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:	Oak Surgical Institute, LLC				
Street Address:	403 S. Kennedy Drive				
City and Zip Code:	Bradley 60915				
County:	Kankakee	Health Service Area:	009	Health Planning Area:	09

Legislators

State Senator Name:	Patrick J. Joyce
State Representative Name:	Jackie Haas

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

Exact Legal Name: :	Oak Surgery Institute, LLC
Street Address:	400 S. Kennedy Drive, Suite 100
City and Zip Code:	Bradley 60915
Name of Registered Agent:	Paula Jacobi
Registered Agent Street Address:	350 N. Wall Street
Registered Agent City and Zip Code:	Kankakee, IL 60901
Name of Chief Executive Officer:	Michael Corcoran, M.D., President
CEO Street Address:	350 N. Wall Street
CEO City and Zip Code:	Kankakee, IL 60901
CEO Telephone Number:	(815) 928-9999

Type of Ownership of Applicants

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

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

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

Primary Contact [Person to receive ALL correspondence or inquiries]

Name:	Joe Ourth
Title:	Partner
Company Name:	Saul Ewing Arnstein & Lehr LLP
Address:	120 N. Clark Street, Suite 4200, Chicago, IL 60601
Telephone Number:	312/876-7815
E-mail Address:	joe.ourth@saul.com
Fax Number:	(312) 876-6215

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:	Oak Surgical Institute, LLC				
Street Address:	403 S. Kennedy Drive				
City and Zip Code:	Bradley 60915				
County:	Kankakee	Health Service Area:	009	Health Planning Area:	09

Legislators

State Senator Name:	Patrick J. Joyce
State Representative Name:	Jackie Haas

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

Exact Legal Name:	Valley Investment, LLC
Street Address:	400 S. Kennedy Drive, Ste 100
City and Zip Code:	Bradley 60915.
Name of Registered Agent:	Michael Corcoran, M.D.
Registered Agent Street Address:	400 S. Kennedy Drive
Registered Agent City and Zip Code:	Bradley 60915
Name of Chief Executive Officer: (LLC Managers) Michael Corcoran, M.D., Tom Antkowiak, M.D., Wesley Choy, M.D., Rajeev Puri, M.D., Alexander Michalow, M.D., Eddie Jones, M.D., Tomasz Antkowiak, M.D	
CEO Street Address:	400 S. Kennedy Dr.
CEO City and Zip Code:	Bradley 60915
CEO Telephone Number:	(815)928-8050

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:	Joe Ourth
Title:	Partner
Company Name:	Saul Ewing Arnstein & Lehr LLP
Address:	120 N. Clark Street, Suite 4200, Chicago, IL 60601
Telephone Number:	(312) 876-7815
E-mail Address:	joe.ourth@saul.com
Fax Number:	312/876-6215

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:	Oak Surgical Institute, LLC				
Street Address:	403 S. Kennedy Drive				
City and Zip Code:	Bradley, IL 60915				
County:	Kankakee	Health Service Area:	009	Health Planning Area:	09

Legislators

State Senator Name:	Patrick J. Joyce
State Representative Name:	Jackie Haas

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

Exact Legal Name:	Riverside Health System
Street Address:	350 N. Wall Street
City and Zip Code:	Kankakee 60901
Name of Registered Agent:	Phillip Kambic
Registered Agent Street Address:	350 N. Wall Street
Registered Agent City and Zip Code:	Kankakee 60901
Name of Chief Executive Officer:	Phillip Kambic
CEO Street Address:	350 N. Wall Street
CEO City and Zip Code:	Kankakee 60901
CEO Telephone Number:	(815) 933-1671

Type of Ownership of Applicants

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

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

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

Primary Contact [Person to receive ALL correspondence or inquiries]

Name:	Joe Ourth
Title:	Partner
Company Name:	Saul Ewing Arnstein & Lehr LLP
Address:	120 N. Clark Street, Suite 4200, Chicago, IL 60601
Telephone Number:	(312) 876-7815
E-mail Address:	joe.ourth@saul.com
Fax Number:	312/876-6215

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:	Oak Surgical Institute, LLC				
Street Address:	403 S. Kennedy Drive				
City and Zip Code:	Bradley, IL 60915				
County:	Kankakee	Health Service Area:	009	Health Planning Area:	09

Legislators

State Senator Name:	Patrick J. Joyce
State Representative Name:	Jackie Haas

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

Exact Legal Name:	Riverside Medical Center
Street Address:	350 N. Wall Street
City and Zip Code:	Kankakee 60901
Name of Registered Agent:	Phillip Kambic
Registered Agent Street Address:	350 N. Wall Street
Registered Agent City and Zip Code:	Kankakee 60901
Name of Chief Executive Officer:	Phillip Kambic
CEO Street Address:	350 N. Wall Street
CEO City and Zip Code:	Kankakee 60901
CEO Telephone Number:	(815) 933-1671

Type of Ownership of Applicants

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

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

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

Primary Contact [Person to receive ALL correspondence or inquiries]

Name:	Joe Ourth
Title:	Partner
Company Name:	Saul Ewing Arnstein & Lehr LLP
Address:	120 N. Clark Street, Suite 4200, Chicago, IL 60601
Telephone Number:	312/876-7815
E-mail Address:	joe.ourth@saul.com
Fax Number:	312/876-6215

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

Name:	Paula Jacobi
Title:	General Counsel
Company Name:	Riverside Medical Center
Address:	350 N. Wall Street, Kankakee, IL 60901
Telephone Number:	(815) 922-5231
E-mail Address:	pjacobi@rhc.net
Fax Number:	(815) 933-0798

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:	Paula Jacobi
Title:	General Counsel
Company Name:	Riverside Medical Center
Address:	350 N. Wall Street, Kankakee, IL 60901
Telephone Number:	(815) 922-2513
E-mail Address:	pjacobi@rhc.net
Fax Number: :	(815) 933-0798

Site Ownership after the Project is Complete

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	Riverside Medical Center
Address of Site Owner:	350 N. Wall Street, Kankakee, IL 60901
Street Address or Legal Description of the Site: **Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.**	
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Current Operating Identity/Licensee

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

Exact Legal Name:	Oak Surgical Institute, LLC
Address:	403 S. Kennedy Dr., Bradley, IL 60915

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

☐ Partnership
☐ Governmental
☐ Sole Proprietorship
☐

Operating Identity/Licensee after the Project is Complete

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

Exact Legal Name: Oak Surgical Institute, LLC

Address: 403 S. Kennedy Dr., Bradley, IL 60915

☐	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 Oak Surgical Institute, LLC ("OSI") is located at 403 S. Kennedy Dr., Bradley, IL 60915. The ambulatory surgery center provides orthopedic and podiatric surgical services and pain management procedures. The current owners are Valley Investments, LLC ("Valley") an Illinois limited liability company with a member interest of 55% and Oakside Corporation ("Oakside") an Illinois not-for-profit corporation with a member interest of 45%. The current owners seek a Certificate of Exemption for the proposed transfer of ownership under the Review Board's regulations.

The Valley owners are orthopedic surgeons who sought and received a permit to establish a new ambulatory surgical center which is expected to open later this year. As a result, these surgeons will be resigning their medical staff membership at OSI and transferring their surgical volumes to their new ambulatory surgery center. Oakside is a subsidiary corporation of Riverside Health System as is the new owner Riverside Medical Center. It is the intention of Valley and Oakside to transfer all of their ownership interest in OSI to Riverside Medical Center, an Illinois not-for-profit corporation located at 350 N. Wall St., Kankakee, IL 60901. The transaction is expected close on or about December 31, 2021 contingent on receipt of the Certification of Exemption being sought hereunder with the Selling parties receiving $750,000 in consideration of same.

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: $_____

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): _____

State Agency Submittals

Are the following submittals up to date as applicable:

☒ Cancer Registry
☐ APORS (not applicable)
☒ 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 *Oak Surgical Institute, 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

Michael Corcoran, M.D.
PRINTED NAME

Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 27th day of September

Lisa M Meehan
Signature of Notary

Seal

OFFICIAL SEAL
LISA M MEEHAN
NOTARY PUBLIC, STATE OF ILLINOIS
KANKAKEE COUNTY
MY COMMISSION EXPIRES 01/08/2025

*Insert the legal name of the applicant

SIGNATURE

Tom Antkowiak, MD
PRINTED NAME

Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 27th day of September

Lisa M. Meehan
Signature of Notary

Seal

OFFICIAL SEAL
LISA M MEEHAN
NOTARY PUBLIC, STATE OF ILLINOIS
KANKAKEE COUNTY
MY COMMISSION EXPIRES 01/08/2025

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 *Valley Investments, 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

Michael Corcoran, M.D.
PRINTED NAME

Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 27th day of September

Signature of Notary

Seal

OFFICIAL SEAL
LISA M MEEHAN
NOTARY PUBLIC, STATE OF ILLINOIS
KANKAKEE COUNTY
MY COMMISSION EXPIRES 01/08/2025

SIGNATURE

Tom Antkowiak, MD
PRINTED NAME

Manager
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 27th day of September

Signature of Notary

Seal

OFFICIAL SEAL
LISA M MEEHAN
NOTARY PUBLIC, STATE OF ILLINOIS
KANKAKEE COUNTY
MY COMMISSION EXPIRES 01/08/2025

*Insert the EXACT LEGAL NAME of the applicant

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
CHANGE OF OWNERSHIP APPLICATION FOR EXEMPTION- 04/2021 Edition

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 *Riverside Health System*

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

Phillip Kambic
PRINTED NAME

President
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 23 day of September, 2021

Signature of Notary

Seal

PAMELA S. HULL
OFFICIAL SEAL
Notary Public - State of Illinois
My Commission Expires Jun 07, 2025

*Insert the EXACT legal name of the applicant

SIGNATURE

Patricia K. Vilt
PRINTED NAME

CFO
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 23 day of September 2021

Signature of Notary

Seal

PAMELA S. HULL
OFFICIAL SEAL
Notary Public - State of Illinois
My Commission Expires Jun 07, 2025

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 *Riverside Medical Center*

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

SIGNATURE	SIGNATURE
Phillip Kambic PRINTED NAME	Patricia K. Vilt PRINTED NAME
President PRINTED TITLE	CFO PRINTED TITLE
Notarization: Subscribed and sworn to before me this 23 day of September, 2021	Notarization: Subscribed and sworn to before me this 23 day of September 2021
Signature of Notary	Signature of Notary
Seal PAMELA S. HULL OFFICIAL SEAL Notary Public - State of Illinois My Commission Expires Jun 07, 2025	Seal PAMELA S. HULL OFFICIAL SEAL Notary Public - State of Illinois My Commission Expires Jun 07, 2025

*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.
- X 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.
- X 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
- X 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

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

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

SECTION IV.CHARITY CARE INFORMATION

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

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

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

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

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

CHARITY CARE			
	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	19-25
2	Site Ownership	26
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	27
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	28-30
5	Background of the Applicant	31-33
6	Change of Ownership	34-37
7	Charity Care Information	38

Section I, Identification, General Information and Certification

Attachment 1, Type of Ownership of Applicants

An organizational chart showing the current ownership structure of Oak Surgical Institute, LLC ("OSI"), along with the post-closing ownership structure of OSI, is included in Attachment 4. Good standing certificates for the following entities are also attached:

1. Oak Surgical Institute, LLC: OSI is a Delaware limited liability company owned by Valley Investments, LLC and Oakside Corporation. Upon completion of the proposed transaction Riverside Medical Center will own 100% of OSI. A copy of OSI's Illinois Good Standing Certificate is attached.

2. Valley Investments, LLC ("Valley"): Valley is an Illinois corporation owned by area surgeons. Valley owns 55% of OSI. A copy of Valley's Certificate of Good Standing is attached.

3. Oakside Corporation ("Oakside"): Oakside is an Illinois not-for-profit corporation owned by Riverside Health System. Oakside presently owns 45% of OSI. A copy of Oakside's Illinois Good Standing Certificate is attached. Oakside is not a necessary co-applicant and is described for informational purposes only.

4. Riverside Health System ("Riverside Health"): Riverside is an Illinois not-for-profit Corporation. Under Review Board regulations, Riverside will be deemed to have final control following the change of ownership and is included as a co-applicant. A copy of Riverside Health's Illinois Good Standing Certificate is attached.

5. Riverside Medical Center. Riverside Medical Center is an Illinois not-for-profit corporation that operates as a hospital in Kankakee. Riverside Medical Center will acquire 100% of OSI. A copy of its Illinois Certificate of Good Standing is attached.

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "OAK SURGICAL INSTITUTE, L.L.C." IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE THIRTEENTH DAY OF SEPTEMBER, A.D. 2021.

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

Jeffrey W. Bullock, Secretary of State

3153225 8300

SR# 20213229928

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

Authentication: 204143888

Date: 09-13-21

ATTACHMENT 1

File Number 0036275-1

STATE OF ILLINOIS

OFFICE OF THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

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

OAK SURGICAL INSTITUTE, L.L.C., A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON JANUARY 07, 2000, 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* 18TH *day of* AUGUST *A.D.* 2021 .

Authentication #: 2123001680 verifiable until 08/18/2022
Authenticate at: http://www.ilsos.gov

Jesse White

SECRETARY OF STATE

ATTACHMENT 1

File Number 0050779-2

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

VALLEY INVESTMENTS, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON JANUARY 22, 2001, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 18TH *day of* AUGUST *A.D.* 2021 .

Authentication #: 2123001698 verifiable until 08/18/2022
Authenticate at: http://www.ilsos.gov

Jesse White

SECRETARY OF STATE

ATTACHMENT 1

File Number 5265-327-4

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

OAKSIDE CORPORATION, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON FEBRUARY 19, 1982, 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* 18TH *day of* AUGUST *A.D.* 2021 .

Authentication #: 2123001658 verifiable until 08/18/2022
Authenticate at: http://www.ilsos.gov

Jesse White

SECRETARY OF STATE

ATTACHMENT 1

File Number 5265-328-2

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

RIVERSIDE HEALTH SYSTEM, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON FEBRUARY 19, 1982, 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* 18TH *day of* AUGUST *A.D.* 2021 .

Authentication #: 2123001598 verifiable until 08/18/2022
Authenticate at: http://www.ilsos.gov

Jesse White

SECRETARY OF STATE

ATTACHMENT 1

#E-046-21

File Number 3882-598-4

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

RIVERSIDE MEDICAL CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON MAY 20, 1959, 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* 18TH *day of* AUGUST *A.D.* 2021 .

Authentication #: 2123001618 verifiable until 08/18/2022
Authenticate at: http://www.ilsos.gov

Jesse White

SECRETARY OF STATE

ATTACHMENT 1

Section I, Identification, General Information and Certification

Attachment 2, Site Ownership

Riverside Medical Center leases the Property to OSI. There will be no change in site ownership as a result of the proposed change in ownership.

Section I, Identification, General Information and Certification

Attachment 3, Operating Identity/Licensee

Oak Surgical Institute, LLC ("OSI") will continue to be the licensed entity operating the facility. There will be no change in the licensee as a result of this transaction

OSI is an Illinois limited liability company. A copy of OSI's Delaware Good Standing Certificate and authorization to do business in Illinois is attached. OSI is currently owned by Valley Investments, LLC ("Valley") (55%) and 45% by Oakside Corporation ("Oakside"). Riverside Medical Center is a subsidiary of Riverside Health System. Following the transaction Riverside Medical Center will own 100% of OSI.

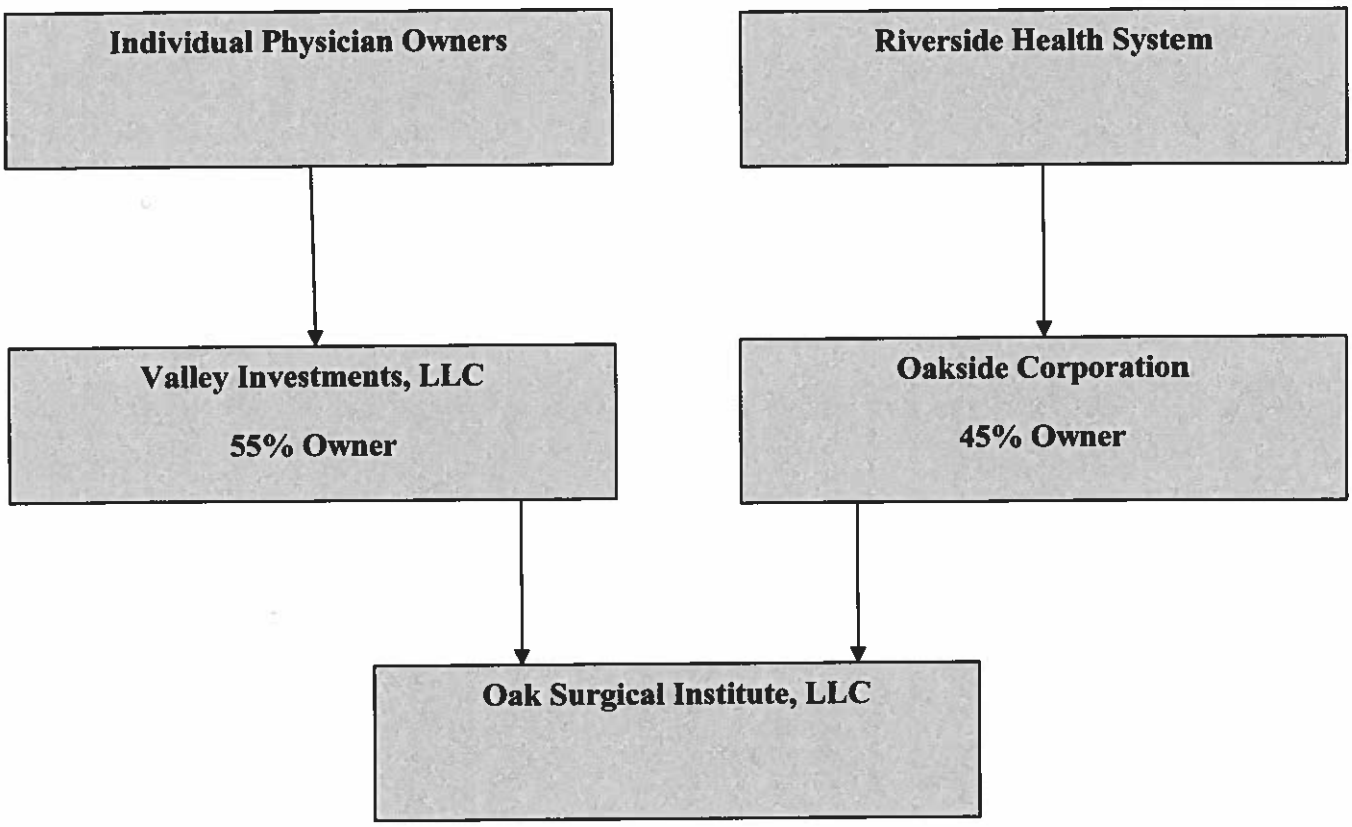
Organizational charts showing the current ownership structure, along with the post-closing ownership structure of Oak Surgical Institute are included in Attachment 4.

Section I, Identification, General Information and Certification

Attachment 4, Organizational Relationships

An organizational chart showing the current ownership structure of OSI, along with the post-closing ownership structure of OSI is attached.

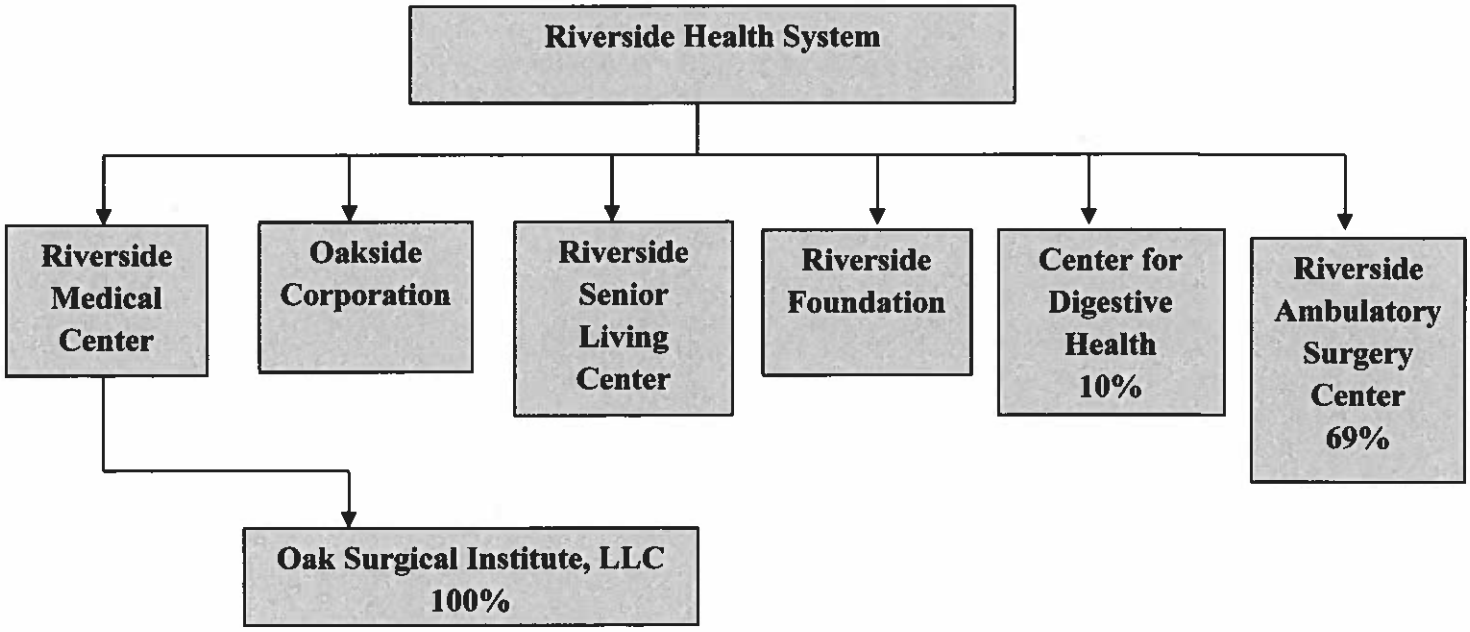
Current Ownership Structure
Oak Surgical Institute, LLC



ATTACHMENT 4

Post Transaction Ownership

Oak Surgical Institute, LLC



ATTACHMENT 4

Background of Applicant

Attachment 5, Background

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

   OSI owns no other health care facilities. A list of health care facilities owned or controlled by Riverside Health System, is included.

2. **A certified listing of any adverse action taken against any facility owned and/or operated by the Applicant during the three years prior to the filing of the application.**

   By their signatures on the Certification pages to this application, each of the Applicants attest that no adverse action has been taken against any facility owned and/or operated by them during the three (3) years prior to the filing of this application.

3. **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.**

   By their signatures to the Certification pages to this application, each of the Applicants authorize HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: (i) official records of DPH or other State agencies; (ii) the licensing or certification records of other states, when applicable; and (iii) the records of nationally recognized accreditation organizations.

Riverside Health System, Inc. Facilities

The licensing, certification and accreditation numbers of each Illinois health facility owned or operated by Riverside Health System, related entities along with relevant identification numbers, are listed below.

Section 1110.230, Background, Purpose of the Project and Alternatives

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

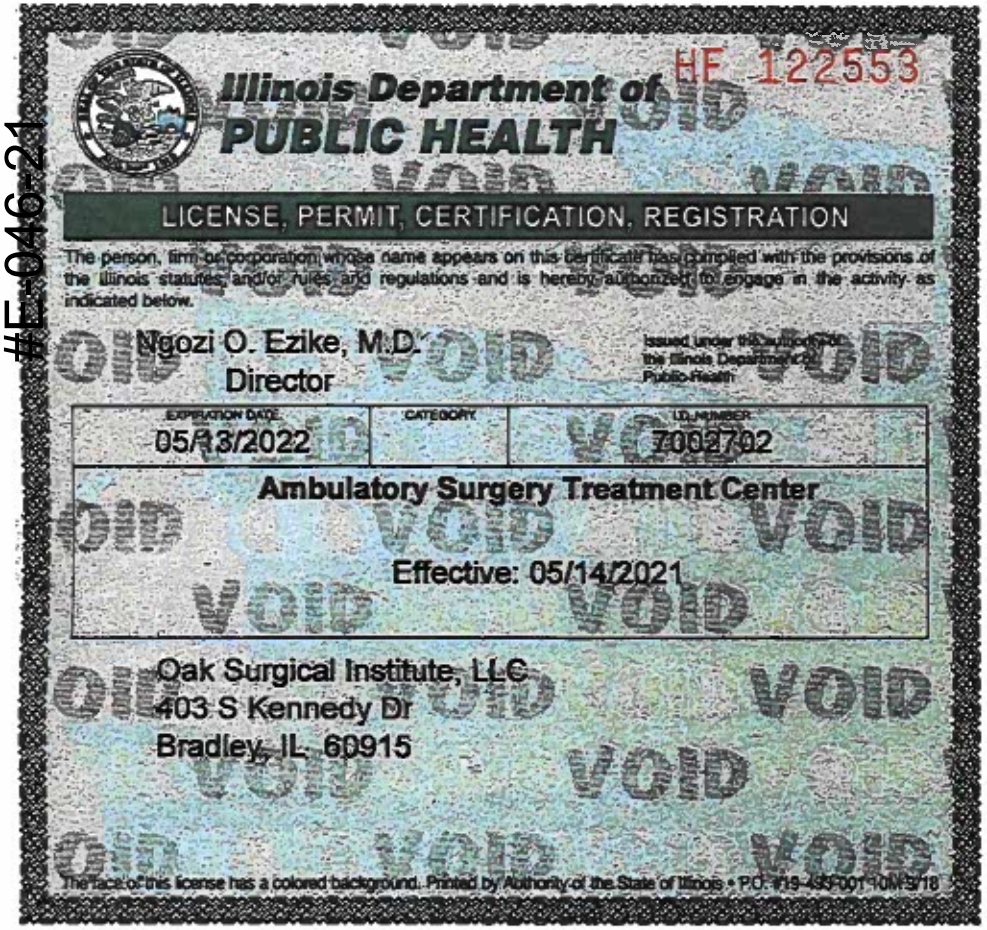
   A copy of OSI's full ASTC license #7002702, effective May 14, 2021, issued by IDPH, is attached.

   Riverside Healthcare and/or Riverside Medical Center has ownership interest in the following facilities:

FACILITY	LOCATION	LICENSE NO.	ACCREDITATION NUMBER
OAK Surgical Institute (45%)	403 South Kennedy Drive Bradley, IL 60915	7002702	AAAHC# 23419
Riverside Medical Center	350 N. Wall Street Kankakee, IL 60901	0002014	DNV GL Healthcare PRJC-41553-2012-MSL-USA
Riverside Senior Living Center d/b/a Miller Rehabilitation (100%)	1601 Butterfield Trail Kankakee, IL 60901	40659	N/A
Riverside Ambulatory Surgery Center, LLC (69%)	300 Riverside Drive Bourbonnais, IL 60914	HF116574	14D1041895
Center for Digestive Health (10%)	1615 N. Convent Bourbonnais, IL 60814	7002876	AAAHC #65640

ATTACHMENT 5

#E-046-21



Illinois Department of PUBLIC HEALTH

HF 122553

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

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

Ngozi O. Ezike, M.D.
Director

Issued under the authority of the Illinois Department of Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
05/13/2022		7002702

Ambulatory Surgery Treatment Center

Effective: 05/14/2021

Oak Surgical Institute, LLC
403 S Kennedy Dr
Bradley, IL 60915

The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #19-439-0011-0M-3/18

VOID

ATTACHMENT 5

Section IV, Change of Ownership

Attachment 6, Requirements for Exemptions Involving the Change of Ownership of a Health Care Facility

Section 1130.520, Information Requirements for Change of Ownership of a Health Care Facility

1. **1130.520(b)(1)(A), Names of Parties**: The Applicants are: (i) Oak Surgical Institute, LLC ("OSI") (ii) Valley Investments, LLC ("Valley"); (iii) Riverside Medical Center, and (iv) Riverside Health System ("Riverside Health").

   An organizational chart showing the current ownership structure of OSI, along with the post-closing ownership structure of OSI is included in Attachment 4. Good standing certificates for each of the Applicants are included in Attachment 1.

2. **1130.520(b)(1)(B), Background of Parties**: 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.

   By their signatures on the Certification pages to this application, each of the Applicants attest that no adverse action has been taken against any facility owned and/or operated by each of them during the three (3) years prior to the filing of this application.

3. **1130.520(b)(1)(C), Structure of the Transaction**:

   Oak Surgical Institute, LLC owns and operates Oak Surgical Institute in Bradley, Illinois (the "Facility"). Valley Investments, LLC ("Valley"), presently holds 55% of the ownership interests in the Facility. Oakside Corporation a wholly owned subsidiary of Riverside Health, will transfer its 45% ownership interest to its sister entity, Riverside Medical Center. Under the proposed transaction, Riverside Medical Center will acquire 100% OSI. The Selling parties will receive their pro rata share of the FMV of the assets of OSI estimated at this time to be $750,000. As a result of the transaction Riverside Medical Center will own 100% of OSI and Riverside Health will be the entity that is deemed to have "final control" pursuant to Review Board regulations. The transaction is scheduled to close on or about December 31, 2021 or such time as the parties may agree following Review Board approval of the change of ownership COE.

4. **1130.520(b)(1)(D), Name of Licensed Entity after Transaction**: OSI will continue to be the licensed entity after the Proposed Transaction. There is no change in the licensed entity as a consequence of the Proposed Transaction.

5. **1130.520(b)(1)(E), List of Ownership/Membership Interests in Licensed Entity Prior to and After Transaction**: An organizational chart showing the current ownership structure of OSI, along with the post-closing ownership structure of Oak Surgical Institute is included in Attachment 4. Good standing certificates for each of the Applicants are included in Attachment 1.

6. **1130.520(b)(1)(F), Fair Market Value of Assets to be Transferred**: The Selling parties will receive their pro rata share of the FMV of the assets of OSI estimated at this time to be $750,000. The transaction is an "arm's length" purchase and the purchase price is the fair market value.

7. **1130.520(b)(1)(G), Purchase Price or Other Forms of Consideration to be Provided**:

   The Selling parties will receive their pro rata share of the FMV of the assets of OSI estimated at this time to be $750,000. The transaction is an "arm's length" purchase and the purchase price is the fair market value.

8. **1130.520(b)(2), Affirmations:** In accordance with 77 Ill. Adm. Code §1130.520, each of the Applicants 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. Adm. Code §1130.520.

9. **1130.520(b)(4), Statement as to the Anticipated Benefits of the Proposed Changes in Ownership to the Community**.

   Following the acquisition of the ownership of OSI, Riverside Medical Center shall maintain the ambulatory surgery center in Bradley, Illinois to provide convenient access to its services to the residents of Kankakee, Bradley and the Western and Southern ends of the county. Consistent with Riverside Medical Center policy, OSI will provide charity care to qualified patients.

10. **1130.520(b)(5), Statement as to the Anticipated or Potential Cost Savings, if any, That Will Result for the Community and the Facility as a Result of the Change in Ownership**.

    With access to large group purchasing contracts through Riverside Medical Center, the cost of supplies and equipment to operate the surgery center may be reduced from that experienced by OSI in the past.

11. **1130.520(b)(6), Description of the Facility's Quality Improvement Program Mechanism that will be Utilized to Assure Quality Control.**

OSI has a quality improvement program that is broad in scope to address clinical, administrative, and cost of care performance issues, including assessment of patient outcomes and evaluation of potential safety issues. The goals of the quality program are:

- To improve the quality of care and to promote more effective and efficient utilization of facilities and services
- To maintain an active, integrated, organized, and peer-based program of quality management and improvement
- To link peer review, quality improvement, and risk management in an organized and systematic plan

The quality committee meets periodically on the above responsibilities and in addition performs an annual review of the effectiveness of the program.

12. **1130.520(b)(7), Description of the selection process that the acquiring entity will use to select the facility's governing body.**

OSI shall be initially governed by a 3-member board of directors of the Class B member. The selection of directors for the Class B Member shall conform to the established procedures for the nomination and confirmation of directors as used in the Riverside Health System. The Class A Member (potential future physician investors) shall appoint up to 2 directors. The board will increase in size to a maximum of 5 directors upon inclusion of physician investors.

13. **1130.520(b)(9), 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 twenty-four (24) months after acquisition.**

There are no long term proposed changes to the scope of services currently provided at the facility that are anticipated to occur within twenty-four (24) months as a result of the transaction. However, with the resignation of all of the current medical staff of OSI upon consummation of the transaction, it is anticipated that a suspension of the operation of OSI shall be imposed for a period of approximately 3-4 months to allow for credentialing of new providers, hiring of replacement staff and acquisition of replacement equipment.

Section X, Charity Care Information

Attachment 7, Charity Care Information

OSI will follow the Charity Care practices of Riverside Medical Center including seeing Medicare, Medicaid and charity care patients. (Please NOTE that: Riverside Medical Center sees a higher volume of charity cases as a result of the patients that present in the Emergency Department and Obstetrics.)

OSI

CHARITY CARE			
	2017	**2018**	**2019**
Net Patient Revenue	**$4,688,646**	**$5,320,448**	**$5,025,873**
Amount of Charity Care (charges)	$0	$0	$0
Cost of Charity Care	$0	$0	$0

Other Riverside Health System related ambulatory surgery centers provide charity care as follows:

Riverside Medical Center

CHARITY CARE			
	2017	**2018**	**2019**
Net Patient Revenue	**$312,770,233**	**$341,587,160**	**$363,507,203**
Amount of Charity Care (charges)	$15,629,762	$19,391,437	$19,127,953
Cost of Charity Care	$3,535,312	$3,961,009	$3,960,197

Riverside Ambulatory Surgery Center, LLC

CHARITY CARE			
	2017	**2018**	**2019**
Net Patient Revenue	**$3,737,238**	**$3,065,847**	**$3,242,381**
Amount of Charity Care (charges)	$0	$0	$0
Cost of Charity Care	$0	$0	$0