

**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:	AMITA Health Alexian Brothers Medical Center Elk Grove Village Modernization Project		
Street Address:	800 Biesterfield Road		
City and Zip Code:	Elk Grove Village, IL 60007		
County:	Cook	Health Service Area:	VII Health Planning Area: A-07

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

Exact Legal Name:	Alexian Brothers Medical Center
Street Address:	800 Biesterfield Road
City and Zip Code:	Elk Grove Village, IL 60007
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:	Dia Nichols
CEO Street Address:	800 Biesterfield Road
CEO City and Zip Code:	Elk Grove Village, IL 60007
CEO Telephone Number:	847/437-5500

Type of Ownership of Applicants

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

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

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

Primary Contact [Person to receive ALL correspondence or inquiries]

Name:	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:	

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Street Address:	800 Biesterfield Road		
City and Zip Code:	Elk Grove Village, IL 60007		
County:	Cook	Health Service Area:	VII Health Planning Area: A-07

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 Company
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

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

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

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 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:	Alexian Brothers Medical Center
Address of Site Owner:	800 Biesterfield Road Elk Grove Village, IL 60007
Street Address or Legal Description of the Site:	800 Biesterfield Road Elk Grove Village, IL 60007
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:	Alexian Brothers Medical Center		
Address:	800 Biesterfield Road Elk Grove Village, IL 60007		
<input checked="" type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership		
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental		
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/>	
Other			
<ul style="list-style-type: none"> Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. Partnerships must provide the name of the state in which 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:	
<input type="checkbox"/>	Substantive
<input checked="" type="checkbox"/>	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.

Through this Certificate of Need application, the applicants propose a modernization project for AMITA Health Alexian Brothers Medical Center, located in Elk Grove Village, Illinois. The project will involve new construction as well as the renovation of a limited amount of existing space.

The primary clinical focuses of the project will be: 1) the modernization of the hospital's perioperative services (surgical suite, Stage 1 recovery area/PACU, and Stage 2 recovery area) through new construction and renovation; and 2) the replacement of a portion of the medical center's Medical/Surgical bed complement. Upon the project's completion, the medical center's authorized number of Medical/Surgical beds will be reduced from 260 to 205.

The proposed project, not meeting the definition of a "substantive" project, and not adding beds, is classified as "non-substantive".

PROJECT COST AND SOURCES OF FUNDS

	Reviewable	Non-Reviewable	Total
Project Cost:			
Preplanning Costs	\$ 738,000	\$ 162,000	\$ 900,000
Site Survey and Soil Investigation	\$ 49,200	\$ 10,800	\$ 60,000
Site Preparation	\$ 65,600	\$ 14,400	\$ 80,000
Off Site Work			
New Construction Contracts	\$ 14,146,400	\$ 8,476,275	\$ 22,622,675
Modernization Contracts	\$ 38,389,500	\$ 7,493,750	\$ 45,883,250
Contingencies	\$ 3,398,920	\$ 2,127,140	\$ 5,526,060
Architectural/Engineering Fees	\$ 3,900,740	\$ 856,260	\$ 4,757,000
Consulting and Other Fees	\$ 5,696,211	\$ 1,250,388	\$ 6,946,599
Movable and Other Equipment (not in construction contracts)	\$ 18,884,970	\$ 786,874	\$ 19,671,844
Net Interest Expense During Construction Period			
Fair Market Value of Leased Space			
Fair Market Value of Leased Equipment			
Other Costs to be Capitalized	\$ 697,000	\$ 153,000	\$ 850,000
Acquisition of Building or Other Property			
TOTAL USES OF FUNDS	\$ 85,966,541	\$ 21,330,887	\$ 107,297,428
Sources of Funds:			
Cash and Securities	\$ 85,966,541	\$ 21,330,887	\$ 107,297,428
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$ 85,966,541	\$ 21,330,887	\$ 107,297,428

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:

<p>Land acquisition is related to project <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Purchase Price: \$ _____</p> <p>Fair Market Value: \$ _____</p>
<p>The project involves the establishment of a new facility or a new category of service <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>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.</p> <p>Estimated start-up costs and operating deficit cost is \$ <u>N/A</u>.</p>

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.
<p>Indicate the stage of the project's architectural drawings:</p> <p style="text-align: center;"> <input type="checkbox"/> None or not applicable <input type="checkbox"/> Preliminary <input checked="" type="checkbox"/> Schematics <input type="checkbox"/> Final Working </p>
<p>Anticipated project completion date (refer to Part 1130.140): <u>June 30, 2024</u></p>
<p>Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140):</p> <p> <input type="checkbox"/> Purchase orders, leases or contracts pertaining to the project have been executed. <input type="checkbox"/> Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies <input checked="" type="checkbox"/> Financial Commitment will occur after permit issuance. </p>
<p>APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</p>

State Agency Submittals [Section 1130.620(c)]

<p>Are the following submittals up to date as applicable:</p> <p> <input checked="" type="checkbox"/> Cancer Registry <input checked="" type="checkbox"/> APORS <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 for permit being deemed incomplete. </p>
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Cost Space Requirements

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

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

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

Facility Bed Capacity and Utilization

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert the chart after this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which data is available**. Include **observation days in the patient day totals for each bed service**. Any bed capacity discrepancy from the Inventory will result in the application being deemed incomplete.

FACILITY NAME: AMITA Health Alexian Brothers Medical Center Elk Grove Village			CITY: Elk Grove Village		
REPORTING PERIOD DATES: From: January 1, 2019 to: December 31, 2019					
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical	260	8,601	61,210*		2052
Obstetrics	28	2,013	5,179	None	28
Pediatrics					
Intensive Care	36	5,060	9,935	None	36
Comprehensive Physical Rehabilitation	72	1,543	21,290	None	72
Acute/Chronic Mental Illness					
Neonatal Intensive Care					
General Long Term Care					
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify))					
TOTALS:	376	17,217	97,614	-55	321

*includes 5,135 observation days

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 **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.

Christine McCoy
SIGNATURE

Christine K. McCoy
PRINTED NAME

Secretary
PRINTED TITLE

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

Signature of Notary

Seal

Matthew Jagger
SIGNATURE

Matthew Jagger
PRINTED NAME

Treasurer
PRINTED TITLE

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

Signature of Notary

Seal

*Insert the EXACT legal name of the applicant

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- 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 **Alexian Brothers Medical Center** *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

PRINTED NAME

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of _____

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

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- 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.

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Notarization:

Subscribed and sworn to before me
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Signature of Notary

Seal

SIGNATURE

PRINTED NAME

PRINTED TITLE

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this ____ day of _____

Signature of Notary

Seal

*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:

Provide the following information:

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

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

ASSURANCES:

Submit the following:

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

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

SECTION V. SERVICE SPECIFIC REVIEW CRITERIA

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

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

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

Category of Service	# Existing Beds	# Proposed Beds
<input checked="" type="checkbox"/> Medical/Surgical	260	205
<input type="checkbox"/> Obstetric		
<input type="checkbox"/> Pediatric		
<input type="checkbox"/> Intensive Care		

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

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

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.200(f) - Performance Requirements	X	X	X
1110.200(g) - Assurances	X	X	
APPEND DOCUMENTATION AS <u>ATTACHMENT 18</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

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
<input type="checkbox"/> Class C Operating Rooms	15	15
<input type="checkbox"/> Stage 1 Recovery Beds	18	24
<input type="checkbox"/> Stage 2 Recovery Beds*	31	34

*includes pre-op

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

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 <u>ATTACHMENT 30</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

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

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

VI. 1120.120 - AVAILABILITY OF FUNDS

not applicable, please see ATTACHMENT 33

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 timetable 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 timetable 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, please see ATTACHMENT 33

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 the project's 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, please see ATTACHMENT 33

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 the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
 - B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

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

- 1) That the selected form of debt financing for the project will be at the lowest net cost available;
- 2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
- 3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

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

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

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

E. Total Effect of the Project on Capital Costs

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

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

SECTION IX. SAFETY NET IMPACT STATEMENT

SAFETY NET IMPACT STATEMENT that describes all the following must be submitted for ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE HEALTH CARE FACILITIES [20 ILCS 3960/5.4]:

not applicable

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 37.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)			
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT 37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. CHARITY CARE INFORMATION

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

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

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



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

CHARITY CARE			
	2017	2018	2019
Net Patient Revenue	\$478,899,780	\$493,428,000	\$475,262,181
Amount of Charity Care (charges)	\$23,058,000	\$22,892,000	\$50,375,000
Cost of Charity Care	\$4,626,000	\$4,593,000	\$10,106,000

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

SECTION XI -SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM

In accordance with Executive Order 2006-5 (EO 5), the Health Facilities & Services Review Board (HFSRB) must determine if the site of the CRITICAL FACILITY, as defined in EO 5, is located in a mapped floodplain (Special Flood Hazard Area) or a 500-year floodplain. All state agencies are required to ensure that before a permit, grant or a development is planned or promoted, the proposed project meets the requirements of the Executive Order, including compliance with the National Flood Insurance Program (NFIP) and state floodplain regulation.

1. Applicant: PLEASE SEE PAGE 1 OF APPLICATION
2. Project Location: PLEASE SEE PAGE 1 OF APPLICATION
3. You can create a small map of your site showing the FEMA floodplain mapping using the FEMA Map Service Center website (<https://msc.fema.gov/portal/home>) by entering the address for the property in the Search bar. If a map, like that shown on page 2 is shown, select the **Go To NFHL Viewer** tab above the map. You can print a copy of the floodplain map by selecting the  icon in the top corner of the page. Select the pin tool icon  and place a pin on your site. Print a FIRMETTE size image.

If there is no digital floodplain map available select the **View/Print FIRM** icon above the aerial photo. You will then need to use the Zoom tools provided to locate the property on the map and use the **Make a FIRMette** tool to create a pdf of the floodplain map.

IS THE PROJECT SITE LOCATED IN A SPECIAL FLOOD HAZARD AREA:

Yes No X

IS THE PROJECT SITE LOCATED IN THE 500-YEAR FLOOD PLAIN? NO

If you are unable to determine if the site is in the mapped floodplain or 500-year floodplain, contact the county or the local community building or planning department for assistance.
If the determination is being made by a local official, please complete the following:

FIRM Panel Number: _____ Effective Date: _____

Name of Official: _____ Title: _____

Business/Agency: _____ Address: _____

(City)

(State)

(ZIP Code)

(Telephone Number)

Signature: _____ Date: _____

NOTE: This finding only means that the property in question is or is not in a Special Flood Hazard Area or a 500-year floodplain as designated on the map noted above. It does not constitute a guarantee that the property will or will not be flooded or be subject to local drainage problems.

If you need additional help, contact the Illinois Statewide Floodplain Program at 217/782-4428

File Number

4987-226-7



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

ALEXIAN BROTHERS MEDICAL CENTER, INCORPORATED IN TEXAS AND LICENSED TO CONDUCT AFFAIRS IN THIS STATE ON AUGUST 02, 1971, 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 12TH
day of APRIL A.D. 2021 .***

Jesse White

SECRETARY OF STATE ATTACHMENT 1

File Number

6783-860-2



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

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 26TH
day of AUGUST A.D. 2020 .**

ATTACHMENT 1

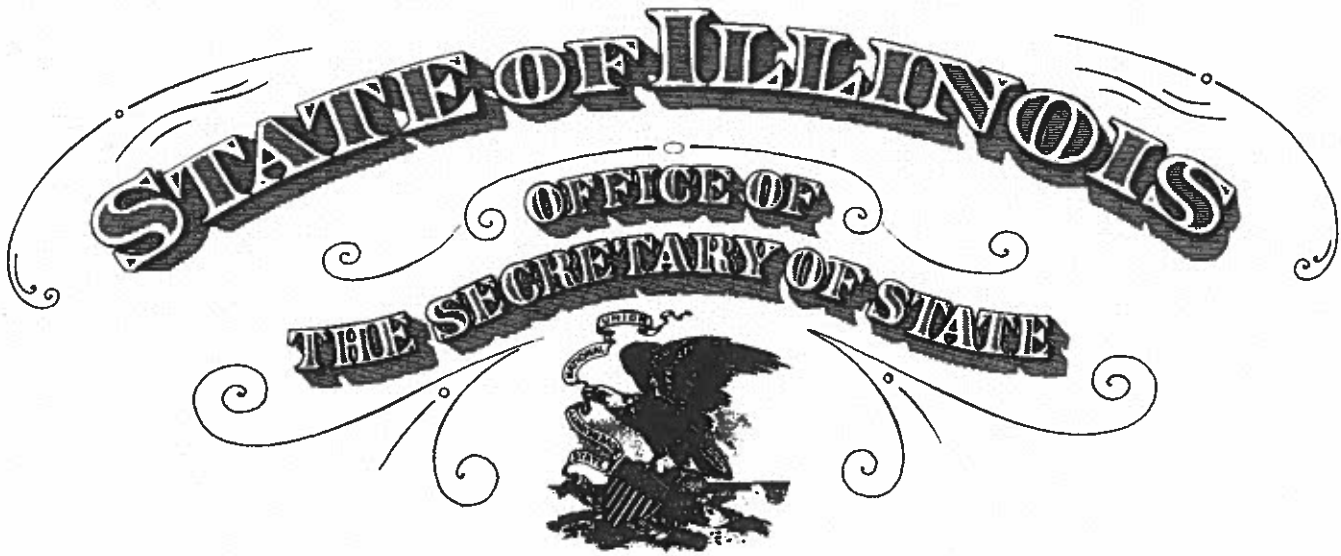
Jesse White

SITE OWNERSHIP

With the signatures provided on the Certification pages of this Certificate of Need ("CON") application, the applicants attest that the AMITA Health Alexian Brothers Medical Center site is owned by Alexian Brothers Medical Center.

File Number

4987-226-7



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

ALEXIAN BROTHERS MEDICAL CENTER, INCORPORATED IN TEXAS AND LICENSED TO CONDUCT AFFAIRS IN THIS STATE ON AUGUST 02, 1971, 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.

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my hand and cause to be affixed the Great Seal of
the State of Illinois, this 12TH
day of APRIL A.D. 2021 .***



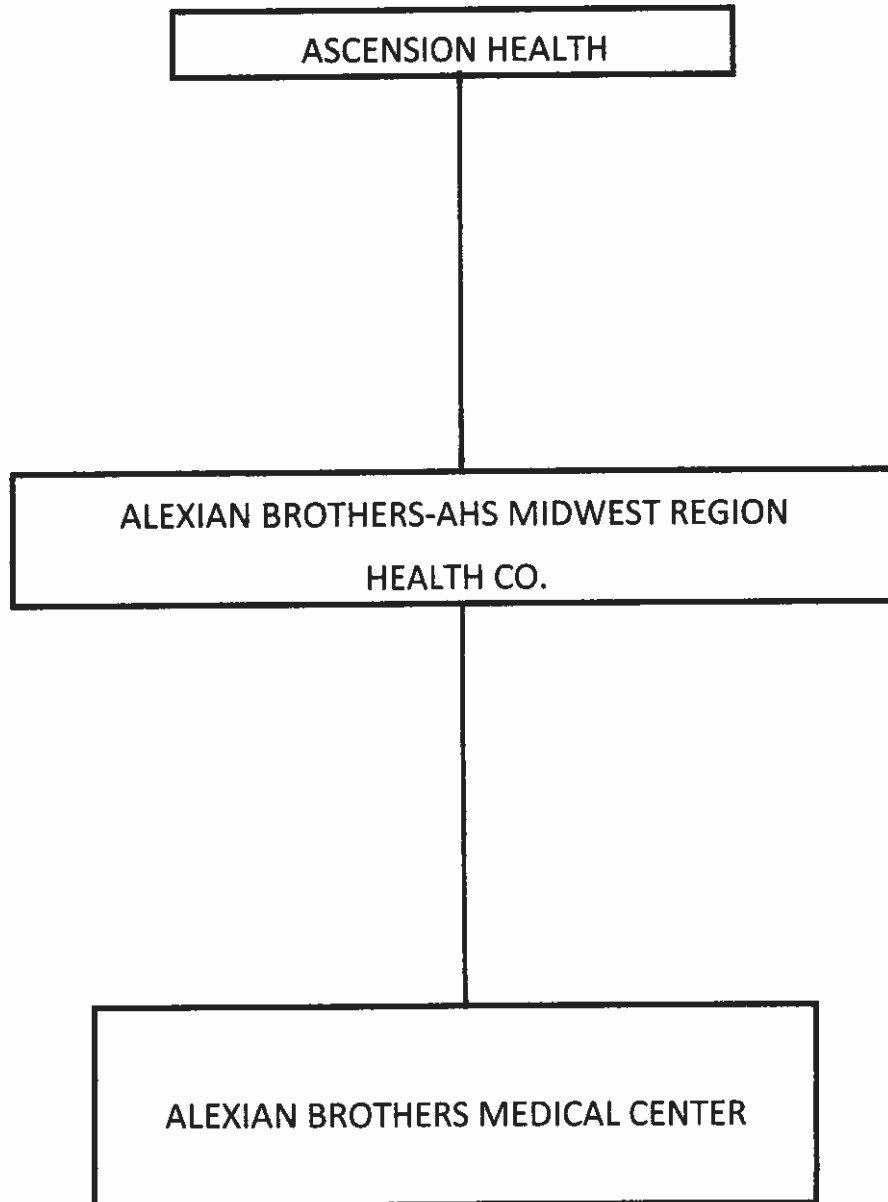
Authentication #: 2110200972 verifiable until 04/12/2022

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

Jesse White

SECRETARY OF STATE ATTACHMENT 3

ORGANIZATIONAL CHART



FLOOD PLAIN REQUIREMENTS

With the signatures provided on the Certification pages of this Certificate of Need application, the applicants confirm that the project addressed through this Certificate of Need application, that being new construction and the renovation of selected areas within AMITA Health Alexian Brothers Medical Center Elk Grove Village, comply with the requirements of Executive Order #2006-5. A map confirming such, and provided by FEMA is attached.

National Flood Hazard Layer FIRMette



88°11'2"W 42°0'29"N

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, AP3
With BFE or Depth Zones AE, AH, VE, AR
Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD

0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
Future Conditions 1% Annual Chance Flood Hazard Zone X
Area with Reduced Flood Risk due to Levees. See Notes, Zone X
Area with Flood Risk due to Levees Zone D

OTHER AREAS

NO SCREEN
Area of Minimal Flood Hazard Zone X
Effective LOMIRs
Area of Undetermined Flood Hazard Zone I

GENERAL STRUCTURES

Channel, Culvert, or Storm Sewer
Levee, Dike, or Floodwall

OTHER FEATURES

20.2 Cross Sections with 1% Annual Chance
17.6 Water Surface Elevation
Coastal Transect
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

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

#21-020

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 5/12/2021 at 11:24 AM 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.



88°03'34"W 42°0'29"N

0 250 500 1,000 1,500 2,000 Feet 1:6,000



Illinois Department of Natural Resources

One Natural Resources Way Springfield, Illinois 62702-1271

www.dnr.illinois.gov

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

#21-020

JB Pritzker, Governor

Colleen Callahan, Director

Cook County

Elk Grove Village

CON - New Construction of a 2-Story Addition atop the East Tower and Interior Rehabilitation, AMITA

Health Alexian Brothers Medical Center

800 Biesterfield Road

SHPO Log #005051321

May 26, 2021

Jacob Axel

Axel & Associates, Inc.

675 North Court, Suite 210

Palatine, IL 60067

Dear Mr. Axel:

This letter is to inform you that we have reviewed the information provided concerning the referenced project.

Our review of the records indicates that no historic, architectural or archaeological sites exist within the project area.

Please retain this letter in your files as evidence of compliance with Section 4 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et. seq.). This clearance remains in effect for two years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the Illinois Human Skeletal Remains Protection Act (20 ILCS 3440).

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

Sincerely,

Robert F. Appleman

Deputy State Historic

Preservation Officer

ATTACHMENT 6

PROJECT COSTS**Preplanning Costs**

Market Analyses	\$	180,000	
Financial Planning	\$	225,000	
Evaluation of Alternatives	\$	270,000	
Structural Assessment	\$	45,000	
Misc./Other	\$	<u>180,000</u>	
			\$ 900,000

Site Survey & Soil Investigation

Loading Assessment	\$	50,000	
Misc./Other	\$	<u>10,000</u>	
			\$ 60,000

Site Preparation

Power Plant Site Remediation	\$	70,000	
Misc./Other	\$	<u>10,000</u>	
			\$ 80,000

New Construction Contracts

per ATTACHMENT 36C			\$ 22,622,675
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Modernization Contracts

per ATTACHMENT 36C			\$ 45,883,250
--------------------	--	--	---------------

Contingencies

New Construction Related	\$	1,406,960	
Modernization Related	\$	<u>4,119,100</u>	
			\$ 5,526,060

Architectural and Engineering Fees

Design	\$	4,281,300	
Document Preparation	\$	47,570	
Interface With Agencies	\$	71,355	
Project Monitoring	\$	166,495	
Misc./Other /Reimbursables	\$	<u>190,280</u>	
			\$ 4,757,000

Consulting and Other Fees

CON-Related	\$	175,000
Legal & Accounting	\$	100,000
Fees and Permits	\$	10,000
Insurance	\$	40,000
Project Management	\$	900,000
Medical Equipment Planning	\$	200,000
Site Security	\$	50,000
Acoustics and Vibration Mitigation	\$	60,000
IT Interface	\$	150,000
Internal Auditing	\$	75,000
Public & Community Relations	\$	25,000

PROJECT COSTS AND SOURCES OF FUNDS

#21-020

Construction Administration	\$ 400,000	
Phasing @ 5% of Const & Mod	\$ 3,701,598	
Utilities-Related Consulting	\$ 60,000	
Interior Design	\$ 200,000	
Commissioning	\$ 250,000	
Interior Signage	\$ 50,000	
Misc./Other	<u>\$ 500,000</u>	
		\$ 6,946,598
Movable Equipment		
5-East Unit	\$ 5,433,600	
Surgery	\$ 4,320,000	
Stage 1 Recovery/PACU	\$ 2,880,000	
Pre-OP/Stage 2 Recovery	\$ 1,440,000	
Satellite PT/OT	\$ 264,000	
Existing M/S Units	\$ 3,250,000	
Staff Areas	\$ 100,000	
Administrative Areas	\$ 400,000	
Inservice Education	\$ 30,000	
Cardiology Support	\$ 75,000	
Sterile Processing	\$ 200,000	
Misc./Other	\$ 150,000	
Inflation @ 3%	\$ 556,278	
Delivery and Set-Up @ 3%	<u>\$ 572,966</u>	
		\$ 19,671,844
Other Costs to be Capitalized		
Crane Foundation and Rental	\$ 550,000	
Power Plant Demolition	<u>\$ 300,000</u>	
		<u>\$ 850,000</u>
Total Project Cost		\$ 107,297,428

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							
Surgery	\$ 26,649,628	26,123	34,585	8,462	26,123		
Stage 1 Recovery/PACU	\$ 2,578,996	6,168	6,794		6,794		
Pre-OP/Stage 2 Recovery	\$ 6,017,658	12,752	13,456		13,456		
Medical/Surgical Units	\$ 49,860,594	193,848	114,415	24,223	90,192		
PT/OT (5E Satellite)	\$ 859,665		696	696			
	\$ 85,966,541	238,891	169,946	33,381	136,565		
Non-Reviewable							
Shell (surgery)	\$ 1,602,136		2,541	2,541			
Shell (6-East)	\$ 4,509,315		26,999	26,999			
Staff Areas	\$ 520,139				6,291		
Administrative Offices	\$ 1,130,128	15,275	15,275		15,275		
Inservise Education	\$ 459,633		5,385		5,385		
Cardiology Support	\$ 1,198,842	17,951	17,951		17,951		
Sterile Processing	\$ 3,342,376		7,343		7,343		
Same Day Surgery Recept.	\$ 745,179	3,345	3,345		3,345		
Physician Documentation	\$ 235,971		486	486			
Plant Operations Offices	\$ 183,656		1,100		1,100		
Materials Mgt. Storage	\$ 1,419,163		8,500		8,500		
East Wing Lobby	\$ 1,995,158	4,200	4,200		4,200		
Housekeeping	\$ 89,069		90	90			
Support Offices	\$ 132,478		190	190			
Public Waiting	\$ 659,584		1,197	1,197			
Consultation	\$ 49,487		114	114			
Mechanical Areas	\$ 3,058,574			5,350			
	\$ 21,330,887			36,967	69,390		
TOTAL PROJECT	\$ 107,297,428			70,348	205,955		

BACKGROUND

Attached are a photocopy of AMITA Health Alexian Brothers Medical Center's IDPH license and confirmation of the hospital's accreditation.

Applicant Ascension Health owns, operates and/or controls the following Illinois licensed acute health care facilities:

AMITA Health Adventist Medical Center Bolingbrook
Bolingbrook, IL IDPH #5496

AMITA Health Adventist Medical Center GlenOaks
Glendale Heights, IL IDPH #3814

AMITA Health Adventist Medical Center Hinsdale
Hinsdale, IL IDPH #0976

AMITA Health Adventist Medical Center La Grange
La Grange, IL IDPH #5967

AMITA Health Alexian Brothers Medical Center Elk Grove Village
Elk Grove Village, IL IDPH #2238

AMITA Health St. Alexius Medical Center Hoffman Estates
Hoffman Estates, IL IDPH #5009

AMITA Health Alexian Brothers Behavioral Health Hospital
Hoffman Estates, IL

AMITA Health Holy Family Medical Center Des Plaines
Des Plaines, IL

AMITA Health Resurrection Medical Center Chicago
Chicago, IL IDPH #6031

AMITA Health Saint Francis Hospital Evanston
Evanston, IL IDPH #5991

AMITA Health Saint Joseph Hospital Chicago
Chicago, IL IDPH #5983

AMITA Health Mercy Medical Center Aurora
Aurora, IL IDPH #4903

AMITA Health Saint Joseph Hospital Elgin
Elgin, IL IDPH #4887

AMITA Health Saint Joseph Medical Center Joliet
Joliet, IL IDPH #4838

AMITA Health St. Mary's Hospital Kankakee
Kankakee, IL IDPH #4879

AMITA Health Saint Elizabeth Hospital
Chicago, IL IDPH #6015

AMITA Health Saint Mary Hospital Chicago
Chicago, IL IDPH #6007

Lakeshore Gastroenterology
Des Plaines, IL

Belmont/Harlem Surgery Center
Chicago, IL IDPH #7003131

Lincoln Park Gastroenterology Center
Chicago, IL HFSRB Permit # 20-012

Additionally, Ascension Living, an affiliate of Ascension Health, operates and/or controls the following Illinois long term care facilities:

Presence Arthur Merkel and Clara Knipprath Nursing Home
Clifton, IL IDPH #21832

Presence Villa Scalabrini Nursing and Rehabilitation Center
Northlake, IL IDPH #44792

Presence Villa Franciscan
Joliet, IL IDPH# 42861

Presence Saint Joseph Center
Freeport, IL IDPH # 41871

Presence Saint Benedict Nursing and Rehabilitation Center
Niles, IL IDPH #44784

Presence Saint Anne Center
Rockford, IL IDPH #41731

Presence Resurrection Nursing and Rehabilitation Center
Park Ridge, IL IDPH #44362

Presence Resurrection Life Center
Chicago, IL IDPH #44354

Presence Our Lady of Victory Nursing Home
Bourbonnais, IL IDPH # 41723

Presence Nazarethville
Des Plaines, IL IDPH #54072

Presence McCauley Manor
Aurora, IL IDPH #42879


Presence Maryhaven Nursing Home and Rehabilitation Center
Glenview, IL IDPH #44768

Presence Heritage Village
Kankakee, IL IDPH #42457

Presence Cor Mariae Center
Rockford, IL IDPH #41046

With the signatures provided on the Certification pages of this Certificate of Need (“CON”) application, each of the applicants attest that, to the best of their knowledge, no adverse action has been taken against any Illinois health care facility owned and/or operated by them, during the three years prior to the filing of this CON application. Further, with the signatures provided on the Certification pages of this CON application, each of the applicants authorize the Health Facilities and Services Review Board and the Illinois Department of Public Health access to 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.

 **Illinois Department of
PUBLIC HEALTH** HE 120253

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

This person, unit 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	ID NUMBER
06/30/2021		0002238

General Hospital

Effective: 07/01/2020

Alexian Brothers Medical Center
800 W Biesterfield Rd
Elk Grove Village, IL 60007

The face of this license has a colored background. Printed by Authority of the State of Illinois • PG 119-00100-10M9/18

← **DISPLAY THIS PART IN A
CONSPICUOUS PLACE**

Exp. Date 06/30/2021

Lic Number 0002238

Date Printed 03/19/2020

Alexian Brothers Medical Center

800 W Biesterfield Rd
Elk Grove Village, IL 60007

FEE RECEIPT NO.

Alexian Brothers Medical Center

Elk Grove Village, IL

has been Accredited by



The Joint Commission


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

April 19, 2019

Accreditation is customarily valid for up to 36 months.


David Perry, MD, DDS, MBA, FACS
Chair, Board of Commissioners

ID #7340
Print/Reprint Date: 08/14/2019


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

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



PURPOSE OF PROJECT

The purpose of the proposed project is to update, through renovation and new construction, the areas through which selected services are provided at the applicant hospital, and as a result, the health care and well-being of the communities that have traditionally looked to AMITA Health Alexian Brothers Medical Center for care will be improved. The primary focus of the proposed project is on selected services located in the hospital's West tower, which, by the project's completion, will be over 60 years old.

The geographic service area ("GSA") for the proposed project, per the HFSRB definition, is the area including all ZIP Codes located within a 10-mile radius of the hospital. That area has a population of approximately 1,264,000 persons, as estimated by Searchbug, and consists of the sixty-seven ZIP Code areas/communities identified in the table below.

ZIP Code	City
<u>60007</u>	ELK GROVE VILLAGE
<u>60009</u>	ELK GROVE VILLAGE
<u>60143</u>	ITASCA
<u>60191</u>	WOOD DALE
<u>60005</u>	ARLINGTON HEIGHTS
<u>60173</u>	SCHAUMBURG
<u>60157</u>	MEDINAH
<u>60106</u>	BENSENVILLE
<u>60008</u>	ROLLING MEADOWS
<u>60196</u>	SCHAUMBURG
<u>60159</u>	SCHAUMBURG
<u>60168</u>	SCHAUMBURG
<u>60179</u>	HOFFMAN ESTATES

<u>60105</u>	BENSENVILLE
<u>60399</u>	WOOD DALE
<u>60056</u>	MOUNT PROSPECT
<u>60193</u>	SCHAUMBURG
<u>60018</u>	DES PLAINES
<u>60666</u>	CHICAGO
<u>60006</u>	ARLINGTON HEIGHTS
<u>60019</u>	DES PLAINES
<u>60101</u>	ADDISON
<u>60172</u>	ROSELLE
<u>60017</u>	DES PLAINES
<u>60194</u>	SCHAUMBURG
<u>60016</u>	DES PLAINES
<u>60117</u>	BLOOMINGDALE
<u>60195</u>	SCHAUMBURG
<u>60108</u>	BLOOMINGDALE
<u>60169</u>	HOFFMAN ESTATES
<u>60004</u>	ARLINGTON HEIGHTS
<u>60038</u>	PALATINE
<u>60055</u>	PALATINE
<u>60078</u>	PALATINE
<u>60094</u>	PALATINE
<u>60067</u>	PALATINE
<u>60176</u>	SCHILLER PARK
<u>60070</u>	PROSPECT HEIGHTS
<u>60139</u>	GLENDALE HEIGHTS
<u>60131</u>	FRANKLIN PARK
<u>60068</u>	PARK RIDGE
<u>60133</u>	HANOVER PARK
<u>60164</u>	MELROSE PARK
<u>60199</u>	CAROL STREAM
<u>60074</u>	PALATINE
<u>60090</u>	WHEELING
<u>60095</u>	PALATINE
<u>60126</u>	ELMHURST
<u>60631</u>	CHICAGO

<u>60599</u>	FOX VALLEY
<u>60656</u>	CHICAGO
<u>60181</u>	VILLA PARK
<u>60148</u>	LOMBARD
<u>60714</u>	NILES
<u>60188</u>	CAROL STREAM
<u>60107</u>	STREAMWOOD
<u>60165</u>	STONE PARK
<u>60026</u>	GLENVIEW
<u>60163</u>	BERKELEY
<u>60706</u>	HARWOOD HEIGHTS
<u>60192</u>	HOFFMAN ESTATES
<u>60197</u>	CAROL STREAM
<u>60116</u>	CAROL STREAM
<u>60128</u>	CAROL STREAM
<u>60132</u>	CAROL STREAM
<u>60138</u>	GLEN ELLYN
<u>60025</u>	GLENVIEW

The table on the following page provides a patient origin analysis of individuals admitted to the hospital during calendar 2020, to include all ZIP Codes accounting for 1.0%+ of the total admissions to the hospital during that period. Seventeen ZIP Codes accounted for between 1.4% and 13.0% of the total admissions to the hospital, cumulatively accounting for nearly two-thirds of the total admissions.

ZIP Code	City	Admissions	%	Cumulative %
60007	Elk Grove Village	2,034	13.0%	13.0%
60193	Schaumburg	1,225	7.8%	20.8%
60172	Roselle	915	5.8%	26.7%
60101	Addison	768	4.9%	31.6%
60191	Wood Dale	725	4.6%	36.2%
60194	Schaumburg	535	3.4%	39.6%
60143	Itasca	501	3.2%	42.8%
60108	Bloomington	467	3.0%	45.8%
60018	Des Plaines	450	2.9%	48.7%
60107	Streamwood	435	2.8%	51.5%
60169	Hoffman estates	420	2.7%	54.2%
60133	Hanover Park	336	2.1%	56.3%
60106	Bensenville	335	2.1%	58.5%
60103	Bartlett	304	1.9%	60.4%
60139	Glendale Heights	267	1.7%	62.1%
60056	Mount Prospect	249	1.6%	63.7%
60634	Chicago	223	1.4%	65.1%
	other, <1.0%	<u>5,456</u>	34.9%	100.0%
		15,645		

Of the seventeen ZIP Code areas identified in the patient origin analysis, with the exception of ZIP Codes 60103/Bartlett and 60634/Chicago, together accounting for 3.3% of the admissions to the hospital during the analysis period, each of the ZIP Codes accounting for 1.0%+ of the admissions are located within the GSA. As a result, it can be concluded that the primary purpose of the applicant hospital is to serve the residents of the communities within the HFSRB-designated GSA.

The goal of the project is to improve the hospital's patient experience, as reflected in the post-discharge surveys returned by patients. Improved patient experience comments and ratings are anticipated as the various components of the proposed project are completed.

ALTERNATIVES

The primary focus of the proposed project is on the replacement of certain medical/surgical units and the perioperative areas (pre-op, surgery, and recovery) which, by the completion of the proposed project, will be over 60 years old.

The first alternative considered was the renovation of a portion of the Medical/Surgical unit complement (there are currently eight units, ranging from sixteen to thirty-six beds) currently located in the West Tower, rather than the proposed new construction. This alternative was dismissed for two reasons: First, due to the age of the building, renovation was viewed only as a “stop-gap” that would delay full replacement by approximately ten years. Second, due to the difference between how patient units were designed sixty years ago and the way they are designed today, in order to provide the necessary contemporary patient care setting desired by patients and needed for effective workflow, including meeting contemporary standards for patient room size, an all-private room configuration, increased support space, and systems upgrades, the cost of the West Tower renovation would be very similar to the alternative of new construction. Had this alternative been selected, accessibility, quality of care and operating costs would be similar to those of the proposed project.

The second alternative considered involved on-grade construction, as opposed to construction atop the East tower. The only practical site for on-grade construction is on the north side of the hospital. This alternative, however, was dismissed because of the associated capital expense. Had this alternative been selected, accessibility, quality of care and operating costs would be similar to those of the proposed project. However, this alternative would require the total relocation of a power plant and other utility-related facilities currently located to the north of the hospital proper. As a result, the cost of this alternative would, according to the project management

team, exceed that of the proposed project by approximately \$16.5M, rendering this alternative impractical.

The third alternative considered was the full replacement of the perioperative services through new construction atop the East tower, as opposed to expanding the existing perioperative services into existing adjacent space. (Substantial on-grade new construction is impractical because of the resultant need to move existing utilities, and the costs associated with doing so.) This alternative was dismissed because portions of the existing perioperative services, having been remodeled in 2005, remain functional. As such, a formal capital cost estimate was not developed, however, had this alternative been selected, accessibility, quality of care and operating costs would have been similar to the proposed project.

SIZE

The proposed project involves four clinical areas having HFSRB-adopted space standards, with each of the areas being planned either consistent with the standards identified in APPENDIX B to Section 1110 or justified through variance(s) addressed in Section 1110.120.a.

Medical/Surgical Beds

A 36-bed Medical/Surgical unit, consisting of all private rooms, will be developed through new construction atop the hospital's East tower. The unit, including all functions required by IDPH licensure, will consist of 24,223 dgsf, or 673 dgsf per bed, 13 dgsf per bed greater than the HFSRB's standard. The resultant 463 dgsf are acceptable per the variances addressed in Section 1110.120.a):

a) Size of Project – Review Criteria

- 1) The applicant shall document that the physical space proposed for the project is necessary and appropriate. The proposed square footage cannot deviate from the square footage range indicated in Appendix B, or exceed the square footage standard in Appendix B if the standard is a single number, unless square footage can be justified by documenting, as described in subsection (a)(2).***
- 2) If the project square footage is outside the standards in Appendix B, the applicant shall submit architectural floor plans (see HFSRB NOTE) of the project identifying all clinical service areas and those clinical service areas or components of those areas that do not conform to the standards. The applicant shall submit documentation of one or more of the following:***
 - B) The existing facility's physical configuration has constraints that require an architectural design that exceeds the standards of Appendix B, as documented by architectural drawings delineating the constraints or impediments, in accordance with subsection (a); or***

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

The Medical/Surgical unit, and importantly the floor to be developed through new construction atop the East tower, has been designed with a “footprint” identical to the floor below. The floor immediately below the new construction, as is the case with the proposed unit, also houses a 36-bed all private room Medical/Surgical unit. By duplicating the size of the unit below, the applicants are saving approximately \$393,000 in construction-related costs. As a result, and as such, the 463 dgsf in excess of the HFSRB’s standard, is being provided consistent with subsections 2) B) and 2)D), noted above.

Surgery

The surgical suite, consisting of fifteen operating rooms, will occupy 34,585 dgsf, or 2,306 DGSF per operating room. As such, the surgical suite is being planned consistent with the HFSRB-adopted standard of 2,750 dgsf per operating room.

Stage 1 Recovery/PACU

The Stage 1 Recovery/PACU will consist of 24 stations, and occupy 6,794 dgsf of space. The HFSRB does not have an adopted standard for the number of recovery stations to be provided. The planned space for the area exceeds the HFSRB standard by 103 dgsf per station, but, as planned, is consistent with subsections 2) B) and 2)D), noted above.

Specifically, the Stage 1 Recovery/PACU will maintain its current location, in the peri-operative area, adjacent to the surgical suite, while adding a minimal amount of support space. The area will increase in size from 6,168 dgsf to 6,794. Because the function is surrounded on all sides by the surgical suite and an inpatient unit, a reduction in the size of the Stage 1/PACU would simply leave vacant space, as the vacated space would be within the surgical suite; and a reduction

in size to simply be consistent with the HFSRB norm would require a major (and expensive) reconfiguration of the area to provide the needed support space.

Pre-Op/Stage 2 Recovery Area

13,546 dgsf will be provided for the pre-operative prep and Stage 2 recovery functions. A total of 34 stations, which will be generally interchangeable between the two functions, and with a common staff, will be provided; and it is anticipated that outpatients will often occupy the same bed for both pre-op and Stage 2 recovery care. For planning purposes, it is anticipated that 1) pre/op care and holding will be provided primarily to outpatients, with many inpatients receiving their pre-op care on their nursing unit; 2) that a significant percentage of inpatients will "bypass" the Stage 2 recovery area, being transported from the Stage 1 Recovery/PACU directly to their inpatient room; and 3) ten of the beds will be primarily-designated as Stage 2 recovery beds, with 24 beds typically being used for both pre-op and Stage 2 recovery services. Approximately 58% of the patients currently having surgery performed at the hospital are outpatients, and that percentage is anticipated to increase to the 60-62% range by 2026.

The HFSRB does not have a space standard for pre-op beds, and as such, and because of the duality of the functions as described above, the Stage 2 recovery standard of 400 dgsf per bed was used for the planning of the entire area.

Architectural drawings of the areas discussed above will be provided upon the request of HFSRB staff.

DEPARTMENT/SERVICE	PROPOSED DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
Medical/Surgical Unit	24,223	23,760	463	NO*
Surgery	34,585	41,250	(6,665)	YES
Stage 1 Recovery/PACU	6,794	4,320	2,474	NO*
Pre-OP/Stage 2 Recovery	13,546	13,600	(54)	YES
*allowable variance met, as discussed above				

PROJECT SERVICES UTILIZATION

The proposed project involves two clinical areas having HFSRB-adopted utilization standards or targets: Medical/Surgical beds, which will be reduced from 260 to 205, and operating rooms, which will remain at 15, upon the completion of the proposed project.

Medical/Surgical Beds

The hospital currently has Medical/Surgical beds located on eight nursing units in the hospital's East and West wings. The beds are also utilized by "observation" patients, as the hospital does not currently, and does not intend to operate a separate inpatient observation unit. Historically, the hospital has had an average daily census of approximately thirteen observation patients, 2017-2019.

Patient days (including observation) increased from 60,428 in 2017 to 61,115 in 2018, and to 61,210 in 2019. During that three-year period, the average annual rate of increase was .64%. For planning purposes, and to offset the impact of the COVID-19 pandemic, 2020 utilization was assumed to be 61,601 patient days, a .64% increase over 2019. Annual utilization through the completion of the proposed project (2024) was projected to continue to increase at the experienced annual rate of .64%, and then to increase modestly to 2.0% during each of the two years following the proposed project's completion, primarily due to the "newness" factor, the impact of a more contemporary surgical suite on admissions, and the impact of the aging population in Health Planning Area A-07. As a result of the projected increase in utilization, as supported by historical growth, 64,457 Medical/Surgical patient days of care are projected to be provided during the first year following the proposed project's completion (2025) and 65,746 are projected for the following year. The resultant average daily census of 180.13 patients ($65,746 \div 365$) "supports" the proposed 205 beds, based on the HFSRB-adopted targeted occupancy rate of 88%.

Operating Rooms/Surgery

The hospital's surgical suite currently consists of fifteen Class C operating rooms, two of which are designated as cardiovascular surgery rooms, one of which is used exclusively for urology/cystoscopy procedures, and the remaining twelve are used for all other surgical specialties, including general surgery, orthopedic surgery, neurosurgery, gynecological surgery, ENT surgery, thoracic surgery, podiatric surgery, and plastic surgery. Upon the completion of the project addressed through this Certificate of Need application two cardiovascular surgery rooms, one urology/cystoscopy room, and 12 multi-specialty operating rooms will continue to be provided. All fifteen of the rooms will be designed to Class C standards. In addition, "shell space" for the future expansion of the surgical suite will be provided, as identified in ATTACHMENT 36C.

For planning purposes, and due to the impact of the Covid-19 pandemic on utilization, 2020 utilization data was not used in evaluating historical utilization, with the average annual number of operating room hours used between 2017 and 2019 assumed to be the basis for projected utilization.

Utilization of the hospital's multi-specialty ORs ranged between 16,678 and 22,397 annual hours during the 3-year period. 2021 utilization is projected to be the average of the 3-year period, 20,018 hours, with utilization projected to remain constant through the completion of the project, in 2024. Thereafter, utilization is conservatively projected to increase at a rate of 1% a year during the two years following the project's completion; with the increases due primarily to surgeons' access to the more contemporary operating rooms provided through the project. As a result, 20,420 hours of multi-specialty operating room utilization is projected for the second year following the project's completion (2026), therein "supporting" the proposed twelve multi-specialty operating rooms, based on the HFSRB's standard of 1,500 hours per operating room. The twelve multi-specialty ORs will consist of 8 of the existing ORs (renovated to various degrees) and four newly-constructed ORs. Four of the smallest existing ORs will be taken out of service, to be used for non-surgical purposes.

Annual utilization of the hospital's two cardiovascular operating rooms averaged 1,904 hours during the 3-year period referenced above. While AMITA Health has begun to centralize cardiovascular surgery procedures into a number of its hospitals, including this one, resultant increases in utilization are anticipated to be largely offset by the growing use of lesser invasive procedures. As a result, utilization of the cardiovascular operating rooms is projected to remain relatively constant, at approximately 1,900 hours per year; "supporting" the two proposed cardiovascular operating rooms, based on the standard referenced above.

Utilization of the single urology/cystoscopy operating room located in the surgical suite has averaged 1,731 hours per year over the 3-year, 2017-2019. Utilization is projected to decrease by 1-2% a year as a result of the trend toward in-office cystoscopy procedures, and as a result, one room is being proposed.

	PROJECTED UTILIZATION		STATE STANDARD	MET STANDARD?
	YEAR 1	YEAR 2		
Med/Surg Beds	64,457	65,746	65,525	YES
ORs-Multi-Spec.	20,216	20,420	16,501	YES
ORs- Cardiovasc.	1,900	1,900	1,501	YES
ORs- Urol./Cysto.	1,596	1,572	N/A	YES

MEDICAL/SURGICAL, OBSTETRIC, PEDIATRIC and INTENSIVE CARE

Upon the completion of the proposed project, AMITA Health Alexian Brothers Medical Center (“the hospital”) will reduce its complement of Medical/Surgical beds from 260 to 205 beds; with all beds to be located in private rooms. No other HFSRB-designated category of service will be impacted by the proposed project.

The hospital currently operates eight Medical Surgical units:

- 1-West
- 2-West
- 3-West
- 4-West
- 5 West
- 6 West
- 2-East
- 3 East

The hospital’s West tower currently houses 189 Medical/Surgical beds, was built as part of the hospital’s original construction in 1963, and will be over sixty years old by the completion of the proposed project. While limited renovation has taken place since construction, the tower’s nursing units are not consistent with contemporary design, having under-sized patient rooms (and particularly the semi-private rooms), nurses’ stations, ancillary areas, and equipment storage, and lengthy travel distances between the nurses’ station and support areas.

The hospital’s Medical/Surgical units, in addition to serving traditional inpatients, also serve as the treatment site for observation patients.

Through the proposed project, the hospital's Medical/Surgical beds will be redistributed in the following fashion:

- a new 36-bed unit will be located atop the hospital's East tower
- all beds will be removed from the 2-West unit (34 beds)
- all beds will be removed from the 3-West unit (32 beds)
- 3 semi-private rooms will be converted to private rooms on the 4-West unit
- 18 beds will be removed from the 5-West unit
- 4 semi-private rooms will be converted to private rooms on the 6-West unit

As a result of the changes identified above, including the opening of the 5-East unit, the hospital's Medical/Surgical beds will be distributed in the following fashion:

- 20 beds on the 1-West unit
- 32 beds on the 3-West unit
- 18 beds on the 5-West unit
- 28 beds on the 6-West unit
- 35 beds on the 2-East unit
- 36 beds on the 3-East unit
- 36-beds on the 5-East unit

The applicants conservatively project that, by the second year following the project's 2024 completion, the proposed 205 Medical/Surgical beds will be operating at the HFSRB-adopted 88% occupancy rate, as discussed below.

From 2017 through 2019, the hospital's Medical/Surgical units operated with an average daily census ("ADC") of 167 patients:

	Patient Days
2017	60,428
2018	61,115
2019	61,210
Average	60,918
ADC	167

For planning purposes, and due to the impact of the COVID-19 pandemic on utilization, 2020 patient days were estimated to be identical to 2019. This is viewed by the applicants to be conservative, given that the previous years experienced modest annual increases. Utilization was

conservatively projected to continue to increase at an annual rate of 0.75%* through the project's completion in 2024, and then to increase at an annual rate of 2.0% during the two years following the project's completion, due in major part to a "newness" factor. As a result, 65,615 patient days of care are projected to be provided in 2026, resulting in an ADC of 179.8, supporting the proposed 205 beds, using the HFSRB-adopted 88% occupancy rate. In addition, while being consistent with the performance requirement of having a minimum of 100 beds, the requirement is not applicable to this project, as it relates only to projects proposing a new category of service.

*per IDPH data, the 65+ population in HPA A-07 is projected to increase at an annual rate of 1.2% between 2017 and 2022

CLINICAL SERVICE AREAS OTHER THAN CATEGORIES OF SERVICE

Surgery, Stage 1 Recovery, and Stage 2 Recovery

The hospital's perioperative area, which consists of the surgical suite, Stage 1 recovery/PACU, and Stage 2 recovery (including pre-op) are all located in the hospital's original building, which was constructed nearly sixty years ago. As a result, and because of the manner in which the delivery of perioperative services has evolved over the past five decades, the areas are generally undersized, have compromised privacy issues in the recovery areas, and have insufficient support, equipment, and supply storage space. The proposed project, as planned, will address these facility-related challenges.

As planned, the project will not add any operating rooms, and will add six Stage 1 recovery beds and five Stage 2 recovery beds, which will also routinely be used for pre-op services.

Physical and Occupational Therapy

A satellite physical and occupational therapy area will be developed on the fifth floor of the East tower, adjacent to a Medical/Surgical unit. While the satellite area will have negligible impact on the utilization of these services by inpatients (41,835 physical therapy and 20,584 occupational therapy units of service in 2019), it will eliminate the need to transport patients from the 5-East Medical/Surgical unit (and potentially other units in the East tower) to the main department, located on the third floor of the West tower.

Moody's

INVESTORS SERVICE

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Rating Action: Moody's affirms Ascension's Aa2, Aa2/VMIG 1, Aa3, Aa3/VMIG 1 & P-1 ratings; stable outlook

29 Oct 2020

New York, October 29, 2020 -- Moody's Investors Service affirmed Ascension Health Alliance's (d/b/a Ascension) Aa2 and Aa2/VMIG 1 senior debt ratings, Aa3 and Aa3/VMIG 1 subordinated debt ratings, and P-1 commercial paper rating. We also affirmed the Aa2 rating for Presence Health's (IL) Series 2016C bonds, which are secured under Ascension's master trust indenture. We affirmed the Aa2 rating for Hospital de la Concepcion's Series 2017A and the Aa2/VMIG 1 rating for St. Vincent de Paul Center's Series 2000A bonds, both of which are guaranteed by Ascension. These actions affect approximately \$7.4 billion of outstanding debt. The outlook is stable.

Please click on this link http://www.moody's.com/viewresearchdoc.aspx?docid=PBM_PBI/906110793 for the List of Affected Credit Ratings. This list is an integral part of this Press Release and identifies each affected issuer.

RATINGS RATIONALE

The Aa2 affirmation reflects Moody's view that Ascension's large, diversified portfolio of sizable hospitals as one of the largest not-for-profit healthcare systems in the US, centralized management model, and strong liquidity will allow it to manage pandemic challenges while driving margin improvement. Further, investments in key markets and growth opportunities in non-acute care business lines will position the system to resume its pre-COVID trend of cashflow growth. The system's centralized governance and operating model, along with greater focus on consolidating certain outpatient clinical service lines, will provide a strong platform for further efficiencies and accelerated growth strategies. Liquidity will remain strong even after repaying the Medicare advances. Capital spending will increase to fund strategic initiatives, but we expect the system will align spending with cashflow generation as it has done in the past. Modest near-term margins from the material impact of COVID will elevate the system's operating leverage, but steady cashflow growth will improve this metric. The pace of operating improvement will be challenged by a potentially prolonged volume recovery due to new outbreaks and a likely increase in Medicaid amid the economic downturn. The Aa3 long-term subordinated rating reflects the contractual subordination of the related bonds.

The Aa2 affirmations and stable outlooks for St. Vincent de Paul Center and Hospital De La Concepcion are based on Ascension's legal guarantee of each entity's bonds. Ascension provides an irrevocable and unconditional guarantee covering full and timely payment of all scheduled payments of principal and interest on related bonds.

The P-1 commercial paper rating and VMIG 1 short-term bond ratings are based on the system's strong debt and treasury management and strong liquidity to pay maturing commercial paper notes or unmarketed bonds.

RATING OUTLOOK

The stable outlook reflects expected improvement in margins in FY 2021, which will be driven by volume recovery, cost management and already received federal relief grants. Accelerated growth strategies will drive further improvement beyond 2021. Strong liquidity will provide sufficient resources to repay Medicare advances. 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 OF THE RATINGS

- Significant and sustained improvement in operating margins
- Reduction in leverage and improved debt metrics
- Continued diversification of non-acute care revenues
- Short-term ratings: not applicable

FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATINGS

- Inability to progressively improve margins
- Significant increase in leverage
- Materially dilutive merger or acquisition
- Notable sustained decline in liquidity
- Prolonged recovery from or significant resurgence of COVID
- Short-term ratings: downgrade of long-term rating or material reduction of liquidity

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. 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.

PROFILE

Ascension is one of the largest not-for-profit healthcare systems in the U.S. with \$25 billion in revenue, operating 150 hospitals in 20 states and D.C.

METHODOLOGY

The principal methodology used in these long term ratings was Not-For-Profit Healthcare published in December 2018 and available at https://www.moody's.com/researchdocuments/ncnt/pag.aspx?docid=P841_1154632. The principal methodology used in these short term ratings was Short-term Debt of US States, Municipalities and Nonprofits Methodology published in July 2020 and available at https://www.moody's.com/researchdocuments/ncnt/pag.aspx?docid=P841_1216749. The principal methodology used in the long-term term ratings for entities guaranteed by Ascension was Rating Transactions Based on the Credit Substitution Approach: Letter of Credit-backed, Insured and Guaranteed Debts published in May 2017 and available at https://www.moody's.com/researchdocuments/ncnt/pag.aspx?docid=P841_1068154. Alternatively, please see the Rating Methodologies page on www.moody's.com for a copy of these methodologies.

REGULATORY DISCLOSURES

The List of Affected Credit Ratings announced here are all solicited credit additional disclosures that vary with regard to some of the ratings. Please click http://www.moody's.com/viewresearchdoc.aspx?docid=PBM_PBI/906110793 for the List of Affected Credit Ratings. This is an integral part of this Press Release and provides, for each of the credit ratings covered, Moody's disclosures on the following items:

Finally, the List of Affected Credit Ratings includes

link http://www.moody's.com/viewresearchdoc.aspx?docid=PBM_PBI/906110793

integral part of this Press Release and provides, for each of

Related Issuers

Ascension Health Alliance
Connecticut Health & Educational Fac. Auth.
Hospital De La Concepcion
Illinois Development Finance Authority
Illinois Finance Authority

Related Research

- Credit Opinion: Ascension Health Alliance: Update to credit analysis
- Credit Opinion: Ascension Health Alliance: Update to credit analysis
- Credit Opinion: Ascension Health Alliance: Update to credit analysis
- Credit Opinion: CWA Authority, Inc., IN: Update to credit analysis following rating upgrade
- Credit Opinion: Hanover College, IN: Update to credit analysis following revision of outlook to negative

Document

- Participation: Access to Management
- Participation: Access to Internal Documents
- Disclosure to Rated Entity
- Endorsement

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found at:
https://www.moody's.com/research/document/contentpage.aspx?docid=PBC_79004.

For ratings issued on a program, series, category/class of debt or security this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series, category/class of debt, security or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the credit rating action on the support provider and in relation to each particular credit rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on www.moody's.com.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

Moody's general principles for assessing environmental, social and governance (ESG) risks in our credit analysis can be found at
https://www.moody's.com/research/document/contentpage.aspx?docid=PBC_1133508.

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

Please see the ratings tab on the issuer/entity page on www.moody's.com for additional regulatory disclosures for each credit rating.

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ATTACHMENT 33

MLKK and NSFJ also maintain policies and procedures to address Japanese regulatory requirements.

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE

	Cost/Sq. Ft.		DGSF		DGSF		New Const. \$	Modernization \$	Total Cost
	New	Mod.	New	Circ.	Mod.	Circ.			
Reviewable									
Surgery	\$ 500.00	\$ 400.00	8,462		26,123		\$ 4,231,000	\$ 10,449,200	\$ 14,680,200
Stage 1 Recovery/PACU		\$ 150.00			6,794			\$ 1,019,100	\$ 1,019,100
Pre-Op /Stage 2 Recov		\$ 325.00			13,456			\$ 4,373,200	\$ 4,373,200
Medical/Surgical Units	\$ 400.00	\$ 250.00	24,223		90,192		\$ 9,689,200	\$ 22,548,000	\$ 32,237,200
PT/OT (5-East Satellite)	\$ 325.00		696				\$ 226,200		\$ 226,200
Contingency	\$ 20.00	\$ 20.00					\$ 667,620	\$ 2,731,300	\$ 3,398,920
Total	\$ 443.79	\$ 301.11	33,381		136,565		\$ 14,814,020	\$ 41,120,800	\$ 55,934,820
Non-Reviewable									
Shell (surgery)	\$ 475.00		2,541				\$ 1,206,975		\$ 1,206,975
Shell (6-East)	\$ 150.00		26,999				\$ 4,049,850		\$ 4,049,850
Staff Areas		\$ 50.00			6,291			\$ 314,550	\$ 314,550
Administrative Offices		\$ 50.00			15,275			\$ 763,750	\$ 763,750
Inservice Education		\$ 50.00			5,385			\$ 269,250	\$ 269,250
Cardiology Support		\$ 50.00			17,951			\$ 897,550	\$ 897,550
Sterile Processing		\$ 300.00			7,343			\$ 2,202,900	\$ 2,202,900
Day Surg. Receipt.		\$ 150.00			3,345			\$ 501,750	\$ 501,750
Diagnostic Documentation	\$ 325.00		486				\$ 157,950		\$ 157,950
Operations Offices		\$ 125.00			1,100			\$ 137,500	\$ 137,500
Materials Mgt. Storage		\$ 125.00			8,500			\$ 1,062,500	\$ 1,062,500
East Wing Lobby		\$ 320.00			4,200			\$ 1,344,000	\$ 1,344,000
Housekeeping	\$ 325.00		90				\$ 29,250		\$ 29,250
Support Offices	\$ 325.00		190				\$ 61,750		\$ 61,750
Public Waiting	\$ 350.00		1,197				\$ 418,950		\$ 418,950
Consultation	\$ 325.00		114				\$ 37,050		\$ 37,050
Mechanical Areas	\$ 470.00		5,350				\$ 2,514,500		\$ 2,514,500
Contingency	\$ 20.00	\$ 20.00					\$ 739,340	\$ 1,387,800	\$ 2,127,140
Total	\$ 249.29	\$ 127.99	36,967		69,390		\$ 9,215,615	\$ 8,881,550	\$ 18,097,165
PROJECT TOTAL	\$ 341.58	\$ 242.78	70,348		205,955		\$ 24,029,635	\$ 50,002,350	\$ 74,031,985

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

#21-020

AMITA Health Alexian Brothers Medical Center
2026 Projections

Projected Adj. Pt. Days:	<u>304,257,000</u>	
	2,828	107,601

Year 2 OPERATING COST per ADJUSTED PATIENT DAY

Salaries & Benefits	\$186,287,000
Medical Supplies	<u>\$105,928,000</u>
	\$292,215,000

per Adjusted Patient Day: \$ 2,715.74

YEAR 2 CAPITAL COST per ADJUSTED PATIENT DAY

Interest	\$ 6,658,000
Depreciation	\$ 21,533,000
Amortization	<u>\$ 74,000</u>
	\$ 28,265,000

per Adjusted Patient Day: \$ 263

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

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