

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT**

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name:	Oak Surgical Institute – Discontinuation		
Street Address:	403 S. Kennedy Drive		
City and Zip Code:	Bradley, IL 60915		
County:	Kankakee	Health Service Area:	009 Health Planning Area: 091

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

Exact Legal Name:	Oak Surgical Institute, LLC
Street Address:	403 S. Kennedy Drive
City and Zip Code:	Bradley 60915
Name of Registered Agent:	Paula M. Jacobi
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

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

- 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:	161 North Clark Street, Suite 4200, Chicago, Illinois 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 for permit]

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

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APPLICATION FOR PERMIT**

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Street Address:	403 S. Kennedy Drive		
City and Zip Code:	Bradley, IL 60915		
County:	Kankakee	Health Service Area:	009 Health Planning Area: 091

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 M. Kambic
Registered Agent Street Address:	350 N. Wall Street
Registered Agent City and Zip Code:	Kankakee 60901
Name of Chief Executive Officer:	Phillip M. Kambic
CEO Street Address:	350 N. Wall Street
CEO City and Zip Code:	Kankakee 60901
CEO Telephone Number:	815/933-1671

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<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship
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Title:	General Counsel
Company Name:	Riverside Medical Center
Address:	350 N. Wall Street
Telephone Number:	815/922-5231
E-mail Address:	pjacobi@rhc.net
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**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT**

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name:	Oak Surgical Institute – Discontinuation		
Street Address:	403 S. Kennedy Drive		
City and Zip Code:	Bradley, IL 60915		
County:	Bourbonnais	Health Service Area:	009 Health Planning Area: 091

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

Exact Legal Name:	Riverside Health System, d/b/a Riverside Healthcare
Street Address:	350 N. Wall Street
City and Zip Code:	Kankakee 60901
Name of Registered Agent:	Phillip M. Kambic
Registered Agent Street Address:	350 N. Wall Street
Registered Agent City and Zip Code:	Kankakee 60901
Name of Chief Executive Officer:	Phillip M. 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

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

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:	Joe Ourth
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E-mail Address:	pjacobi@rhc.net
Fax Number:	815/933-0798

Post Permit Contact

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

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

Site Ownership

[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, Illinois 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.	

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 Drive, Bradley, IL 60915
<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship <input type="checkbox"/>
Other	
<ul style="list-style-type: none"> o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership. 	
APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Organizational Relationships

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

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

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements, please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov or www.illinoisfloodmaps.org. This map must be in a readable format. In addition, please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2006-5 (<http://www.hfsrb.illinois.gov>). **NOTE: A SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM has been added at the conclusion of this Application for Permit that must be completed to deem a project complete.**

APPEND DOCUMENTATION AS **ATTACHMENT 5**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

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

DESCRIPTION OF PROJECT

1. Project Classification

[Check those applicable - refer to Part 1110.20 and Part 1120.20(b)]

Part 1110 Classification :

- Substantive
- Non-substantive

2. Narrative Description

In the space below, provide a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does **NOT** have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

Co-applicants Riverside Health System, Riverside Medical Center (collectively "Riverside") and Oak Surgical Institute, LLC ("OSI") seek a permit to permanently discontinue operation of OSI located at 403 S. Kennedy Drive, Bradley, IL. OSI's operation was temporarily suspended on January 1, 2022 with the resignation of all credentialed providers and the referral of all of their surgical volume to their newly permitted and constructed ASTC located in Bourbonnais, IL. The departing surgeons through OAK ASC, LLC acquired nearly all of the equipment of OSI at that time, as well. OSI is now wholly owned by Riverside. There are no costs associated with the discontinuation of OSI.

This is a substantive project as it involves the discontinuation of a health care facility.

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must be equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			\$0
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)			
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs to Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS			\$0
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities			\$0
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS			\$0
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

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: \$ _____

The project involves the establishment of a new facility or a new category of service
 Yes No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is \$ _____.

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.

Indicate the stage of the project's architectural drawings:

None or not applicable Preliminary
 Schematics Final Working

Anticipated project completion date (refer to Part 1130.140):

Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140): Not Applicable – No Project Costs

Purchase orders, leases or contracts pertaining to the project have been executed. Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies
 Financial Commitment will occur after permit issuance.

APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals [Section 1130.620(c)]

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 for permit being deemed incomplete.

Cost Space Requirements

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

Not Reviewable Space [i.e. non-clinical]: means an area for the benefit of the patients, visitors, staff or employees of a health care facility and not directly related to the diagnosis, treatment, or rehabilitation of persons receiving services from the health care facility. "Non-clinical service areas" include, but are not limited to, chapels; gift shops; newsstands; computer systems; tunnels, walkways, and elevators; telephone systems; projects to comply with life safety codes; educational facilities; student housing; patient, employee, staff, and visitor dining areas; administration and volunteer offices; modernization of structural components (such as roof replacement and masonry work); boiler repair or replacement; vehicle maintenance and storage facilities; parking facilities; mechanical systems for heating, ventilation, and air conditioning; loading docks; and repair or replacement of carpeting, tile, wall coverings, window coverings or treatments, or furniture. Solely for the purpose of this definition, "non-clinical service area" does not include health and fitness centers. [20 ILCS 3960/3]

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

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

Facility Bed Capacity and Utilization

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

FACILITY NAME: N/A ASTC		CITY:			
REPORTING PERIOD DATES:					
		From:	to:		
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical					
Obstetrics					
Pediatrics					
Intensive Care					
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness					
Neonatal Intensive Care					
General Long-Term Care					
Specialized Long-Term Care					
Long Term Acute Care					
Other ((identify))					
TOTALS:					

CERTIFICATION

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

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

This Application is filed on the behalf of 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]
 SIGNATURE
 Phillip Kambic
 PRINTED NAME
 President + CEO
 PRINTED TITLE

[Signature]
 SIGNATURE
 Patricia K. Vilt
 PRINTED NAME
 Chief Financial Officer
 PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 10 day of August 2022

[Signature]
Signature of Notary

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

Notarization:
Subscribed and sworn to before me
this 10 day of August 2022

[Signature]
Signature of Notary

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

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

This Application is filed on the behalf of *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.

Phillip Kambic
 SIGNATURE
 Phillip Kambic
 PRINTED NAME
 President & CEO
 PRINTED TITLE

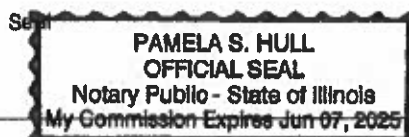
Patricia K. ViH
 SIGNATURE
 Patricia K. ViH
 PRINTED NAME
 Chief Financial Officer
 PRINTED TITLE

Notarization:
 Subscribed and sworn to before me
 this 10 day of August, 2022

Notarization:
 Subscribed and sworn to before me
 this 10 day of August

Pamela S. Hull
 Signature of Notary

Pamela S. Hull
 Signature of Notary



CERTIFICATION

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

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

This Application is filed on the behalf of *Riverside Health System, d/b/a Riverside Healthcare* 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.

Phillip Kambic
 SIGNATURE
 Phillip Kambic
 PRINTED NAME
 President & CEO
 PRINTED TITLE

Patricia K. V. H
 SIGNATURE
 Patricia K. V. H
 PRINTED NAME
 Chief Financial Officer
 PRINTED TITLE

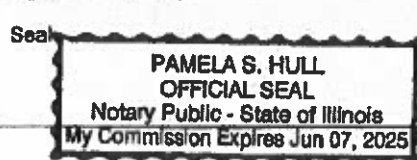
Notarization:
Subscribed and sworn to before me this 10 day of August 2022

Pamela S. Hull
Signature of Notary



Notarization:
Subscribed and sworn to before me this 10 day of August 2022

Pamela S. Hull
Signature of Notary



SECTION II. DISCONTINUATION

This Section is applicable to the discontinuation of a health care facility or the discontinuation of more than one category of service in a 6-month period. If the project is solely for a discontinuation of a health care facility the **Background of the Applicant(s) and Purpose of Project MUST** be addressed. **A copy of the Notices listed in Item 7 below MUST be submitted with this Application for Discontinuation <https://www.ilga.gov/legislation/ilcs/documents/002039600K8.7.htm>**

Criterion 1110.290 – Discontinuation

READ THE REVIEW CRITERION and provide the following information:

GENERAL INFORMATION REQUIREMENTS

1. Identify the categories of service and the number of beds, if any that are to be discontinued.
2. Identify all the other clinical services that are to be discontinued.
3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.
4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued and the length of time the records will be maintained.
6. Provide copies of the notices that were provided to the local media that would routinely be notified about facility events.
7. **For applications involving the discontinuation of an entire facility, provide copies of the notices that were sent to the municipality in which the facility is located, the State Representative and State Senator of the district in which the health care facility is located, the Director of Public Health, and the Director of Healthcare and Family Services. These notices shall have been made at least 30 days prior to filing of the application.**
8. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 90 days following the date of discontinuation.

REASONS FOR DISCONTINUATION

The applicant shall state the reasons for the discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.290(b) for examples.

IMPACT ON ACCESS

- A. Document whether the discontinuation of each service or of the entire facility will have an adverse effect upon access to care for residents of the facility's market area.
- B. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within the **geographic service area**.

APPEND DOCUMENTATION AS ATTACHMENT 10, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION III. BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

1110.110(a) – Background of the Applicant

READ THE REVIEW CRITERION and provide the following required information:

<p>BACKGROUND OF APPLICANT</p> <ol style="list-style-type: none"> 1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable. 2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility. 3. For the following questions, please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest. <ol style="list-style-type: none"> a. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application. b. A certified listing of each applicant, identifying those individuals that have been cited, arrested, taken into custody, charged with, indicted, convicted or tried for, or pled guilty to the commission of any felony or misdemeanor or violation of the law, except for minor parking violations; or the subject of any juvenile delinquency or youthful offender proceeding. Unless expunged, provide details about the conviction and submit any police or court records regarding any matters disclosed. c. A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude. d. A certified listing of each applicant with one or more unsatisfied judgements against him or her. e. A certified and detailed listing of each applicant who is in default in the performance or discharge of any duty or obligation imposed by a judgment, decree, order or directive of any court or governmental agency. 4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB. 5. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant can submit amendments to previously submitted information, as needed, to update and/or clarify data.
--

APPEND DOCUMENTATION AS ATTACHMENT 11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

Criterion 1110.110(b) & (d)**PURPOSE OF PROJECT**

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other relevant area, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed as applicable and appropriate for the project.
4. Cite the sources of the documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals as appropriate.

For projects involving modernization, describe the conditions being upgraded, if any. For facility projects, include statements of the age and condition of the project site, as well as regulatory citations, if any. For equipment being replaced, include repair and maintenance records.

NOTE: Information regarding the "Purpose of the Project" will be included in the State Board Staff Report.

APPEND DOCUMENTATION AS ATTACHMENT 12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

ALTERNATIVES

- 1) Identify **ALL** the alternatives to the proposed project:

Alternative options **must** include:

- A) Proposing a project of greater or lesser scope and cost;
 - B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;
 - C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
 - D) Provide the reasons why the chosen alternative was selected.
- 2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short-term (within one to three years after project completion) and long-term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED, THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
 - 3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

APPEND DOCUMENTATION AS ATTACHMENT 13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

Criterion 1110.120 - Project Scope, Utilization, and Unfinished/Shell Space

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. This must be a narrative and it shall include the basis used for determining the space and the methodology applied.
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:
 - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies and certified by the facility's Medical Director.
 - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.
 - c. The project involves the conversion of existing space that results in excess square footage.
 - d. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?

APPEND DOCUMENTATION AS ATTACHMENT 14, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. A narrative of the rationale that supports the projections must be provided.

A table must be provided in the following format with Attachment 15.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
YEAR 1					
YEAR 2					

APPEND DOCUMENTATION AS ATTACHMENT 15, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

UNFINISHED OR SHELL SPACE:

Provide the following information:

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

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

ASSURANCES:

Submit the following:

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

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

<p>_____</p> <p>_____</p> <p>_____</p>	<p>improvements to the property and provision of capital equipment;</p> <p>5) For any option to lease, a copy of the option, including all terms and conditions.</p> <p>e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;</p> <p>f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;</p> <p>g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.</p>
<p>\$0</p>	<p>TOTAL FUNDS AVAILABLE</p>
<p>APPEND DOCUMENTATION AS ATTACHMENT 34, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</p>	

SECTION VIII. 1120.130 - FINANCIAL VIABILITY

All the applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

Financial Viability Waiver

The applicant is not required to submit financial viability ratios if:

1. "A" Bond rating or better
2. All the project's capital expenditures are completely funded through internal sources
3. The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent
4. The applicant provides a third-party surety bond or performance bond letter of credit from an A rated guarantor.

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT 35, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which **audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion.** When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

	Historical 3 Years			Projected
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each.

Variance

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

APPEND DOCUMENTATION AS ATTACHMENT 36, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IX. 1120.140 - ECONOMIC FEASIBILITY

This section is applicable to all projects subject to Part 1120.

A. Reasonableness of Financing Arrangements

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

- 1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
- 2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
 - A) A portion or all the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
 - B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

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

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

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

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

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

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

E. Total Effect of the Project on Capital Costs

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

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

SECTION X. SAFETY NET IMPACT STATEMENT

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

1. The project's material impact, if any, on essential safety net services in the community, *including the impact on racial and health care disparities in the community*, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.
3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 37.

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

Total				
Medicaid (revenue)				
Inpatient				
Outpatient				
Total				

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

SECTION X. CHARITY CARE INFORMATION

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

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

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

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

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

APPEND DOCUMENTATION AS ATTACHMENT 39, 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	28 -32
2	Site Ownership	33
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	34
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	35
5	Flood Plain Requirements	36
6	Historic Preservation Act Requirements	37
7	Project and Sources of Funds Itemization	38
8	Financial Commitment Document if required	N/A
9	Cost Space Requirements	N/A
10	Discontinuation	39 - 53
11	Background of the Applicant	54
12	Purpose of the Project	55
13	Alternatives to the Project	56
14	Size of the Project	N/A
15	Project Service Utilization	N/A
16	Unfinished or Shell Space	N/a
17	Assurances for Unfinished/Shell Space	N/A
	Service Specific:	
18	Medical Surgical Pediatrics, Obstetrics, ICU	
19	Comprehensive Physical Rehabilitation	
20	Acute Mental Illness	
21	Open Heart Surgery	
22	Cardiac Catheterization	
23	In-Center Hemodialysis	
24	Non-Hospital Based Ambulatory Surgery	
25	Selected Organ Transplantation	
26	Kidney Transplantation	
27	Subacute Care Hospital Model	
28	Community-Based Residential Rehabilitation Center	
29	Long Term Acute Care Hospital	
30	Clinical Service Areas Other than Categories of Service	
31	Freestanding Emergency Center Medical Services	
32	Birth Center	
	Financial and Economic Feasibility:	
33	Availability of Funds	58
34	Financial Waiver	N/A
35	Financial Viability	59
36	Economic Feasibility	N/A
37	Safety Net Impact Statement	60 – 61
38	Charity Care Information	62
39	Flood Plain Information	N/A

Section I, Identification, General Information and Certification**Attachment 1, Type of Ownership of Applicants**

An organizational chart showing the ownership structure of Oak Surgical Institute, LLC (“OSI”) is included in Attachment 4. Good standing certificates for the following entities are also attached:

1. Oak Surgical Institute, LLC (“OSI”): OSI is a Delaware limited liability company owned by Riverside Medical Center. A copy of OSI’s Delaware and Illinois Good Standing Certificates are attached.
2. Riverside Medical Center (“Riverside Medical Center”). Riverside Medical Center is an Illinois not-for-profit corporation that operates as a hospital in Kankakee. Riverside Medical Center owns 100% of OSI. A copy of its Illinois Certificate of Good Standing is attached.
3. 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.

Delaware

The First State

Page 1

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 TWELFTH DAY OF MAY, A.D. 2022.

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



3153225 8300
SR# 20221954114
You may verify this certificate online at corp.delaware.gov/authver.shtml

Handwritten signature of Jeffrey W. Bullock in black ink, written over a horizontal line.

Jeffrey W. Bullock, Secretary of State

Authentication: 203414384

Date: 05-12-22

File Number 0036275-1



To all to whom these Presents Shall Come, Greeting:

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

OAK SURGICAL INSTITUTE, L.L.C., A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANACT 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 TRANACT 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 12TH day of MAY A.D. 2022 .

Jesse White

SECRETARY OF STATE

Authentication #: 2213202140 verifiable until 05/12/2023
Authenticate at: <http://www.ilsos.gov>

File Number

3882-598-4



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 20TH day of APRIL A.D. 2022 .



Authentication #: 2211001948 verifiable until 04/20/2023
Authenticate at: <http://www.isos.gov>

Jesse White

SECRETARY OF STATE

File Number 5265-328-2



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

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.



Authentication #: 2211001924 verifiable until 04/20/2023
Authenticate at: <http://www.lisos.gov>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 20TH day of APRIL A.D. 2022 .

Jesse White

SECRETARY OF STATE

Section I, Identification, General Information and Certification

Attachment 2, Site Ownership

Riverside Medical Center owns the Property and leases it to OSI.

Section I, Identification, General Information and Certification

Attachment 3, Operating Identity/Licensee

Oak Surgical Institute, LLC (“OSI”) is the licensed entity operating the facility.

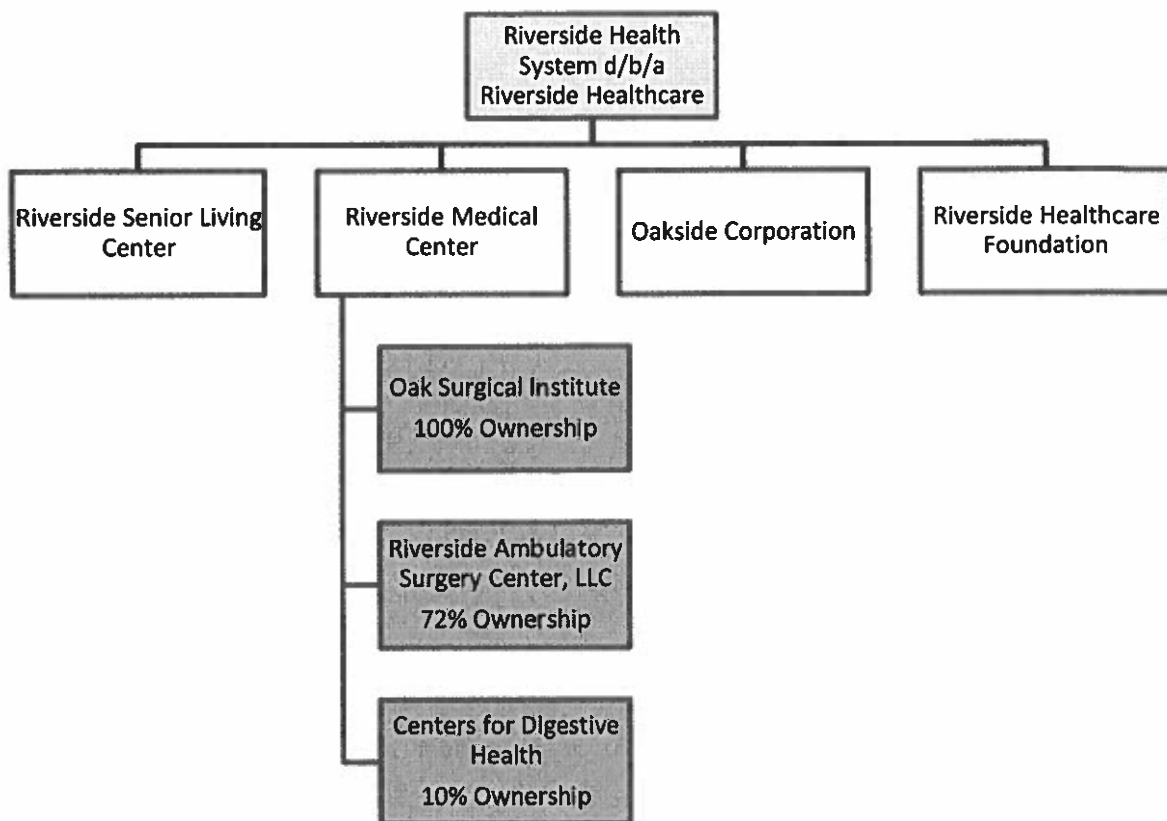
OSI is a Delaware limited liability company. A copy of OSI’s Delaware Good Standing Certificate and authorization to do business in Illinois is attached. OSI is owned by Riverside Medical Center which is a subsidiary of Riverside Health System.

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 ownership structure of OSI is below.



Attachment 5

Flood Plain Requirements

The application is for the discontinuation of a facility and the flood plain documentation appears to be inapplicable.

Attachment 6

Historic Preservation Resources Act

The application is for the discontinuation of a facility and the Historic Preservation documentation appears to be inapplicable.

Attachment 7

Itemized Project Costs

This application is for the discontinuation of a health care facility. There are no capital costs associated with this Project.

Section III, Change of Ownership**Attachment 10, Discontinuation****Background**

Riverside and OSI jointly submit this application to permanently discontinue the operation of Oak Surgical Institute, LLC at its current location of 403 S. Kennedy Drive, Bradley, Illinois. On June 4, 2019 the State Board granted a permit to OAK ASC, LLC for construction of a new orthopedic ambulatory surgery center in Bourbonnais, Illinois. The receipt of that permit resulted in the resignation of all credentialed providers at OSI, the transfer of all surgical volumes to their new orthopedic ASTC and the purchase by the departing orthopedic surgeons of most of the equipment then-owned by OSI. The operation of OSI has been temporarily suspended since January 1, 2022 as a result of the above.

Riverside acquired ownership of 100% of the member interests of OSI in the wind down of the ASTC's operation. Initially, a plan to re-staff and re-equip OSI was contemplated. On further review of needed facility upgrades, the cost for same, as well as, projected volumes at OSI from other surgical providers, it has since been determined that a permanent closure of the facility is the most appropriate option at this time.

1. Identify the categories of services and the number of beds, if any, that are to be discontinued.

OSI is an ambulatory surgical treatment center and this is the category of service that will be discontinued. As an ASTC there are no "beds" that will be discontinued.

2. Identify all the other clinical services that are to be discontinued.

All clinical services provided through the ASTC will be discontinued.

3. Provide the anticipated date of discontinuation for each identified services or the entire facility.

Services have been temporarily suspended since the change of ownership of OSI. Services will be permanently discontinued upon the Review Board's approval of the permit to discontinue.

4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.

Riverside will evaluate the potential use of the vacated OSI space by hospital departments. This evaluation will consider the facility limitations prior to any decision to provide clinical services from this location. The age of the building will likely favor use of the space by a non-clinical support service.

5. Provide the anticipated disposition and location of all medical; records pertaining to the services being discontinued and the length of time the records will be maintained.

All medical and other records of OSI will be retained by Riverside consistent with the established record retention policy for the organization.

6. Provide copies of the notices that were provided to the local media that would routinely be notified about facility events.

Proof of the publication notice appearing in the Daily Journal is included in this Attachment 10.

7. For applications involving the discontinuation of an entire facility, provide copies of the notices that were sent to the municipality in which the facility is located, the State Representative and State Senator of the district in which the health care facility is located, the Director of Public Health, and the Director of Healthcare and Family Services. These notices shall have been made at least 30 days prior to filing of the application.

Letters providing notice of the intent to file a CON application for discontinuation of OSI were sent July 13, 2022 and are included in this Attachment 10.

8. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g. annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that required information will be submitted no later than 90 days following the date of discontinuation.

By its signature to this application the Applicants certify that all required information will be filed no later than 90 days following the date of discontinuation.

CERTIFICATE OF PUBLICATION

The Daily Journal Company, L.L.C. certifies that it is the publisher of The Daily Journal is a secular newspaper, has been continuously published daily for more than fifty (50) weeks prior to the first publication of the attached notice, is published in the City of Kankakee, County of Kankakee, Township of Kankakee, State of Illinois, is of general circulation throughout that county and surrounding area, and is a newspaper as defined by 715 ILCS 5/5.

A notice, a true copy of which is attached, was published one time in The Daily Journal, namely one time per week for one successive week. The first publication of the notice was made in the newspaper, dated and published on August 11, 2022, and the last publication of the notice was made in the newspaper dated and published on August 11, 2022. The notice was also placed on a statewide public notice website as required by 715 ILCS 5/2.1.

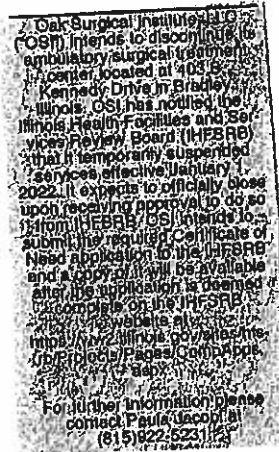
In witness, The Daily Journal Company, L.L.C. has signed this certificate by The Daily Journal, its publisher, at Kankakee, Illinois, on August 11, 2022.

The Daily Journal Company, L.L.C.



Authorized Agent

(attach notice below this line, do not paste above)



Reasons for Discontinuation

The applicant shall state the reasons for the discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.290(b) for examples.

On June 4, 2019 the State Board granted a permit to OAK ASC, LLC for construction of a new orthopedic ambulatory surgery center in Bourbonnais, Illinois. The receipt of that permit resulted in the resignation of all credentialed providers at OSI, the transfer of all surgical volumes to their new orthopedic ASTC and the purchase by the departing orthopedic surgeons of most of the equipment then-owned by OSI. The operation of OSI has been temporarily suspended since January 1, 2022 as a result of the above.

Riverside acquired ownership of 100% of the member interests of OSI in the wind down of the ASTC's operation. Initially, a plan to re-staff and re-equip OSI was contemplated. On further review of needed facility upgrades, the cost for same, as well as, projected volumes at OSI from other surgical providers, it has since been determined that a permanent closure of the facility is the most appropriate option at this time.

Impact on Access

- A. Document whether the discontinuation of each service or of the entire facility will have an adverse effect upon access to care for residents of the facility's market area.**

Discontinuation of OSI will not adversely impact access to care. As previously noted, the facility has been "closed" since January 1, 2022 with no observed adverse impact on the accessibility of surgical care for patients in the GSA. The recent construction of a new ASTC by OAK ASC, LLC has absorbed 100% of the volume previously performed at OSI.

- B. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within the geographic service area.**

Applicants attest that written requests for impact statements were sent to all health care facilities that perform the same services as OSI located within the geographic service area. Copies of these letters are included in this Attachment 10



July 13, 2022

Amaal Tokars, M.D.
Interim Director
Illinois Department of Public Health
525-535 West Jefferson St., Second Floor
Springfield, IL 62761

Re: Discontinuation of Oak Surgical Institute, LLC


Dear Dr. Tokars:

In accordance with Section 8.7(a) of the Illinois Health Facilities Planning Act (the "Act"), this notice is provided of our intent to seek a permit from the Illinois Health Facilities & Services Review Board for discontinuation of the Oak Surgical Institute, LLC ("OSI"). OSI is located at 403 S. Kennedy Drive, Bradley, IL 60915.

OSI's operation was temporarily suspended on January 1, 2022 with the resignation of all its credentialed providers (the "OAK Surgeons") and the referral of all of OAK Surgeon's case volume to their newly permitted and constructed ASTC located in Bourbonnais, IL. Riverside acquired ownership of 100% of the member interests of OSI in the wind down of OSI's operation. Initially, a plan to re-staff and re-equip OSI was contemplated. On further review of needed facility upgrades, the cost for same, as well as, projected volumes at OSI from other surgical providers, it has since been determined that a permanent closure of the facility is the most appropriate action at this time.

There has been no observed adverse impact on patient access for outpatient surgical services during the temporary suspension of the operation of OSI and no future adverse impact from a permanent closure of the facility is anticipated.

Pursuant to the above Act, this notice is being sent to the State Representative and State Senator for OSI's district, the Director of Public Health, the Director of Healthcare and Family Services and the Health Facilities & Services Review Board.

Sincerely,

Phillip Kambic
President & CEO
Riverside Medical Center
Sole Member of OSI

350 North Wall Street | Kankakee, Illinois 60901 | (815) 933-1071 | RiversideHealthcare.org



July 13, 2022

Mr. John Kniery
Administrator
Illinois Health Facilities &
Services Review Board
525 West Jefferson St., Second Floor
Springfield, IL 62761

Re: Discontinuation of Oak Surgical Institute, LLC

Dear Mr. Kniery:

In accordance with Section 8.7(a) of the Illinois Health Facilities Planning Act (the "Act"), this notice is provided of our intent to seek a permit from the Illinois Health Facilities & Services Review Board for discontinuation of the Oak Surgical Institute, LLC ("OSI"). OSI is located at 403 S. Kennedy Drive, Bradley, IL 60915.

OSI's operation was temporarily suspended on January 1, 2022 with the resignation of all its credentialed providers (the "OAK Surgeons") and the referral of all of OAK Surgeon's case volume to their newly permitted and constructed ASTC located in Bourbonnais, IL. Riverside acquired ownership of 100% of the member interests of OSI in the wind down of OSI's operation. Initially, a plan to re-start and re-equip OSI was contemplated. On further review of needed facility upgrades, the cost for same, as well as, projected volumes at OSI from other surgical providers, it has since been determined that a permanent closure of the facility is the most appropriate action at this time.

There has been no observed adverse impact on patient access for outpatient surgical services during the temporary suspension of the operation of OSI and no future adverse impact from a permanent closure of the facility is anticipated.

Pursuant to the above Act, this notice is being sent to the State Representative and State Senator for OSI's district, the Director of Public Health, the Director of Healthcare and Family Services and the Health Facilities & Services Review Board.

Sincerely,

Phillip Kambic
President & CEO
Riverside Medical Center
Sole Member of OSI

350 North Wall Street | Kankakee, Illinois 60901 | (815) 933-1671 | RiversideHealthcare.org



July 13, 2022

Representative Jackie Haas
370 East Court Street
Kankakee, IL 60901

Re: Discontinuation of Oak Surgical Institute, LLC

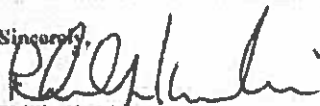
Dear Representative Haas:

In accordance with Section 8.7(a) of the Illinois Health Facilities Planning Act (the "Act"), this notice is provided of our intent to seek a permit from the Illinois Health Facilities & Services Review Board for discontinuation of the Oak Surgical Institute, LLC ("OSI"). OSI is located at 403 S. Kennedy Drive, Bradley, IL 60915.

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Sincerely,

Phillip Kumble
President & CEO
Riverside Medical Center
Sole Member of OSI

350 North Wall Street | Kankakee, Illinois 60901 | (815) 933-1671 | RiversideHealthcare.org



July 13, 2022

Senator Patrick Joyce
270 Main Street
Park Forest, IL 60466

Re: Discontinuation of Oak Surgical Institute, LLC


Dear Senator Joyce:

In accordance with Section 8.7(a) of the Illinois Health Facilities Planning Act (the "Act"), this notice is provided of our intent to seek a permit from the Illinois Health Facilities & Services Review Board for discontinuation of the Oak Surgical Institute, LLC ("OSI"). OSI is located at 403 S. Kennedy Drive, Bradley, IL 60915.

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Sincerely,

Phillip Kambic
President & CEO
Riverside Medical Center
Sole Member of OSI

350 North Wall Street | Kankakee, Illinois 60901 | (815) 933-1071 | RiversideHealthcare.org



July 13, 2022

Theresa Engleson
Director
Department of Healthcare & Family Services
201 S Grand Ave., East
Springfield, IL 62763

Re: Discontinuation of Oak Surgical Institute, LLC

Dear Ms. Engleson:

In accordance with Section 8.7(a) of the Illinois Health Facilities Planning Act (the "Act"), this notice is provided of our intent to seek a permit from the Illinois Health Facilities & Services Review Board for discontinuation of the Oak Surgical Institute, LLC ("OSI"). OSI is located at 403 S. Kennedy Drive, Bradley, IL 60915.

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Sincerely,

Phillip Kambic
President & CEO
Riverside Medical Center
Sole Member of OSI

350 North Wall Street | Kankakee, Illinois 60901 | (815) 933-1671 | RiversideHealthcare.org



July 14, 2022

Mr. Kyle Benoit
SR VP & COO
Riverside Medical Center
350 N Wall Street
Kankakee, IL 60901

By: Hand delivery

Re: Discontinuation of Oak Surgical Institute, LLC

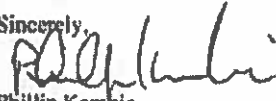
Dear Mr. Benoit

Riverside Medical Center on behalf of the Oak Surgical Institute, LLC ("OSI") provides this notice to inform you of our intent to seek a permit from the Illinois Health Facilities & Services Review Board for discontinuation of OSI. The facility is located at 403 S. Kennedy Drive, Bradley, IL 60915.

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There has been no observed adverse impact on patient access for outpatient surgical services during the temporary suspension of the operation of OSI and no future adverse impact from a permanent closure of the facility is anticipated. The permanent discontinuation of OSI's operation will occur upon receipt of a permit for same from the HFSRB.

If you anticipate any adverse impact as a result of the proposed discontinuation of OSI, please provide your written comments to the undersigned. Thank you for your consideration of this matter

Sincerely,

Phillip Kambic
President & CEO
Riverside Medical Center
Sole Member of OSI

350 North Wall Street | Kankakee, Illinois 60901 | (815) 404-DOCS (3627) | myriversidedocs.com



July 14, 2022

Jerome Swale, M.D.
Riverside Ambulatory Surgery Center
300 Riverside Dr.
Bourbonnais, IL 60914

By: Certified Mail Return Receipt Requested

Re: Discontinuation of Oak Surgical Institute, LLC

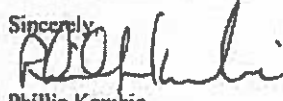
Dear Dr. Swale:

Riverside Medical Center on behalf of the Oak Surgical Institute, LLC ("OSI") provides this notice to inform you of our intent to seek a permit from the Illinois Health Facilities & Services Review Board for discontinuation of OSI. The facility is located at 403 S. Kennedy Drive, Bradley, IL 60915.

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If you anticipate any adverse impact as a result of the proposed discontinuation of OSI, please provide your written comments to the undersigned. Thank you for your consideration of this matter

Sincerely,

Phillip Kambic
President & CEO
Riverside Medical Center
Sole Member of OSI

350 North Wall Street | Kankakee, Illinois 60901 | (815) 933-1671 | RiversideHealthcare.org



July 14, 2022

Ms. Karen Gallagher
Administrator
Presence St. Mary's Hospital
500 West Court Street
Kankakee, IL 60901

By: Certified Mail Return Receipt Requested

Re: Discontinuation of Oak Surgical Institute, LLC

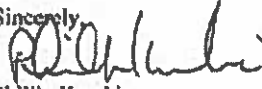
Dear Ms. Gallagher:

Riverside Medical Center on behalf of the Oak Surgical Institute, LLC ("OSI") provides this notice to inform you of our intent to seek a permit from the Illinois Health Facilities & Services Review Board for discontinuation of OSI. The facility is located at 403 S. Kennedy Drive, Bradley, IL 60915.

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If you anticipate any adverse impact as a result of the proposed discontinuation of OSI, please provide your written comments to the undersigned. Thank you for your consideration of this matter

Sincerely,

Phillip Kambic
President & CEO
Riverside Medical Center
Sole Member of OSI

350 North Wall Street | Kankakee, Illinois 60901 | (815) 933-1671 | RiversideHealthcare.org



July 14, 2022

Nikhil Bhargava, D.O.
Center for Digestive Health
1615 N. Convent
Bourbonnais, IL 60914

By: Certified Mail Return Receipt Requested

Re: Discontinuation of Oak Surgical Institute, LLC


Dear Dr. Bhargava:

Riverside Medical Center on behalf of the Oak Surgical Institute, LLC ("OSI") provides this notice to inform you of our intent to seek a permit from the Illinois Health Facilities & Services Review Board for discontinuation of OSI. The facility is located at 403 S. Kennedy Drive, Bradley, IL 60915.

OSI's operation was temporarily suspended on January 1, 2022 with the resignation of all its credentialed providers (the "OAK Surgeons") and the referral of all of OAK Surgeon's case volume to their newly permitted and constructed ASTC located in Bourbonnais, IL. Riverside acquired ownership of 100% of the member interests of OSI in the wind down of OSI's operation. Initially, a plan to re-staff and re-equip OSI was contemplated. On further review of needed facility upgrades, the cost for same, as well as, projected volumes at OSI from other surgical providers, it has since been determined that a permanent closure of the facility is the most appropriate action at this time.

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If you anticipate any adverse impact as a result of the proposed discontinuation of OSI, please provide your written comments to the undersigned. Thank you for your consideration of this matter

Sincerely,

Phillip Kambic
President & CEO
Riverside Medical Center
Sole Member of OSI

350 North Wall Street | Kankakee, Illinois 60901 | (815) 933-1671 | RiversideHealthcare.org



July 14, 2022

Ms. Paige Cripe
Administrator
OAK ASC, LLC
6712 N. Convent
Bourbonnais, IL 60914

By: Certified Mail Return Receipt Requested

Re: Discontinuation of Oak Surgical Institute, LLC

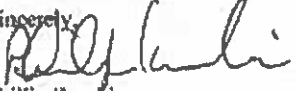
Dear Ms. Cripe:

Riverside Medical Center on behalf of the Oak Surgical Institute, LLC ("OSI") provides this notice to inform you of our intent to seek a permit from the Illinois Health Facilities & Services Review Board for discontinuation of OSI. The facility is located at 403 S. Kennedy Drive, Bradley, IL 60915.

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There has been no observed adverse impact on patient access for outpatient surgical services during the temporary suspension of the operation of OSI and no future adverse impact from a permanent closure of the facility is anticipated. The permanent discontinuation of OSI's operation will occur upon receipt of a permit for same from the HPSRB.

If you anticipate any adverse impact as a result of the proposed discontinuation of OSI, please provide your written comments to the undersigned. Thank you for your consideration of this matter.

Sincerely,

Phillip Kambic
President & CEO
Riverside Medical Center
Sole Member of OSI

350 North Wall Street | Kankakee, Illinois 60901 | (815) 933-1671 | RiversideHealthcare.org

OAK ASC, LLC

6712 North Convent Street Suite 200 Bourbonnais, IL 60914-1528 (815)348-9500 Fax (815)348-9356

July 27, 2022

Mr. Phillip Kambic
President & CEO
Riverside Medical Center

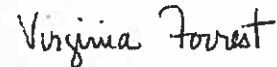
Re: Discontinuation of Oak Surgical Institute, LLC

Dear Mr. Kambic:

I have received your letter dated July 14 regarding your intent to seek a permit from the Illinois Health Facilities & Services Review Board for discontinuation of OAK Surgical Institute, LLC. We agree with your assessment that there has been no adverse impact from the temporary suspension of operations or that any negative impact will occur with its permanent discontinuation.

We appreciate your notification regarding this matter.

Regards,



Virginia Forrest
Executive Director
OAK ASC, LLC

Background of Applicant

Attachment 11, Background

Per the instructions in the application form this section is not applicable to projects for discontinuation with no project costs.

Attachment 12

Purpose of Project

Per the instructions in the application form this section is not applicable to projects for discontinuation with no project costs.

Attachment 13

Alternatives

Per the instructions in the application form this section is not applicable to projects for discontinuation with no project costs.

Section IV

Attachments 14 – 17

Project scope, utilization and shell space

This application is for the discontinuation of a facility and attachments relating to Project size and utilization appear to be inapplicable.

Section VII

Attachments 34

Availability of Funds

There are no project costs associated with this discontinuation.

Section VIII

Attachment 36

Financial Viability

There are no project costs associated with this discontinuation and this section is in applicable.

Section X, Safety Net Impact**Attachment 37**

1. The project's material impact, if any, on essential safety net services in the community, including the impact on racial and health care disparities in the community, to the extent that it is feasible for an applicant to have such knowledge.

OSI was not a provider of essential safety net services, and as such, its discontinuation will not adversely impact existing providers of surgical services in the GSA. OSI provided limited Medicaid reimbursed services in its previous operation. As previously noted, the facility was temporarily closed as of January 1, 2022 without any observed adverse impact on other safety net providers.

2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.

To the best of the applicants' knowledge, there is no known impact on the discontinuation of OSI as it relates to the ability of other providers to cross subsidize safety net services.

3. How the discontinuation of a facility or service might impact the remaining safety net providers in each community, if reasonably known by the applicant.

As discussed above, OSI had not historically provided safety net services. Its discontinuation would not, as a result, create any additional burden on other area providers to provide additional safety net services. OAK ASC, LLC will likely benefit from the transfer of the profitable OSI cases to its facility as a result of the OSI discontinuation.

OSI

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	2019	2020	2021
Inpatient	N/A	N/A	N/A
Outpatient	0	0	0
Total	0	0	0
Charity (cost in dollars)			
Inpatient	N/A	N/A	N/A
Outpatient	0	0	0

Total			
MEDICAID			
Medicaid (# of patients)	2019	2020	2021
Inpatient	N/A	N/A	N/A
Outpatient	4	11	5
Total			
Medicaid (revenue)			
Inpatient	N/A	N/A	N/A
Outpatient	\$6,031	\$18,331	\$70,761
Total	\$6,031	\$18,331	\$70,761

Riverside Medical Center

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	2019	2020	2021
Inpatient	724	535	352
Outpatient	6,264	6,529	4,695
Total	6,988	7,064	5,047
Charity (cost in dollars)			
Inpatient	\$1,328,250	\$1,271,451	\$1,243,413
Outpatient	2,631,947	2,511,503	\$2,391,235
Total	\$3,960,197	\$3,782,954	\$3,634,648
MEDICAID			
Medicaid (# of patients)	2019	2020	2021
Inpatient	2,356	2,333	2,464
Outpatient	107,703	100,435	114,472
Total	110,059	102,768	116,936
Medicaid (revenue)			
Inpatient	\$30,656,241	\$29,890,319	\$32,523,041
Outpatient	53,287,228	51,140,546	61,003,709
Total	\$83,943,469	\$81,030,865	\$93,526,750

Section X, Safety Net Impact**Attachment 38, Charity Care Information****OSI**

CHARITY CARE			
	2019	2020	2021
Net Patient Revenue	\$5,025,873	\$5,881,309	\$5,869,854
Amount of Charity Care (charges)	\$0	\$0	\$0
Cost of Charity Care	\$0	\$0	\$0

Riverside Medical Center provided charity care as follows:

Riverside Medical Center

CHARITY CARE			
	2019	2020	2021
Net Patient Revenue	\$374,343,121	\$356,293,390	\$396,066,328
Amount of Charity Care (charges)	\$19,391,437	19,127,197	17,350,976
Cost of Charity Care	\$3,960,197	\$3,960,197	\$3,634,648
Ratio of Cost to NPR	1.1%	1.1%	0.9%