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: Lindenhurst Surgery Center
Street Address: 1050 Red Oak Lane
City and Zip Code: Lindenhurst, IL 60046
County: Lake Health Service Area: 8 Health Planning Area: 097

Legislators

State Senator Name: Sen. Craig Wilcox
State Representative Name: Rep. Tom Weber

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

Exact Legal Name: Lindenhurst Surgery Center, LLC
Street Address: 1050 Red Oak Lane
City and Zip Code: Lindenhurst, IL 60046
Name of Registered Agent: CT Corporation System
Registered Agent Street Address: 208 S. LaSalle St., Ste 814
Registered Agent City and Zip Code: Chicago, IL 60604
Name of Chief Executive Officer: Norman Stephens
CEO Street Address: 1324 North Sheridan Road
CEO City and Zip Code: Waukegan, IL 60085-2199
CEO Telephone Number: (847) 360-4001

Type of Ownership of Applicants

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

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

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

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Norm Stephens
Title: Chief Executive Officer
Company Name: Vista Health System
Address: 1324 N. Sheridan Blvd, Waukegan, IL 60085
Telephone Number: (847) 360-4001
E-mail Address: nstephens@qhcus.com
Fax Number: (847) 360-4109

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

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City and Zip Code: Lindenhurst, IL 60046
County: Lake Health Service Area: 8 Health Planning Area: 097

Legislators

State Senator Name: Sen. Craig Wilcox
State Representative Name: Rep. Tom Weber

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

Exact Legal Name: Waukegan Illinois Hospital Company, LLC
Street Address: Address: 1573 Mallory Lane, Suite 100
City and Zip Code: Brentwood, TN 37027
Name of Registered Agent: The Corporation Trust Company
Registered Agent Street Address: 1209 Orange Street
Registered Agent City and Zip Code: Wilmington, DE 19801
Name of Chief Executive Officer: Robert Fish
CEO Street Address : 1573 Mallory Lane, Suite 100
CEO City and Zip Code: Brentwood, TN 37027
CEO Telephone Number: (615) 221-1400

Type of Ownership of Applicants

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

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

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Name: Norm Stephens
Title: Chief Executive Officer
Company Name: Vista Health System
Address: 1324 N. Sheridan Road, Waukegan, IL 60085
Telephone Number: (847) 360-4001
E-mail Address: nstephens@qhcus.com
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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: Lindenhurst Surgery Center
Street Address: 1050 Red Oak Lane
City and Zip Code: Lindenhurst, IL 60046
County: Lake Health Service Area: 8 Health Planning Area: 097

Legislators

State Senator Name: Sen. Craig Wilcox
State Representative Name: Rep. Tom Weber

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

Exact Legal Name: Quorum Health Corporation
Street Address: Address: 1573 Mallory Lane, Suite 100
City and Zip Code: Brentwood, TN 37027
Name of Registered Agent: The Corporation Trust Company
Registered Agent Street Address: 1209 Orange Street
Registered Agent City and Zip Code: Wilmington, DE 19801
Name of Chief Executive Officer: Robert Fish
CEO Street Address : 1573 Mallory Lane, Suite 100
CEO City and Zip Code: Brentwood, TN 37027
CEO Telephone Number: (615) 221-1400

Type of Ownership of Applicants

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

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

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

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Rick Charbonneau
Title: Senior Vice President, Managed Care and Business Development
Company Name: Quorum Health Corporation
Address: 1573 Mallory Lane, Brentwood, TN 37027
Telephone Number: (615) 221-3626
E-mail Address: rcharbonneau@qhcus.com
Fax Number: N/A

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: Lindenhurst Surgery Center
Street Address: 1050 Red Oak Lane
City and Zip Code: Lindenhurst, IL 60046
County: Lake Health Service Area: 8 Health Planning Area: 097

Legislators

State Senator Name: Sen. Craig Wilcox
State Representative Name: Rep. Tom Weber

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

Exact Legal Name: Ortho-Pod, LLC
Street Address: Address: 350 S. Greenleaf St., #405
City and Zip Code: Gurnee, IL 60031
Name of Registered Agent: Tomas E. Nemickas
Registered Agent Street Address: 350 S. Greenleaf St., #405
Registered Agent City and Zip Code: Gurnee, IL 60031
Name of Chief Executive Officer: Tomas E. Nemickas
CEO Street Address : 350 S. Greenleaf, #405
CEO City and Zip Code: Gurnee, IL 60031
CEO Telephone Number: 847-336-3335

Type of Ownership of Applicants

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

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

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

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Peter Hoepfner
Title: Member, Ortho-Pod, LLC
Company Name: Ortho-Pod, LLC
Address: 350 S. Greenleaf, #405, Gurnee, IL 60031
Telephone Number: 847-336-3335
E-mail Address: phoepfner@ibji.com
Fax Number: 847-336-3249

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

Name: Daniel J. Lawler
Title: Partner
Company Name: Barnes & Thornburg LLP
Address: One North Wacker Drive, Suite 4400, Chicago IL 60606-2833
Telephone Number: (312) 214-4861
E-mail Address: Daniel.Lawler@btlaw.com
Fax Number: (312) 759-5646

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: Courtney Wallace
Title: Patient Accounts Specialist
Company Name: Lindenhurst Surgery Center, LLC
Address: 1050 Red Oak Lane, Lindenhurst, IL 60046
Telephone Number: (847) 356-4733
E-mail Address: cwallace@qhcus.com
Fax Number: (847) 356-4798

Site Ownership after the Project is Complete

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Waukegan Illinois Hospital Company, LLC
Address of Site Owner: 1573 Mallory Lane, Suite 100, Brentwood, TN 37027
Street Address or Legal Description of the Site: 1050 Red Oak Lane, Lindenhurst, IL 60046 **Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease**.
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Current Operating Identity/Licensee

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

Exact Legal Name: Lindenhurst Surgery Center, LLC
Address: 1050 Red Oak Lane, Lindenhurst, IL 60046

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

Operating Identity/Licensee after the Project is Complete

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

Exact Legal Name: Lindenhurst Surgery Center, LLC

Address: 1050 Red Oak Lane, Lindenhurst, IL 60046

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

- Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
- Partnerships must provide the name of the state in which 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.

The applicant health care facility is Lindenhurst Surgery Center located at 1050 Red Oak Lane, Lindenhurst, Illinois.

Lindenhurst Surgery Center, LLC is currently wholly owned by Waukegan Illinois Hospital Company, LLC. The transaction is structured such that Ortho-Pod, LLC will purchase an 80% interest in Lindenhurst Surgery Center, LLC from Waukegan Illinois Hospital Company, LLC. Accordingly, the post-transaction ownership of Lindenhurst Surgery Center, LLC is anticipated to be: 80% owned by Ortho-Pod, LLC and 20% owned by Waukegan Illinois Hospital Company, LLC.

The licensee will not change as a result of this transaction.

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 **NOT APPLICABLE (no land acquisition)**

Purchase Price: $_____

Fair Market Value: $_____

Project Status and Completion Schedules

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

_____

_____

_____

_____

Anticipated exemption completion date (refer to Part 1130.570): July 31, 2021

State Agency Submittals

Are the following submittals up to date as applicable:

☒ Cancer Registry
☒ APORS
☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☒ All reports regarding outstanding permits

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:

- 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:

Lindenhurst Surgery Center, LLC

in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

SIGNATURE

Alfred Lumsdaine
PRINTED NAME

Executive Vice President
PRINTED TITLE

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

Signature of Notary

Seal

SIGNATURE

Martin D. Smith
PRINTED NAME

Executive Vice President
PRINTED TITLE

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

Signature of Notary

Seal

*Insert the EXACT legal name of the applicant

CERTIFICATION

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

- 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:

Waukegan Illinois Hospital Company, LLC

In accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

SIGNATURE	SIGNATURE
Alfred Lumsdaine PRINTED NAME	Martin D. Smith PRINTED NAME
Executive Vice President PRINTED TITLE	Executive Vice President PRINTED TITLE
Notarization: Subscribed and sworn to before me this _____ day of _____	Notarization: Subscribed and sworn to before me this _____ day of _____
Signature of Notary	Signature of Notary
Seal	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:

Quorum Health Corporation

in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

SIGNATURE	SIGNATURE
Alfred Lumsdaine PRINTED NAME	Martin D. Smith PRINTED NAME
Executive Vice President PRINTED TITLE	Executive Vice President PRINTED TITLE
Notarization: Subscribed and sworn to before me this _____ day of _____	Notarization: Subscribed and sworn to before me this _____ day of _____
Signature of Notary	Signature of Notary
Seal	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:

Ortho-Pod, LLC

in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.

SIGNATURE	SIGNATURE
Peter Hoepfner	TOMASZ NEMICKAS
PRINTED NAME	PRINTED NAME
Orthopod Representative	
PRINTED TITLE	PRINTED TITLE
Notarization: Subscribed and sworn to before me this _____ day of _____	Notarization: Subscribed and sworn to before me this _____ day of _____
Signature of Notary	Signature of Notary
Seal	Seal

*Insert the EXACT legal name of the applicant

SECTION II. BACKGROUND.

BACKGROUND OF APPLICANT

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

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

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

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

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

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

SECTION III. CHANGE OF OWNERSHIP (CHOW)

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

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

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

1. Prior to acquiring or entering into a contract to acquire an existing health care facility, a person shall submit an application for exemption to HFSRB, submit the required application-processing fee (see Section 1130.230) and receive approval from HFSRB.

2. If the transaction is not completed according to the key terms submitted in the exemption application, a new application is required.

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

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

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

APPEND DOCUMENTATION AS <u>ATTACHMENT 6,</u> 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	19-23
2	Site Ownership	24-25
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	26-27
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	28-30
5	Background of the Applicant	31-32
6	Change of Ownership	33-36
7	Charity Care Information	37-39

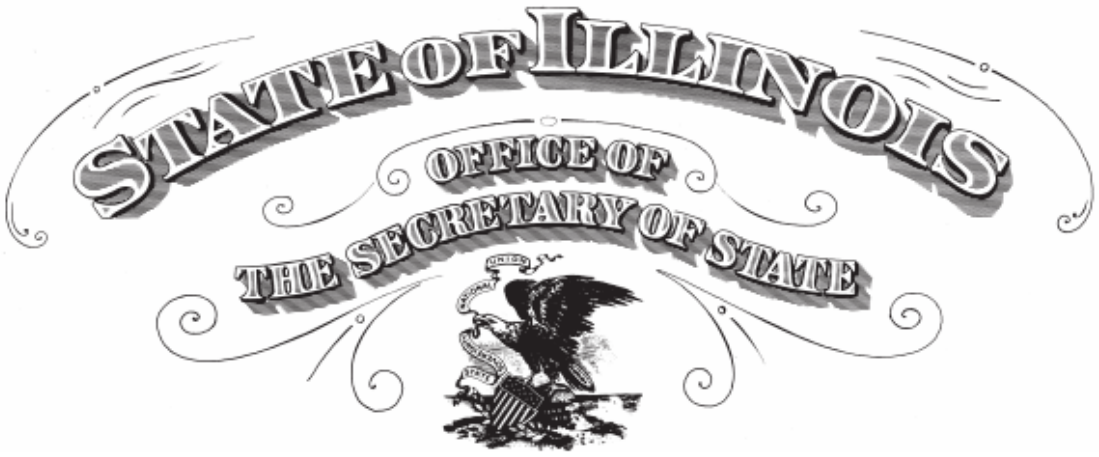
ATTACHMENT 1

TYPE OF OWNERSHIP OF APPLICANTS

Included with this attachment are:

1. The Certificate of Good Standing for the applicant facility.
2. The Certificate of Good Standing for Waukegan Illinois Hospital Company, LLC.
3. The Certificate of Good Standing for Quorum Health Corporation.
4. The Certificate of Good Standing for Ortho-Pod, LLC.

File Number 0366383-3



To all to whom these Presents Shall Come, Greeting:

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

LINDENHURST SURGERY CENTER, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON OCTOBER 20, 2011, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.

Authentication #: 2117304258 verifiable until 06/22/2022
Authenticate at: http://www.cyberdriveillinois.com

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 22ND *day of* JUNE *A.D.* 2021 .

Jesse White

SECRETARY OF STATE

ATTACHMENT 1

File Number 0171523-2

STATE OF ILLINOIS
OFFICE OF
THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

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

WAUKEGAN ILLINOIS HOSPITAL COMPANY, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON DECEMBER 20, 2005, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.

SEAL OF THE STATE OF ILLINOIS
AUG. 26TH 1818

Authentication #: 2117904484 verifiable until 06/28/2022
Authenticate at: http://www.cyberdriveillinois.com

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 28TH *day of* JUNE *A.D.* 2021 .

Jesse White

SECRETARY OF STATE

ATTACHMENT 1

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "QUORUM HEALTH CORPORATION" IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWENTY-FIRST DAY OF FEBRUARY, A.D. 2018.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.

Jeffrey W. Bullock, Secretary of State

5792308 8300

SR# 20181195758

You may verify this certificate online at corp.delaware.gov/authver.shtml

Authentication: 202188010

Date: 02-21-18

File Number 0082969-2

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

ORTHO-POD, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON DECEMBER 19, 2002, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.

Authentication #: 2115902450 verifiable until 06/08/2022
Authenticate at: http://www.cyberdriveillinois.com

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

Jesse White

SECRETARY OF STATE

ATTACHMENT 1

ATTACHMENT 2

SITE OWNERSHIP

The site ownership will remain the same following the transaction. Attached is a certification of the applicant Waukegan Illinois Hospital Company, LLC attesting to site ownership of the applicant facility as indicated.

Attestation of Site Ownership

The undersigned is an authorized representative of the applicant Waukegan Illinois Hospital Company, LLC and hereby attests that the site of the following licensed facility is owned by Waukegan Illinois Hospital Company identified below.

Facility: Lindenhurst Surgery Center, 1050 Red Oak Lane, Lindenhurst, IL

Site Owner: Waukegan Illinois Hospital Company, LLC, 1573 Mallory Lane, Suite 100, Brentwood, TN

By: _____
Name: Martin D. Smith
Title: Executive Vice President

Dated: 7/6/2021

ATTACHMENT 3

OPERATING ENTITY/LICENSEE

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

File Number 0366383-3

STATE OF ILLINOIS
OFFICE OF
THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

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

LINDENHURST SURGERY CENTER, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON OCTOBER 20, 2011, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS 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 22ND *day of* JUNE *A.D.* 2021 .

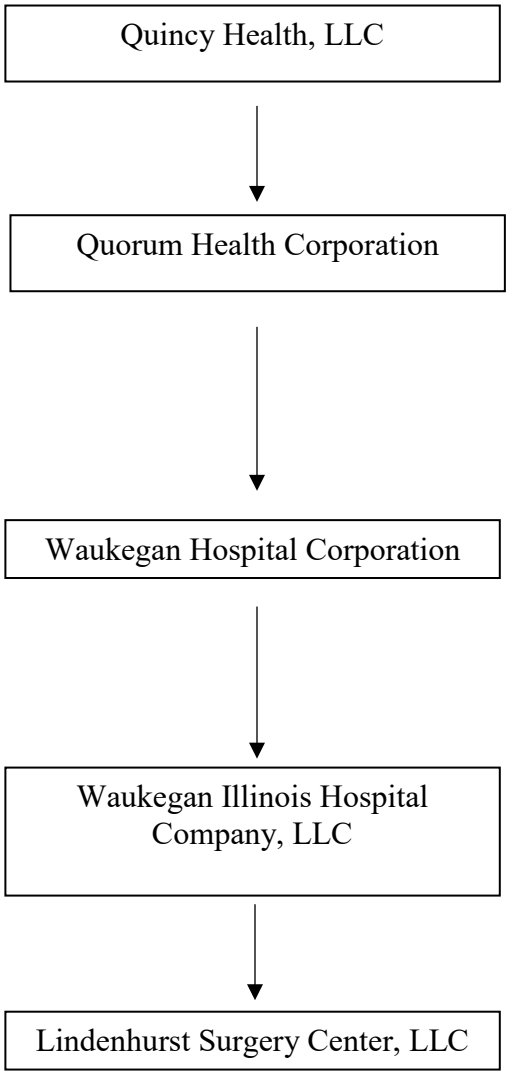
Authentication #: 2117304258 verifiable until 06/22/2022
Authenticate at: http://www.cyberdriveillinois.com

Jesse White
SECRETARY OF STATE

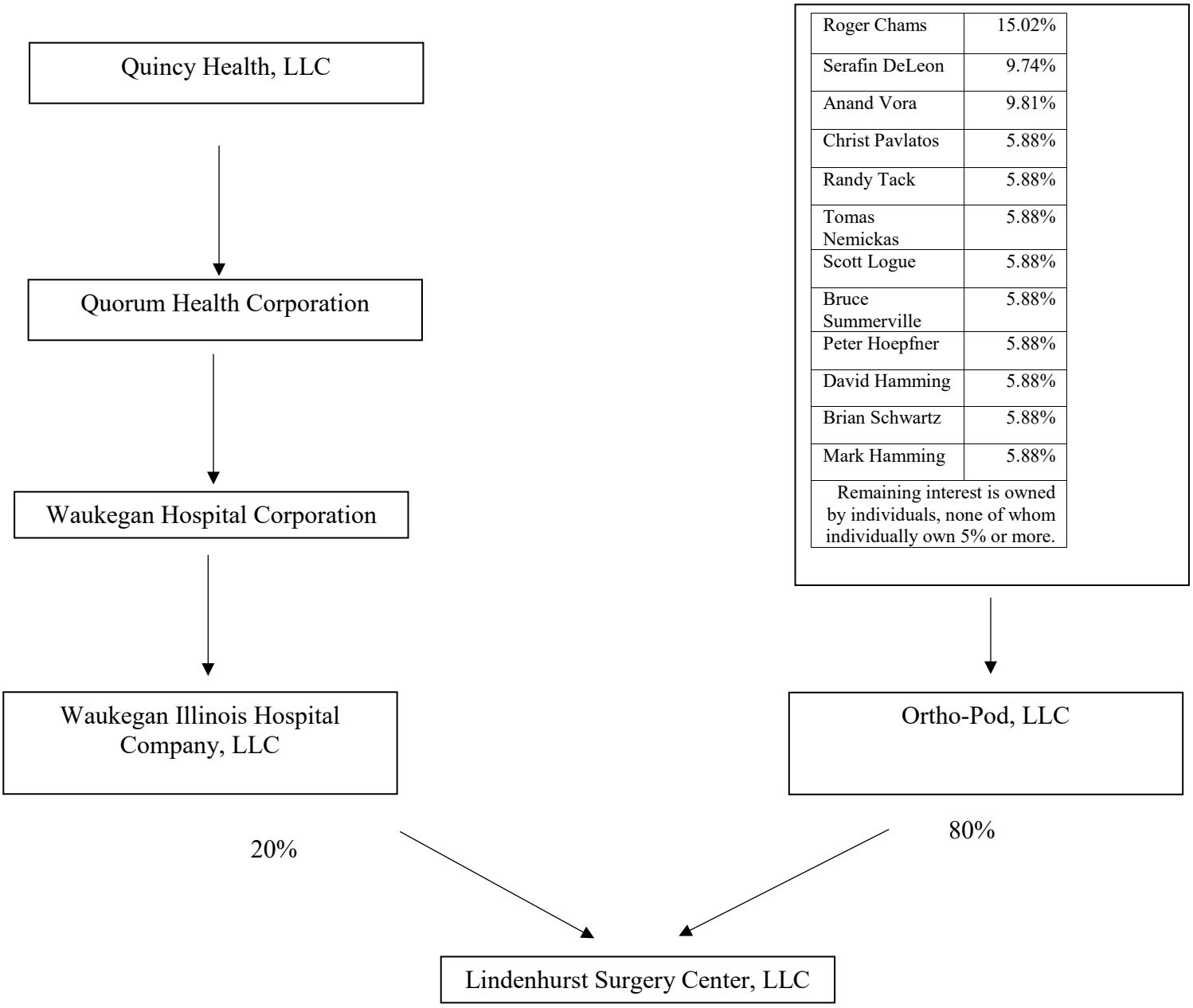
ATTACHMENT 4
ORGANIZATIONAL RELATIONSHIPS

The applicant facility is owned by the applicant Waukegan Illinois Hospital Company, LLC, which is wholly owned by Quorum Health Corporation. Current and proposed organizational charts are included with this Attachment. All direct owners of a 5% or more interest in the applicant facility are identified in the organizational charts.

Pre-Transaction Organizational Chart



Post-Transaction Organizational Chart



ATTACHMENT 4

ATTACHMENT 5

BACKGROUND OF THE APPLICANTS

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

   Quorum Hospital Corporation's affiliated Illinois health care facilities are:

A. Hospitals

Crossroads Community Hospital
8 Doctors Park Rd
Mount Vernon, Illinois
General Hospital License #0003947

Gateway Regional Medical Center
2100 Madison Ave, Granite City, Illinois
General Hospital License #0005223

Red Bud Regional Hospital
325 Spring Street
Red Bud, Illinois
Critical Access Hospital License #0005199

Union County Hospital
517 North Main Street
Anna, Illinois
Critical Access Hospital License #0005421

Heartland Regional Medical Center
3333 W DeYoung St
Marion, Illinois
General Hospital License #0005298

Vista Medical Center East
1324 N Sheridan Rd
Waukegan, Illinois
General Hospital License #0005397

B. Ambulatory Surgical Treatment Centers

Edwardsville Ambulatory Surgery Center
12 Ginger Creek Parkway
Glen Carbon, Illinois
ASTC License #7002504

Monroe County Surgical Center
501 Hamacher St
Waterloo, Illinois
ASTC License #7003194

Lindenhurst Surgery Center
1050 Red Oak Lane
Lindenhurst, Illinois
ASTC License #7003168

C. Freestanding Emergency Centers

Lindenhurst Freestanding Emergency Center
1050 Red Oak Lane
Lindenhurst, Illinois
Freestanding Emergency Center License #22004

Ortho-Pod, LLC is a limited partner in Hawthorn Place Outpatient Surgery Center, L.P., a Georgia limited partnership (ASC in Libertyville, Illinois). Ortho-Pod, LLC currently owns 62% interest in Hawthorn Place Outpatient Surgery Center, L.P., but anticipates acquiring an additional 6% interest in the entity in the near future.

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

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

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

Included with Attachment 6 is the applicants' certification of no adverse action during the three years prior to the filing of the application.

4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations.

Included with Attachment 6 is the applicants' authorization permitting HFSRB and IDPH access to any documents necessary to verify the information submitted.

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

The applicants are not relying on information submitted in prior applications.

ATTACHMENT 6
CHANGE OF OWNERSHIP

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

a. Lindenhurst Surgery Center, LLC
b. Waukegan Illinois Hospital Company, LLC
c. Quorum Health Corporation
d. Ortho-Pod, LLC

2. Section 1130.520(b)(1)(B) - Background of the parties

The applicants' certification of no adverse action within three years preceding the filing of the application is included with this Attachment. In addition, each of the applicants, by their signatures to the Certification pages of this application, attest that they are fit, willing, able, and have the qualifications, background, and character to adequately provide a proper standard of health service for the community.

3. Section 1130.520(b)(1)(C) - Structure of the transaction

Lindenhurst Surgery Center, LLC is currently wholly owned by Waukegan Illinois Hospital Company, LLC. The transaction is structured such that Ortho-Pod, LLC will purchase an 80% interest in Lindenhurst Surgery Center, LLC from Waukegan Illinois Hospital Company, LLC. Accordingly, the post-transaction ownership of Lindenhurst Surgery Center, LLC is anticipated to be: 80% owned by Ortho-Pod, LLC and 20% owned by Waukegan Illinois Hospital Company, LLC.

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

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

5. Section 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.

Organizational charts showing the current interest structure of the applicant facility and the post-change ownership interest are included with Attachment 4.

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

The fair market value and purchase price of the 80% interest in Lindenhurst Surgery Center, LLC to be purchased by Ortho-Pod, LLC has been determined to be $900,000.00.

7. Section 1130.520(b)(1)(G) - The purchase price or other forms of consideration to be provided for those assets.

See paragraph 6 above.

8. Section 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

In accordance with 77 Ill. Admin. Code 1130.520, the applicants, by their signatures to the Certification pages of this application, affirm that any projects for which permits have been issued by the Review Board have been completed or will be completed or altered in accordance with the provisions of 77 Ill. Admin. Code 1130.520.

9. Section 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

Not applicable.

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

The applicant facility will continue to conduct business at the same location, under the same legal entity and federal tax identification number. The restructuring is not expected to change or alter any of the applicants' policies or procedures, equipment, personnel, or operations.

11. Section 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

The proposed transaction will better position the applicant facility for future growth.

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

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

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

The selection process of the applicant facility's governing body will not change as a result of the proposed transaction.

14. Section 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.

The applicant is not anticipating changes to the scope of services or levels of care currently provided at the facility to occur within 24-months related to the proposed transaction. The impact of the Coronavirus pandemic is causing changes in the scope of services at health care facilities

throughout Illinois and the country, and the applicants cannot predict what specific impact the pandemic may have on services at the applicant facility.

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

Dear Ms. Avery:

On behalf of the applicant facility and Quorum Health Corporation ("Quorum"), I hereby certify that no adverse action has been taken against the applicant facility during the three years prior to the filing of this application for change of ownership.

The applicants affirm that all Quorum owned Illinois health care facilities are identified in this application and that no other health care facilities are currently owned or operated in Illinois by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the applicant facility.

The applicants hereby permit the Illinois Health Facilities and Services Review Board and Illinois Department of Public Health ("IDPH") to have access to any documents necessary to verify the information submitted in the application for change of ownership of the facility including, but not limited to: (i) official records of IDPH or other State of Illinois agencies; (ii) the licensing or certification records of other states, when applicable; and (iii) the records of nationally reorganized accreditation organizations.

The applicants further attest that the applicant facility will not adopt a more restrictive charity care policy that was in effect one year prior to the transaction.

Respectfully submitted,

Martin Smith
Executive Vice President & Chief Operating Officer
Quorum Health Corporation

7/6/2021
Dated

ATTACHMENT 7

CHARITY CARE INFORMATION

The amount of charity care for the last three years provided by the applicant facility and of Quorum Health Corporation's other affiliated Illinois hospitals and ambulatory surgical treatment centers are included in the tables below.

LINDENHURST SURGERY CENTER, Lindenhurst			
	2017	**2018**	**2019**
Net Patient Revenue ($)	**5,705,523**	**3,655,308**	**2,532,194**
Amount of Charity Care (charges)	0	0	0
Cost of Charity Care ($)	0	0	0

GATEWAY REGIONAL MEDICAL CENTER, Granite City			
	2017	**2018**	**2019**
Net Patient Revenue ($)	**131,930,854**	**119,853,104**	**131,644,070**
Amount of Charity Care (charges)	0.2% of net patient revenue	0.6% of net patient revenue	0.2% of net patient revenue
Cost of Charity Care ($)	318,364	662,943	268,232

CROSSROADS COMMUNITY HOSPITAL, Mt. Vernon			
	2017	**2018**	**2019**
Net Patient Revenue ($)	**42,975,140**	**47,837,708**	**51,135,047**
Amount of Charity Care (charges)	0.5% of net patient revenue	0.2% of net patient revenue	0.2% of net patient revenue
Cost of Charity Care ($)	204,594	92,907	77,176

HEARTLAND REGIONAL MEDICAL CENTER, Marion			
	2017	**2018**	**2019**
Net Patient Revenue ($)	**107,493,477**	**122,956,140**	**108,538,922**
Amount of Charity Care (charges)	1.1% of net patient revenue	1.1% of net patient revenue	0.1% of net patient revenue
Cost of Charity Care ($)	1,223,011	72,702	96,346

RED BUD REGIONAL HOSPITAL, Red Bud			
	2017	**2018**	**2019**
Net Patient Revenue ($)	**25,232,661**	**28,080,998**	**30,328,846**
Amount of Charity Care (charges)	0.3% of net patient revenue	0.3% of net patient revenue	0.5% of net patient revenue
Cost of Charity Care ($)	80,088	90,677	138,053

UNION COUNTY HOSPITAL, Anna			
	2017	**2018**	**2019**
Net Patient Revenue ($)	**24,855,974**	**23,749,436**	**23,622,462**
Amount of Charity Care (charges)	0.3% of net patient revenue	0.3% of net patient revenue	0.03% of net patient revenue
Cost of Charity Care ($)	77,416	65,422	8,068

VISTA MEDICAL CENTER, Waukegan			
	2017	**2018**	**2019**
Net Patient Revenue ($)	**171,104,147**	**189,423,688**	**193,507,563**
Amount of Charity Care (charges)	0.5% of net patient revenue	0.3% of net patient revenue	0.1% of net patient revenue
Cost of Charity Care ($)	886,957	550,384	159,356

EDWARDSVILLE AMBULATORY SURGERY CENTER, Glen Carbon			
	2017	**2018**	**2019**
Net Patient Revenue ($)	**9,449,802**	**9,375,547**	**2,532,194**
Amount of Charity Care (charges)	0	0	0
Cost of Charity Care ($)	0	0	0

The amount of charity care for the last three years provided by Hawthorn Place Outpatient Surgery Center, L.P. is included in the table below. OrthoPod, LLC currently owns a 62% interest in Hawthorn Place Outpatient Surgery Center, L.P. but anticipates acquiring an additional 6% interest in the entity in the near future.

HAWTHORN PLACE OUTPATIENT SURGERY CENTER, L.P.			
	2017	**2018**	**2019**
Net Patient Revenue ($)	**27,733,066**	**19,342,431**	**21,666,442**
Amount of Charity Care (charges)	0	0	0
Cost of Charity Care ($)	0	0	0