Price**

“The purchase price or other forms of consideration to be provided for those assets.”

The purchase price for Kendall Pointe Holdings, LLC is \$2,235,800 (such amount to be reduced by the amount of outstanding mortgage obligations). For SMS Oswego ASC, LLC the purchase price is \$1,374,235.76 (also minus a percentage of the outstanding mortgage obligation). Both amounts are based on an arm’s length transaction and represents the fair market value of the interest being transferred.

ATTACHMENT 6

Section 1130.520(b)(2) - Outstanding Permits

“Affirmation that any projects for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of this Section”

In accordance with 77 Ill. Admin. Code 1130.520, the applicants, by their signatures to the Certification pages of this application, affirm that none of the application have any open permits issued by the Review Board. All projects have been completed.

ATTACHMENT 6**Section 1130.520(b)(3) - Hospital Charity Care**

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

The charity care policy will not be more restrictive. Please see the attached letter.

ATTACHMENT 6

November 17, 2020

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

Dear Ms. Avery:

As representative of Kendall Pointe Holdings, LLC, I, Daniel R. Tasset, affirm that the facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction for a two-year period following the change of ownership transaction.

I hereby certify this is true and based upon my personal knowledge under penalty of perjury and in accordance with 735 ILCS 5/1-109.

Sincerely,



Daniel R. Tasset
CEO
Kendall Pointe Holdings, LLC

ATTACHMENT 6**Section 1130.520(b)(4) - Anticipated Cost Savings for the Community and Facility**

“A statement as to the anticipated benefits of the proposed changes in ownership to the community”

This transaction will result in a greater degree of physician owned control over the ASC. This allows for a greater degree of flexibility and interplay between the front line needs of the patient population and those medical professional providing the care. This will inevitably lead to stronger patient relationships and will result in improved experiences. Moreover, any increased efficiency in care delivery yields ultimate cost savings to the community. This is the ultimate goal of this project.

ATTACHMENT 6**Section 1130.520(b)(5) - Anticipated Cost Savings for the Community and Facility**

“The anticipated or potential cost savings, if any, that will result for the community and the facility because of the change in ownership”

This transaction will result in a greater degree of physician owned control over the ASC. This allows for a greater degree of flexibility and interplay between the front line needs of the patient population and those medical professionals providing the care. This will inevitably lead to stronger patient relationships and will result in improved experiences. Moreover, any increased efficiency in care delivery yields ultimate cost savings to the community. This is the ultimate goal of this project.

ATTACHMENT 6

Section 1130.520(b)(6) - Quality Improvement Plan

“A description of the facility's quality improvement program mechanism that will be utilized to assure quality control”

The applicant facility's quality improvement program mechanism will not change as a result of the proposed transaction.

ATTACHMENT 6

Section 1130.520(b)(7) - Facility Governing Body

“A description of the selection process that the acquiring entity will use to select the facility's governing body”

The existing structure for the governing Board of the ASC will remain in place, with appropriate membership changes to be made after the completion of the transaction, consistent with the new ownership interests.

ATTACHMENT 6**Section 1130.520(b)(9)- Summary of Proposed Changes Within 24 Months**

“A description or summary of any proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within 24 months after acquisition.”

The applicants are not undertaking this with specific anticipated changes to the scope of services or levels of care currently provided at the facility that would occur within 24-months related to the proposed transaction, but will continue to assess and evaluate the needs of the community throughout and would reserve the right to pursue any changes that would best serve the needs of the community. In the event that there are necessary or recommended changes to the services to be provided, the applicants will adhere to the requisite CON requirements and will submit the necessary applications for any modification of services to be considered.

ATTACHMENT 7**CHARITY CARE INFORMATION**

The amount of charity care for the last three years provided by the facility are included in the table below. The applicants maintain a commitment to serving the under and uninsured population in the community without regard to their ability to pay for those services.

CHARITY CARE			
	2016	2017	2018
Net Patient Revenue	\$1,880,482	\$1,952,757	\$2,445,716
Amount of Charity Care (charges)	\$6,156	0	0
Cost of Charity Care	\$6,156	0	0

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant Identification including Certificate of Good Standing	19 - 23
2	Site Ownership	24 - 26
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	27 - 29
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	30 – 32
5	Background of the Applicant	33 – 37
6	Change of Ownership	38 – 53
7	Charity Care Information	54