

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR CHANGE OF OWNERSHIP EXEMPTION**

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Fayette County Hospital - CHOW		
Street Address: 650 West Taylor Street		
City and Zip Code: Vandalia, 62471		
County: Fayette	Health Service Area: 5	Health Planning Area: F-02

Legislators

State Senator Name: Jason Plummer
State Representative Name: Blaine Wilhour

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

Exact Legal Name: Fayette County Hospital District
Street Address: 650 West Taylor Street
City and Zip Code: Vandalia, IL 62471
Name of Registered Agent: Gregory D. Starnes
Registered Agent Street Address: 650 West Taylor Street
Registered Agent City and Zip Code: Vandalia, 62471
Name of Chief Executive Officer: Gregory D. Starnes
CEO Street Address: 650 West Taylor Street
CEO City and Zip Code: Vandalia, 62471
CEO Telephone Number: 618-283-5400

Type of Ownership of Applicants

<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership
<input type="checkbox"/> For-profit Corporation	<input checked="" 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: Gregory D. Starnes
Title: CEO
Company: Fayette County Hospital
Address: 650 West Taylor Street
Telephone Number: 618-283-5400
E-mail Address: Greg.Starnes@sblfch.org
Fax Number: n/a

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

Name: Kim Uphoff
Title: Vice President Operations
Company Name: Sarah Bush Lincoln Health Center
Address: 1000 Health Center Drive, Mattoon IL 61938
Telephone Number: 217-258-2163
E-mail Address: kuphoff@sblhs.org
Fax Number: n/a

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County: Fayette	Health Service Area: 5	Health Planning Area: F-02

Legislators

State Senator Name: Darren Bailey
State Representative Name: Chris Miller

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

Exact Legal Name: Heartland Health System, Inc.
Street Address: 1000 Health Center Drive
City and Zip Code: Mattoon, IL 61938
Name of Registered Agent: Jerry Esker
Registered Agent Street Address: 1000 Health Center Drive
Registered Agent City and Zip Code: Mattoon, IL 61938
Name of Chief Executive Officer: Jerry Esker
CEO Street Address: 1000 Health Center Drive
CEO City and Zip Code: Mattoon, IL 61938
CEO Telephone Number: 217-258-2570

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	
<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 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: Kim Uphoff
Title: Board Secretary
Company: Heartland Health System, Inc
Address: 1000 Health Center Drive
Telephone Number: 217-258-2163
E-mail Address: kuphoff@sblhs.org
Fax Number: n/a

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

Name: Tina Stovall
Title: Board Chairperson
Company Name: Heartland Health Systems, Inc
Address: 1000 Health Center Drive, Mattoon IL 61938
Telephone Number: 217-258-2163
E-mail Address: kuphoff@sblhs.org
Fax Number: n/a

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City and Zip Code: Mattoon, IL 61938
Name of Registered Agent: Jerry Esker
Registered Agent Street Address: 1000 Health Center Drive
Registered Agent City and Zip Code: Mattoon, 61938
Name of Chief Executive Officer: Jerry Esker
CEO Street Address: 1000 Health Center Drive
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<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
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Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Kim Uphoff
Title: Vice President Operations
Company: Sarah Bush Lincoln Health Center
Address: 1000 Health Center Drive
Telephone Number: 217-258-2163
E-mail Address: kuphoff@sblhs.org
Fax Number: n/a

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

Name: Marsha Haldorsen
Title: Director Business Development
Company Name: Sarah Bush Lincoln Health Center
Address: 1000 Health Center Drive, Mattoon IL 61938
Telephone Number: 217-258-4169
E-mail Address: mhaldorsen@sblhs.org
Fax Number: n/a

Post Exemption Contact

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

Name: Gregory D. Starnes
Title: CEO
Company Name: Fayette County Hospital
Address: 650 West Taylor Street, Vandalia, IL 62471
Telephone Number: 618-283-5400
E-mail Address: Greg.Starnes@sblfch.org
Fax Number: n/a

Site Ownership after the Project is Complete

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Fayette County Hospital District
Address of Site Owner: 650 West Taylor Street, Vandalia, IL 62471
Street Address or Legal Description of the Site: Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Current Operating Identity/Licensee – PRIOR TO 2019

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

Exact Legal Name: Heartland Health System, Inc.	
Address: 7 th and Taylor, Vandalia, IL 62471	
<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership
<input checked="" 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">o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	

Operating Identity/Licensee after the Project is Complete

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

Exact Legal Name: Heartland Health System, Inc.

Address: 1000 Health Center Drive, Mattoon, IL 61938

☒ Non-profit Corporation
☐ For-profit Corporation
☐ Limited Liability Company
Other

☐ Partnership
☐ Governmental
☐ Sole Proprietorship

☐

- Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.
- **Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.**

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

Organizational Relationships

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

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

Narrative Description

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

Description

Fayette County Hospital District owns Fayette County Hospital. It signed a new Use, Operating, and Management Agreement with Heartland Health System, Inc effective July 1, 2019.

Heartland Health System, Inc. is an Illinois, not for profit, corporation that is owned by Sarah Bush Lincoln Health Center. Sarah Bush Lincoln Health Center purchased Heartland Health System, Inc July 1, 2019.

Prior to July 2019, Fayette County Hospital was operated by Heartland Health System, Inc, which was owned by shareholders and was a for-profit corporation.

Fayette County Hospital District continues to own the hospital. Heartland Health System Inc, owned by Sarah Bush Lincoln Health Center, operates the hospital. The hospital's legal entity name is Fayette County Hospital District, but is now marketed in the community as Sarah Bush Lincoln Fayette County Hospital, to reflect its new operating structure.

Charity Care

The Fayette County Hospital Charity Assistance Policy, which was implemented under the new, non-profit operator of Heartland Health System, Inc, is more generous than the previous for-profit operator. The Fayette County Hospital Charity Assistance Policy will remain in effect for at least a two (2) year period.

Related Project Costs

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

Land acquisition is related to project ☐ Yes ☒ No

Purchase Price: \$ _____ N/A _____

Fair Market Value: \$ _____ N/A _____

Project Status and Completion Schedules

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

Effingham Medical Office Building, Project #20-030 - no

Anticipated exemption completion date (refer to Part 1130.570): **June 30, 2023**

State Agency Submittals

Are the following submittals up to date as applicable:

X Cancer Registry

X APORS

X All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted

N/A All reports regarding outstanding permits

Failure to be up to date with these requirements will result in the Application being deemed incomplete.

CERTIFICATION

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

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

This Application is filed on the behalf of the Fayette County Hospital District* 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.

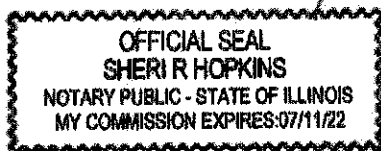
Nancy L Pryor
SIGNATURE
Nancy L Pryor
PRINTED NAME
Chair
PRINTED TITLE

[Signature]
SIGNATURE
Gregory D Starnes
PRINTED NAME
Chief Executive Officer
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 2nd day of April 2021

[Signature]
Signature of Notary

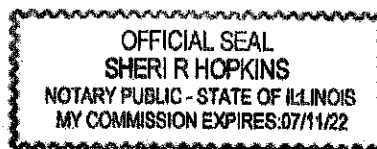
Seal



Notarization:
Subscribed and sworn to before me
this 2nd day of April 2021

[Signature]
Signature of Notary

Seal



*Insert the EXACT legal name of the applicant

CERTIFICATION

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

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

This Application is filed on the behalf of Heartland Health System, Inc*, 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.

Kim Uphoff
SIGNATURE
Kim Uphoff
PRINTED NAME
Board Secretary
PRINTED TITLE

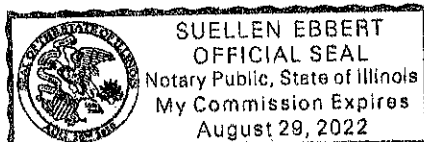
Tina Stovall
SIGNATURE
Tina Stovall
PRINTED NAME
Board Chair
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 31 day of March, 2021

Suellen Ebbert
Signature of Notary

Seal



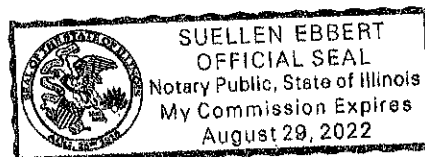
*insert the EXACT legal name of the applicant

Notarization:

Subscribed and sworn to before me
this 1st day of April, 2021

Suellen Ebbert
Signature of Notary

Seal

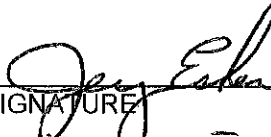



CERTIFICATION

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

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
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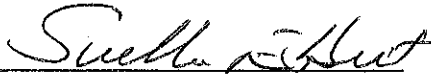
This Application is filed on the behalf of Sarah Bush Lincoln Health Center*, in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. 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
Jerry Esker
PRINTED NAME
President & CEO
PRINTED TITLE

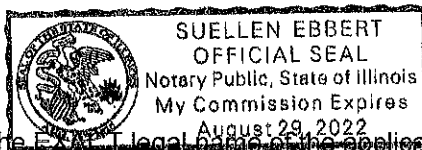

SIGNATURE
Tina Stovall
PRINTED NAME
Chairperson
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 2nd day of April 2021


Signature of Notary

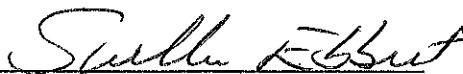
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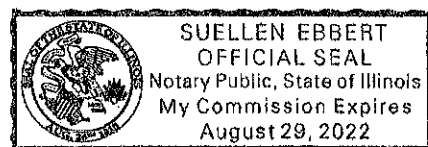
*insert the EXACT legal name of the applicant

Notarization:

Subscribed and sworn to before me
this 2nd day of April 2021


Signature of Notary

Seal



SECTION II. BACKGROUND.

BACKGROUND OF APPLICANT

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

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

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

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

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

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

APPLICABLE REVIEW CRITERIA	CHOW
1130.520(b)(1)(A) - Names of the parties	X
1130.520(b)(1)(B) - Background of the parties, which shall include proof that the applicant is fit, willing, able, and has the qualifications, background and character to adequately provide a proper standard of health service for the community by certifying that no adverse action has been taken against the applicant by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application.	X
1130.520(b)(1)(C) - Structure of the transaction	X
1130.520(b)(1)(D) - Name of the person who will be licensed or certified entity after the transaction	
1130.520(b)(1)(E) - List of the ownership or membership interests in such licensed or certified entity both prior to and after the transaction, including a description of the applicant's organizational structure with a listing of controlling or subsidiary persons.	X
1130.520(b)(1)(F) - Fair market value of assets to be transferred.	X
1130.520(b)(1)(G) - The purchase price or other forms of consideration to be provided for those assets. [20 ILCS 3960/8.5(a)]	X
1130.520(b)(2) - Affirmation that any projects for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of this Section	X
1130.520(b)(3) - If the ownership change is for a hospital, affirmation that the facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction. The hospital must provide affirmation that the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction	X
1130.520(b)(4) - A statement as to the anticipated benefits of the proposed changes in ownership to the community	X

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

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

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

SECTION IV.CHARITY CARE INFORMATION

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

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

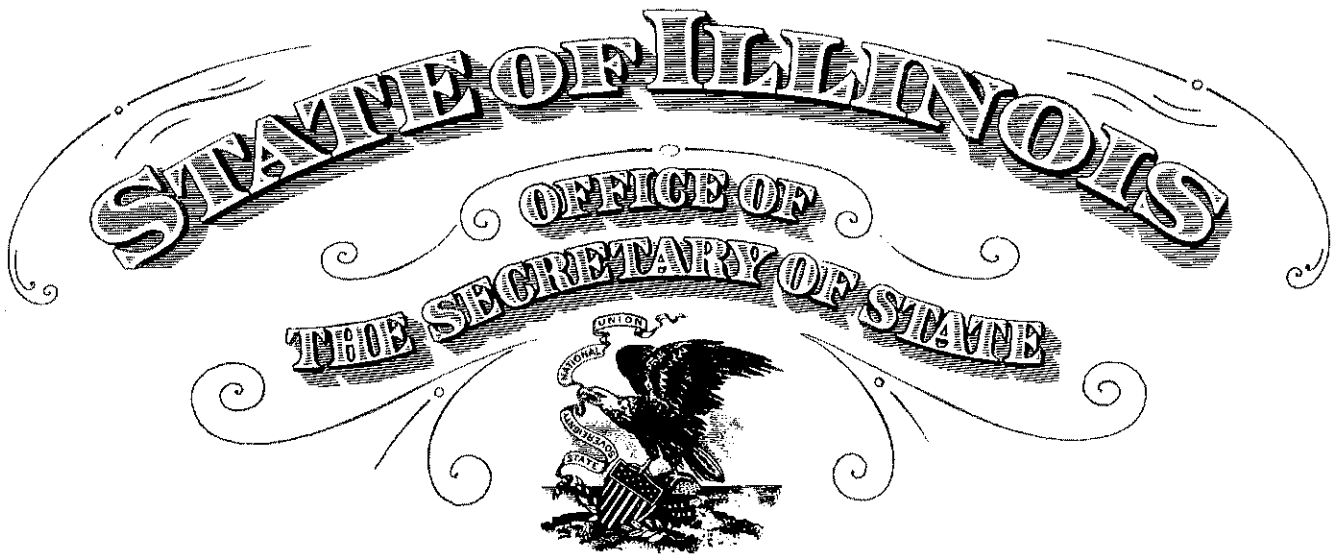
A table in the following format must be provided for all facilities as part of Attachment 7.

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

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

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

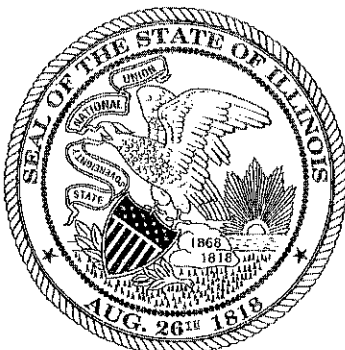
INDEX OF ATTACHMENTS			
ATTACHMENT NO.			PAGES
1	Applicant Identification including Certificate of Good Standing		19-20
2	Site Ownership		21
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.		22
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.		23-24
5	Background of the Applicant		25-32
6	Change of Ownership		33-34
7	Charity Care Information		35



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

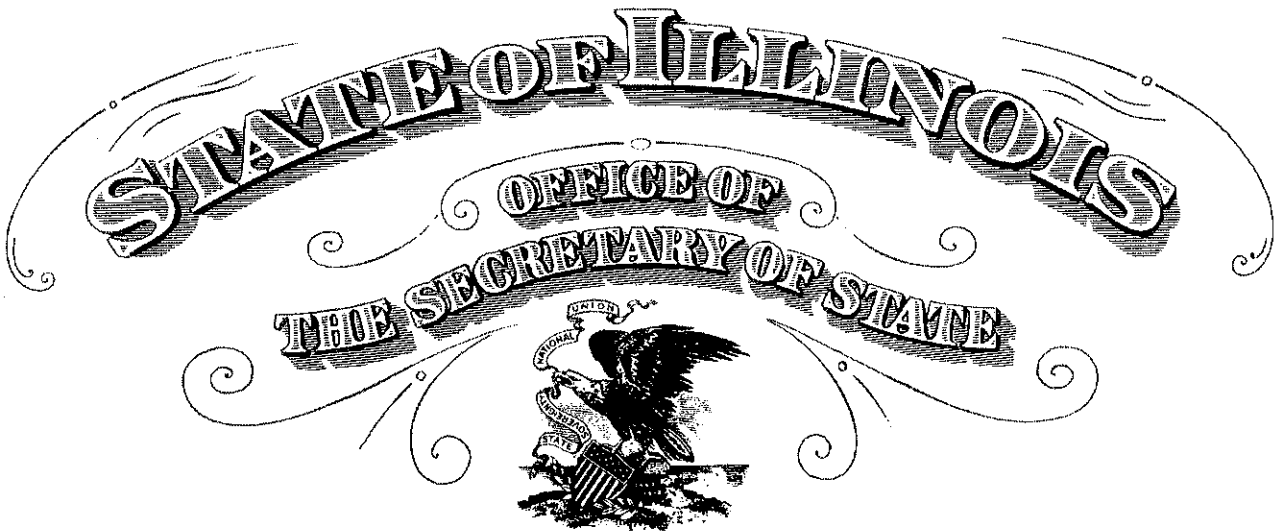
HEARTLAND HEALTH SYSTEM, INC., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JULY 01, 2019, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 8TH
day of MARCH A.D. 2021 .

Jesse White

SECRETARY OF STATE



To all to whom these Presents Shall Come, Greeting:

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

SARAH BUSH LINCOLN HEALTH CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON MAY 18, 1970, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



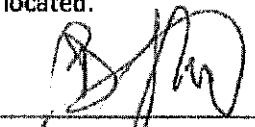
In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 14TH
day of APRIL A.D. 2020 .

Jesse White

SECRETARY OF STATE

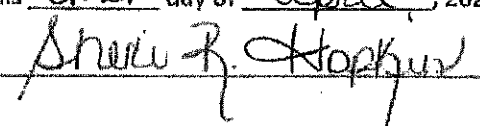
Site Ownership

Fayette County Hospital District owns the property of 650 W. Taylor St., Vandalia, IL where the hospital is located.

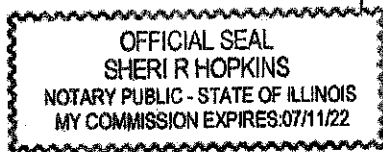


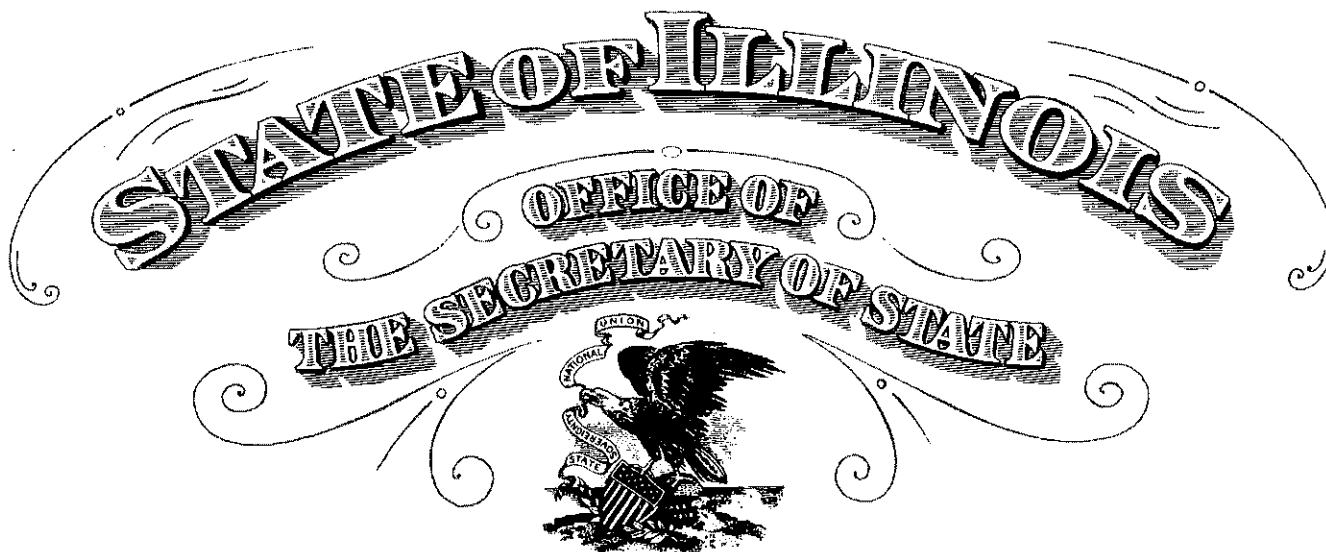
Gregory D. Starnes, CEO

Subscribed and sworn to before me
This 2nd day of April, 2021



Sheri R. Hopkins





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

HEARTLAND HEALTH SYSTEM, INC., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JULY 01, 2019, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.

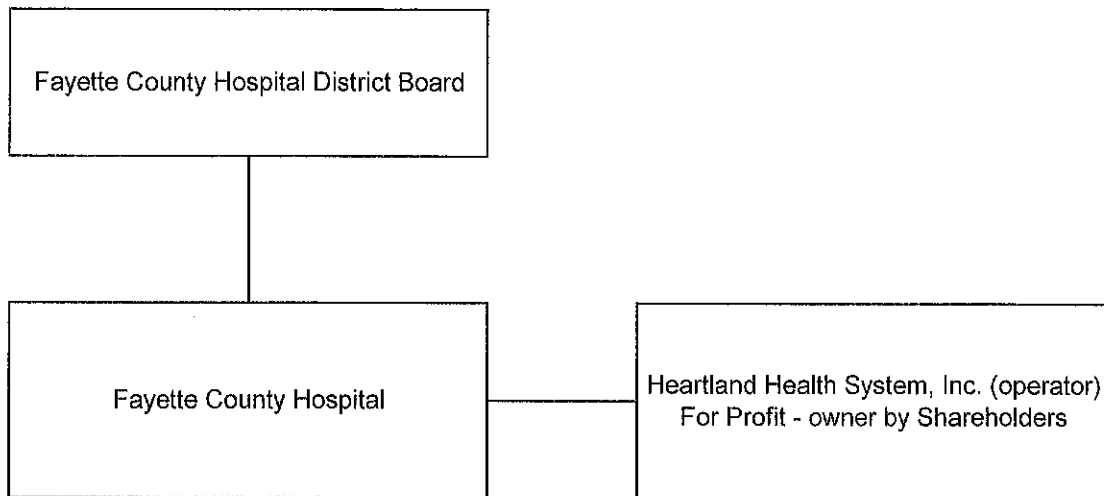


In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 8TH
day of MARCH A.D. 2021 .

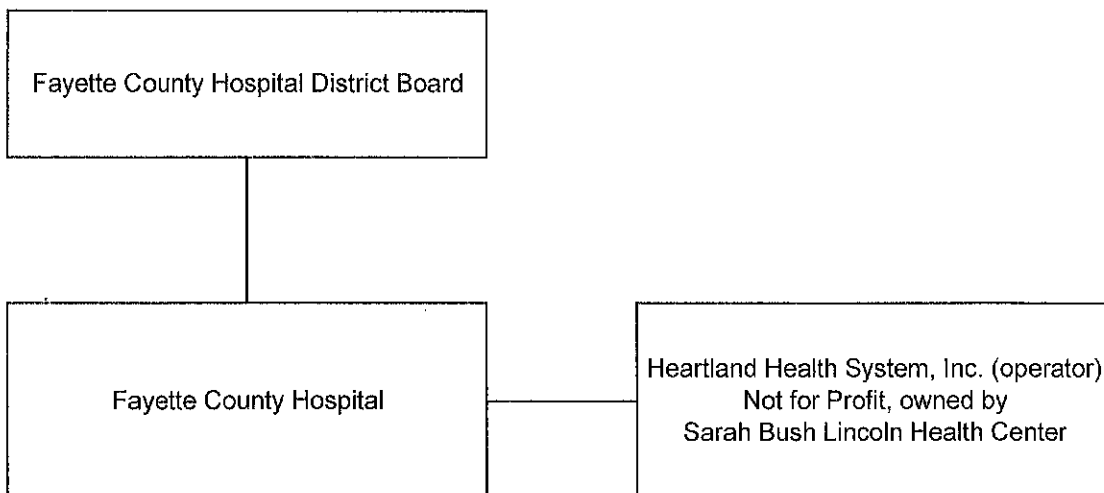
Jesse White

SECRETARY OF STATE

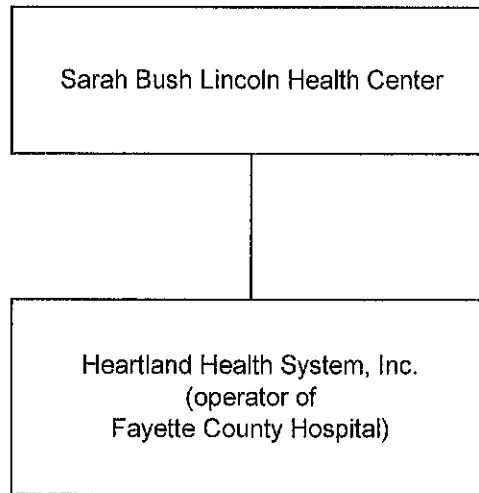
Fayette County Hospital
Organizational Chart - Pre CHOW



Fayette County Hospital
Organizational Chart - Post CHOW



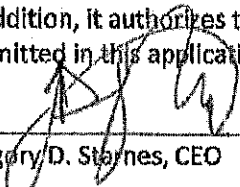
**Sarah Bush Lincoln Health Center
Organizational Chart**



Background of Applicant

Fayette County Hospital does hereby attest no adverse action, as that term is defined in the rules of the Illinois Health Facilities and Services Review Board, has been taken against it in the three (3) years preceding this application.

In addition, it authorizes the HFSRB and IDPH to access information necessary to verify information submitted in this application.

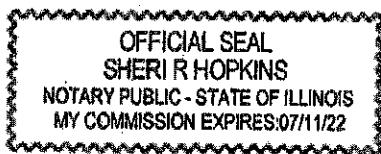


Gregory D. Starnes, CEO

Subscribed and sworn to before me
This 2nd day of April, 2021



Sheri R. Hopkins



Background of Applicant – Fayette County Hospital

Fayette County Hospital

650 W. Taylor St.

Vandalia, IL 62471

License # 000695 Expiration 12/31/2021

Joint Commission: Critical Access Hospital-no joint Commission Certificate



HF 121419

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

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

Ngozi O. Ezike, M.D.
Director

issued under the authority of
the Illinois Department of
Public Health

Director		TO NUMBER	
EXPIRATION DATE	EFFECTIVE DATE	0000896	
12/31/2021			
Critical Access Hospital			
Effective 01/01/2021			

Fayette County Hospital
650 W Taylor St
Vandalia, IL 62471

The book is published by a not-for-profit publisher, published by authority of the State of Illinois • P.O. #19-493-001 TOM 2/18

Background of Applicant – Heartland Health System, Inc.

Operator of:

Fayette County Hospital

650 W. Taylor St.

Vandalia, IL 62471

License # 000695 Expiration 12/31/2021

Joint Commission: Critical Access Hospital-no joint Commission Certificate

Background of Applicant

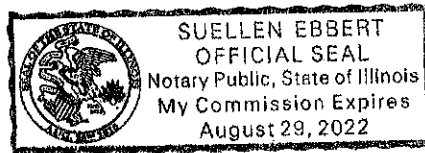
Heartland Health System, Inc. does hereby attest no adverse action, as that term is defined in the rules of the Illinois Health Facilities and Services Review Board, has been taken against it in the three (3) years preceding this application.

In addition, it authorizes the HFSRB and IDPH to access information necessary to verify information submitted in this application.

Tina Stovall
Tina Stovall, Chairperson

Subscribed and sworn to before me
This 1st day of April, 2021

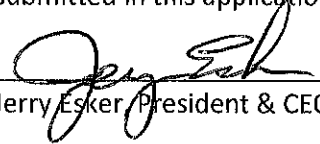
Suellen Ebbert



Background of Applicant

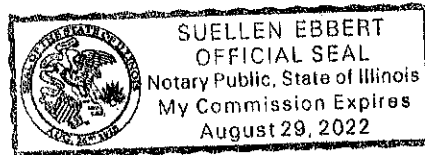
Sarah Bush Lincoln Health Center does hereby attest no adverse action, as that term is defined in the rules of the Illinois Health Facilities and Services Review Board, has been taken against it in the three (3) years preceding this application.

In addition, it authorizes the HFSRB and IDPH to access information necessary to verify information submitted in this application.


Jerry Esker, President & CEO

Subscribed and sworn to before me
This 31st day of March, 2021


Suelen Ebbert



Background of Applicant – Sarah Bush Lincoln Health Center

1. The health care facilities owned or operated by the applicant include:

Sarah Bush Lincoln Health Center

Illinois Hospital License ID #0003392

The Joint Commission ID# 7257

Proof of current licensure and accreditation for Sarah Bush Lincoln Health Center is attached.

In addition, Sarah Bush Lincoln Health Center (SBLHC) owns and operates heartland health System, Inc. which operates Fayette County Hospital. SBLHC also has 20% interest in Effingham Surgical Partners.

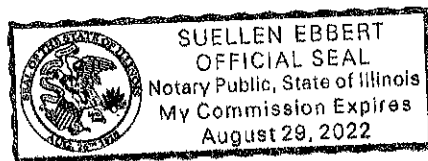
2. There are no additional health care facilities currently owned and/or operated by corporate officers or directors, LLC members, partners, or owners.



Jerry Esker
President and Chief Executive Officer

Subscribed and sworn to before me
This 31st day of March 2021







**Illinois Department of
PUBLIC HEALTH**

HF 121518

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

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

Ngozi O. Ezike, M.D.
Director

Issued under the authority of
the Illinois Department of
Public Health

EXPIRATION DATE	CATEGORY	LIC. NUMBER
12/31/2021		0003392
General Hospital		
Effective: 01/01/2021		

Sarah Bush Lincoln Health Center
1000 Health Ctr Dr, PO Box 372
Mattoon, IL 61938

This face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #19-423-001 10M 9/18

← DISPLAY THIS PART IN A
CONSPICUOUS PLACE

Exp. Date 12/31/2021

Lic Number 0003392

Date Printed 10/16/2020

Sarah Bush Lincoln Health Center
1000 Health Ctr Dr, PO Box 372
Mattoon, IL 61938

FEE RECEIPT NO.

page 32

Attachment 5

APPLICABLE REVIEW CRITERIA

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

Fayette County Hospital District owns the Fayette County Hospital.
Heartland Health System, Inc, operates the Fayette County Hospital.
Sarah Bush Lincoln Health Center owns Heartland Health System, Inc.

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

See attached certification for (1) Fayette County Hospital District, the entity owning the hospital (2) Heartland Health System, Inc, the entity operating the hospital and (3) Sarah Bush Lincoln Health Center, the entity that owns Heartland Health System, Inc.

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

Fayette County Hospital District owns the Fayette County Hospital. Heartland Health Systems, Inc operates the Fayette County Hospital. Sarah Bush Lincoln Health Center owns Heartland Health Systems, Inc.

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

Fayette County Hospital District will continue to be the licensed entity that owns the hospital.

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

Fayette County Hospital will continue to be owned 100% by the Fayette County Hospital District. Fayette County District previously contracted with Heartland Health Systems, Inc, a FOR PROFIT corporation to operate the hospital. In July 2019, Fayette County Hospital entered into a new Operator Agreement with Heartland Health Systems, Inc, a NON PROFIT corporation which is now 100% owned by Sarah Bush Lincoln Health Center. Pre and Post organizational charts are attached.

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

Not applicable

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

Not applicable

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

Sarah Bush Lincoln affirms that the current CON permits for Sarah Bush Lincoln Health Center will be completed in accordance with the provisions of this section. Refer to page x for the list of projects.

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

Heartland Health Systems, Inc affirms that the charity care policy at Fayette County Hospital will not be more restrictive than its current form and that its current charity care policy will remain in place and/or be less restrictive for a minimum period of two years.

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

The community will benefit from the change in operator because its new operator is owned by a not for profit hospital with a shared mission for providing excellent medical care and charity care.

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

Anticipated cost savings is unknown, but likely, given that there could be efficiencies realized between the owner and operator.

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

Fayette County Hospital will continue with its extensive quality improvement programs and affirms it will assure quality control measures are in place and followed.

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

Fayette County Hospital District Board is the governing board and owner of the Fayette County Hospital. The Fayette County Hospital District Board contracted with Heartland Health Systems, Inc to operate and manage the hospital. The governing board operating the hospital is the Heartland Health Systems, Inc Board, as appointed by the Sarah Bush Lincoln Health Center Board of Directors.

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

None.

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

Charity Care Information

CHARITY CARE - Sarah Bush Lincoln Health Center			
	<u>2018</u>	<u>2019</u>	<u>2020</u>
Net Patient Revenue	322,050,819	326,437,525	343,267,630
Amount of Charity Care (charges)	12,895,923	13,212,330	13,786,441
Cost of Charity Care	2,522,443	3,156,426	3,390,086

CHARITY CARE - Fayette County Hospital			
	<u>2018</u>	<u>2019</u>	<u>2020</u>
Net Patient Revenue	26,555,946	28,443,396	27,674,308
Amount of Charity Care (charges)	373,369	686,654	1,693,577
Cost of Charity Care	131,389	258,457	711,810