611 West Park Street, Urbana, IL 61801-2595

Collin Anderson
(217) 902-5521
Collin.Anderson@Carle.com

Via Federal Express

Mr. Michael Constantino
Illinois Health Facilities and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

Re: Certificate of Need Application

Dear Mike:

The Carle Foundation and The Carle Foundation Hospital (the "Hospital"), as co-applicants, hereby submit the attached Certificate of Need application to make The Carle Foundation Hospital's 36 temporary medical/surgical beds permanent. As your office knows, Carle activated temporary beds to respond to the public health emergency necessitated by the COVID-19 pandemic as further described in the application. Assuming there is no request for public hearing, the co-applicants ask that the application be reviewed and approved promptly by the HFSRB Chair assuming HFSRB staff agrees with our view that the application meets all the HFSRB requirements without findings. Given current uncertainty around whether Governor Pritzker will renew the public health emergency for another 30-day period and based on the current inpatient admission and average daily census volumes of the Hospital, it is imperative that these beds are made permanent as soon as possible to ensure continued access to inpatient care in the community. If the Board Chair is unable to approve the CON application as a desk review, we ask that you place the application on the December 2022 HFSRB meeting. The beds will be converted to permanent licensed beds as soon as the CON permit is granted and the Hospital has IDPH clearance.

For your review, I have attached the following:

1. An original and one copy of the completed application for permit
2. A check for $2,500 for the application processing fee

Thank you for your time and consideration of the co-applicants' application for permit. If you have any questions or need any additional information to complete your review of the application for permit, please feel free to contact me or Kara Friedman as needed.

Sincerely,

Collin Anderson
Strategic Planning Coordinator II
Carle Foundation Hospital

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: The Carle Foundation Hospital- Additional Med/Surg Beds
Street Address: 611 W. Park St.
City and Zip Code: Urbana 61801
County: Champaign Health Service Area: HSA-4 Health Planning Area: D-1

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

Exact Legal Name: The Carle Foundation
Street Address: 611 West Park Street
City and Zip Code: Urbana IL, 61801
Name of Registered Agent: James C. Leonard, MD
Registered Agent Street Address: 611 West Park Street
Registered Agent City and Zip Code: Urbana IL, 61801
Name of Chief Executive Officer: James C. Leonard, MD
CEO Street Address: 611 West Park Street
CEO City and Zip Code: Urbana IL, 61801
CEO Telephone Number: 217-383-3311

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: Collin Anderson
Title: Strategic Planning Coordinator II
Company Name: Carle Health
Address: 611 West Park Street, Urbana IL, 61801
Telephone Number: 217-902-5521
E-mail Address: Collin.Anderson@Carle.com
Fax Number:

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

Name: Kara Friedman
Title: Attorney
Company Name: Polsinelli P.C.
Address: 150 N. Riverside Plaza, Ste. 3000 Chicago, IL 60606
Telephone Number: 312-873-3639
E-mail Address: kfriedman@polsinelli.com
Fax Number:

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

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Company Name: Carle Health
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Telephone Number: 217-902-5521
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Additional Contact [Person who is also authorized to discuss the application for permit]

Name: Kara Friedman
Title: Attorney
Company Name: Polsinelli P.C.
Address: 150 N. Riverside Plaza, Ste. 3000 Chicago, IL 60606
Telephone Number: 312-873-3639
E-mail Address: kfriedman@polsinelli.com
Fax Number:

Post Permit Contact

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

Name: Collin Anderson
Title: Strategic Planning Coordinator II
Company Name: Carle Health
Address: 611 West Park Street, Urbana IL, 61801
Telephone Number: 217-902-5521
E-mail Address: Collin.Anderson@Carle.com
Fax Number:

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: The Carle Foundation
Address of Site Owner: 611 West Park Street, Urbana IL, 61801
Street Address or Legal Description of the Site: 611 West Park Street, Urbana IL, 61801 **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: The Carle Foundation Hospital
Address: 611 West Park Street, Urbana IL, 61801

☒ 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.

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.

Due to the public health emergency declared based on the COVID-19 pandemic and pursuant to 77 Illinois Administrative Code 1130.240 (f) (4), The Carle Foundation Hospital ("CFH") temporarily added 36 medical/surgical beds in July 2022 to accommodate its inpatient volumes. The Applicants propose to permanently add these 36 beds to its licensed bed capacity.

The 36 Med/Surg beds of CFH that are the subject of this application are currently operated as temporary beds in the following existing locations on CFH North Tower 6: 6201-6216, 6231-6245, 6248, 6250, 6252, 6258 and 6260. The beds will remain in the same locations when they are operated as part of the permanent bed capacity of CFH. When CFH added these temporary beds, the Illinois Department of Public Health Division of Life Safety and Construction reviewed drawings and confirmed that the spaces meet licensure requirements.

As these beds already meet the licensure requirements, there are neither costs nor construction associated with this project.

The Project is a substantive project, according to applicable law, because it proposes a change in bed capacity.

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	$0	$0
Site Survey and Soil Investigation	$0	$0	$0
Site Preparation	$0	$0	$0
Off Site Work	$0	$0	$0
New Construction Contracts	$0	$0	$0
Modernization Contracts	$0	$0	$0
Contingencies	$0	$0	$0
Architectural/Engineering Fees	$0	$0	$0
Consulting and Other Fees	$0	$0	$0
Movable or Other Equipment (not in construction contracts)	$0	$0	$0
Bond Issuance Expense (project related)	$0	$0	$0
Net Interest Expense During Construction (project related)	$0	$0	$0
Fair Market Value of Leased Space or Equipment	$0	$0	$0
Other Costs to Be Capitalized	$0	$0	$0
Acquisition of Building or Other Property (excluding land)	$0	$0	$0
TOTAL USES OF FUNDS	**$0**	**$0**	**$0**
SOURCE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Cash and Securities	$0	$0	$0
Pledges	$0	$0	$0
Gifts and Bequests	$0	$0	$0
Bond Issues (project related)	$0	$0	$0
Mortgages	$0	$0	$0
Leases (fair market value)	$0	$0	$0
Governmental Appropriations	$0	$0	$0
Grants	$0	$0	$0
Other Funds and Sources	$0	$0	$0
TOTAL SOURCES OF FUNDS	**$0**	**$0**	**$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): n/a

☐ 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
☒ 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 departments 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]

		Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
Dept. / Area	**Cost**	**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: The Carle Foundation Hospital		**CITY: Urbana**			
REPORTING PERIOD DATES:		**From: 1/1/2021**		**to: 12/31/21**	
Category of Service	**Authorized Beds**	**Admissions**	**Patient Days**	**Bed Changes**	**Proposed Beds**
Medical/Surgical	295	19,203	92,543	+36	331
Obstetrics	35	2,931	7,875	n/a	35
Pediatrics	20	1,038	2,833	n/a	20
Intensive Care	58	1,935	12,922	n/a	58
Comprehensive Physical Rehabilitation	20	316	5,334	n/a	20
Acute/Chronic Mental Illness	0	n/a	n/a	n/a	0
Neonatal Intensive Care	25	497	4,726	n/a	25
General Long-Term Care	0	n/a	n/a	n/a	0
Specialized Long-Term Care	0	n/a	n/a	n/a	0
Long Term Acute Care	0	n/a	n/a	n/a	0
Other (identify)	0	n/a	n/a	n/a	0
TOTALS:	453	25,920	126,233	+36	489

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 The Carle Foundation * 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

James C. Leonard, MD
PRINTED NAME

President and CEO
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 6th day of October, 2022

Signature of Notary

Seal

"OFFICIAL SEAL"
Ann E. Beyers
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires 01/12/23

SIGNATURE

Dennis Hesch
PRINTED NAME

Executive Vice President and System CFO
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 16th day of October 2022

Signature of Notary

Seal

"OFFICIAL SEAL"
Erin E. Knight
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires 11/30/2024

*Insert the EXACT legal name of the applicant

CERTIFICATION

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SIGNATURE

James C. Leonard, MD
PRINTED NAME

President and CEO
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 6th day of October, 2022

Signature of Notary

Seal

"OFFICIAL SEAL"
Ann E. Beyers
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires 01/12/23

SIGNATURE

Dennis Hesch
PRINTED NAME

Executive Vice President and System CFO
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 6th day of October 2022

Signature of Notary

Seal

"OFFICIAL SEAL"
Erin E. Knight
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires 11/30/2024

*Insert the EXACT legal name of the applicant

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

1. 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.
2. 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:

BACKGROUND OF APPLICANT

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

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

3. For the following questions, please provide information for each applicant, including corporate officers or directors, LLC members, partners, and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.

    a. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application.

    b. A certified listing of each applicant, identifying those individuals that have been cited, arrested, taken into custody, charged with, indicted, convicted, or tried for, or pled guilty to the commission of any felony or misdemeanor or violation of the law, except for minor parking violations; or the subject of any juvenile delinquency or youthful offender proceeding. Unless expunged, provide details about the conviction, and submit any police or court records regarding any matters disclosed.

    c. A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude.

    d. A certified listing of each applicant with one or more unsatisfied judgements against him or her.

    e. A certified and detailed listing of each applicant who is in default in the performance or discharge of any duty or obligation imposed by a judgment, decree, order or directive of any court or governmental agency.

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

5. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant 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**	**MEET STANDARD?**
YEAR 1					
YEAR 2					

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

UNFINISHED OR SHELL SPACE:

Provide the following information:

1. Total gross square footage (GSF) of the proposed shell space.

2. The anticipated use of the shell space, specifying the proposed GSF to be allocated to each department, area, or function.

3. Evidence that the shell space is being constructed due to:
    a. Requirements of governmental or certification agencies; or
    b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.

4. Provide:
    a. Historical utilization for the area for the latest five-year period for which data is available; and
    b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

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

ASSURANCES:

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.

2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and

3. The anticipated date when the shell space will be completed and placed into operation.

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

SECTION VI. SERVICE SPECIFIC REVIEW CRITERIA

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

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

1. Applicants proposing to establish, expand and/or modernize the Medical/Surgical, Obstetric, Pediatric and/or Intensive Care categories of service must submit the following information:

2. Indicate bed capacity changes by Service: Indicate # of beds changed by action(s):

Category of Service	# Existing Beds	# Proposed Beds
☒ **Medical/Surgical**	**295**	**331**
☐ **Obstetric**		
☐ **Pediatric**		
☐ **Intensive Care**		

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

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

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.200(d)(4) - Occupancy			X
1110.200(e) - Staffing Availability	X	X	
1110.200(f) - Performance Requirements	X	X	X
1110.200(g) - Assurances	X	X	

APPEND DOCUMENTATION AS ATTACHMENT 19, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

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

VII. 1120.120 - AVAILABILITY OF FUNDS N/A

The applicant shall document those financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable [**Indicate the dollar amount to be provided from the following sources]:**

_____	a)	Cash and Securities − statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion.
_____	b)	Pledges − for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated timetable of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
_____	c)	Gifts and Bequests − verification of the dollar amount, identification of any conditions of use, and the estimated timetable of receipts.
_____	d)	Debt − a statement of the estimated terms and conditions (including the debt time, variable or permanent interest rates over the debt time, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including: 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated. 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate. 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc. 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment. 5) For any option to lease, a copy of the option, including all terms and conditions.

_____ _____ _____	e) Governmental Appropriations − a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent. f) Grants − a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt. g) All Other Funds and Sources − verification of the amount and type of any other funds that will be used for the project.
n/a	**TOTAL FUNDS AVAILABLE**

APPEND DOCUMENTATION AS <u>ATTACHMENT 34,</u> IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VIII. 1120.130 - FINANCIAL VIABILITY N/A

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 N/A

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 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	Cost/Square Foot Mod.	Gross Sq. Ft. New	Gross Sq. Ft. Circ.*	Gross Sq. Ft. Mod.	Gross Sq. Ft. 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 each community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.

2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.

3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

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

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

Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT 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:

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File Number 2932-580-4

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

THE CARLE FOUNDATION, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON NOVEMBER 06, 1946, 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 #: 2114600768 verifiable until 05/26/2022
Authenticate at: http://www.cyberdriveillinois.com

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 26TH *day of* MAY ***A.D.*** 2021 .

Jesse White

SECRETARY OF STATE

File Number 5274-755-4

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

THE CARLE FOUNDATION HOSPITAL, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON MAY 28, 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* 12TH *day of* AUGUST *A.D.* 2022 .

Authentication #: 2222402642 verifiable until 08/12/2023

Authenticate at: https://www.ilsos.gov

Jesse White

SECRETARY OF STATE

1977 Bond f

Chicago Title Insurance Company

ATTACH THIS TO 2813

To: Mr. Stuart Mamer
30 Main Street
Champaign
Illinois 61820

COMMITMENT FOR TITLE INSURANCE

CHICAGO TITLE INSURANCE COMPANY, a Missouri corporation, herein called the Company, for a valuable consideration, hereby commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest covered hereby in the land described or referred to in Schedule A, upon payment of the premiums and charges therefor, all subject to the provisions of Schedules A and B and to the Conditions and Stipulations hereof.

This Commitment shall be effective only when the identity of the proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A hereof by the Company, either at the time of the issuance of this Commitment or by subsequent endorsement.

This Commitment is preliminary to the issuance of such policy or policies of title insurance and all liability and obligations hereunder shall cease and terminate six months after the effective date hereof or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company.

NOTE: This Commitment shall not be valid or binding until signed by an authorized signatory.

SCHEDULE A

Number	Effective Date	Refer Inquiries To
29382, AC	January 31, 1977	Associated Abstract Company 17 Taylor Street Champaign, IL 61820

1. Owners Policy to be issued:	Amount:	Proposed Insured:
	$30,650,000.00	The Carle Foundation
Loan Policy to be issued:	**Amount:**	**Proposed Insured:**
	To Come	Illinois Health Facilities Autho a body corporate and Politic and Illinois National Bank of Spring

2. The estate or interest in the land described or referred to in this Commitment and covered herein is a fee simple and title thereto is at the effective date hereof vested in:

THE CARLE FOUNDATION,
AN ILLINOIS NOT-FOR-PROFIT CORPORATION.

3. The land referred to in this Commitment is described as follows:

SEE ADDED PAGES

CHICAGO TITLE INSURANCE COMPANY

LEGAL DESCRIPTION:

TRACT I:

2801 (a) Lot 1 of Busey's Subdivision of Lot E and a portion of Lot B of a Subdivision of the SW¼ of Section 8, in Township 19 North, Range 9 East of the 3rd P.M., in Champaign County, Illinois, as per plat thereof appearing in Plat Book "D" at page 186 as document No. 144810, in the Office of the Recorder of Deeds of Champaign County, Illinois. All of said real estate is bounded on the South by University Avenue, on the East by Orchard Street, on the North by Park Street, and on the West by Coler Avenue, in the City of Urbana, County of Champaign and State of Illinois, excepting therefrom a triangular tract of land out of the Southwest corner thereof, said tract having one side 34 feet in length coinciding with the South line of said Lot 1 and another side of 12 feet in length coinciding with the West line of said Lot 1 and containing 204 square feet, more or less.

(b) A rectangular tract 400.33 feet by 281.6 feet, having frontages of 400.33 feet on Park Street and 281.6 feet on Orchard Street, being part of Lot A of a Survey of the SW¼ of Section 8, Township 19 North Range 9 East of the 3rd P.M., said tract being located at the Northeast corner of Orchard and Park Streets, in the City of Urbana, Champaign County, Illinois.

(c) Lot 1 of M.W. Busey's Heirs Addition to the Town, now the City of Urbana, Illinois, except that part taken for Highway as shown in Common Law No. 63 L 365 being a triangular tract of land out of the Northwest corner of Lot 1 of M.W. Busey's Heir's Addition to the City of Urbana, said tract having one side 17.94 feet in length coinciding with the West Line of said Lot 1 and another side of 18.02 feet in length coinciding with the North Line of said Lot 1, all situated in Champaign County, Illinois.

PART 2837

(d) Lot 12 and the East half of Lot 11 in Block 1 in S.H. Busey's Addition to the Town (Now City) of Urbana, together with the South Half of an alley lying North of said lots, and except that part taken for highway as shown in Common Law No. 63 L 365 being a triangular tract of land out of the Southeast corner of Lot 12 of Block 1 of S.H. Busey's Addition to the City of Urbana, said tract having one side 10 feet in length coinciding with the South line of said Lot 12 and another side of 10 feet in length coinciding with the East line of said Lot 12 all situated in Champaign County, Illinois.

INCLUDES 2813 & 2814

TRACT II:

Lots 9, 10 and 11 of Busey's Subdivision of Lot "E" and a portion of Lot "B" of a Subdivision of the SW¼ of Section 8, Township 19 North, Range 9 East of the 3rd P.M., situated in the City of Urbana in Champaign County, Illinois, and also;

INCLUDES 2827 — 2828 2829

CHICAGO TITLE INSURANCE COMPANY

LEGAL DESCRIPTION (cont.)

That portion of vacated Park Street that lies between the East right-of-way line extended of Coler Avenue and the West right-of-way line extended of Orchard Street, all in the City of Urbana, Illinois, except that portion thereof that is located within 16 feet, North and South of the center line of said street and within two feet below and 17 feet above the elevation of 729.21 feet above sea level, and also except that portion of the North half of said Park Street lying South of and adjacent to Lot 2 of said Busey's Subdivision.

TRACT III:
Lot 5 in Block 1 of S.T. Busey's Third Addition to the Town, now City of Urbana, Illinois, except, Beginning at the Northeast corner of said Lot 5 in Block 1, thence in a Southerly direction along the East line of said Lot 5 a distance of 17.83 feet, thence in a Westerly direction a distance of 42 feet to the East line of a 20 foot alley, thence in a Northerly direction along the East line of said alley a distance of 32.60 feet to the South right of way line of the Wabash Railroad, thence Southeasterly along the South Right of Way line of the Wabash Railroad a distance of 44.62 feet to place of beginning;
Also except, commencing at the Southwest corner of said Lot 5 Block 1, thence North along the West line of said Lot, 91 feet, thence Easterly to a point on the East line of said Lot, 91 feet North of the Southeast corner of said Lot, thence South 91 feet to the Southeast corner of said lot, thence Westerly along the North line of Griggs Street 66 feet to the point of beginning, all situated in Champaign County, Illinois.

TRACT IV:
All that part of Lot 3 of M.W. Busey's Heirs Addition to the Town (now City) of Urbana, lying South of the right of way of the Champaign and Southeastern (now Wabash) Railway, situated in the City of Urbana, in Champaign County, Illinois.

TRACT V:
Part of 2832
Lots 1, 2, 3, and 4 in Block 1 of Simeon H. Busey's Addition to the City of Urbana, Illinois, together with the North one-half of the vacated alley adjoining said lots on the South, all situated in Champaign County, Illinois.

TRACT VI:
Lots 5 and 6 in Block 1 of Simeon H. Busey's Addition to the City of Urbana, Illinois, together with the North Half of the vacated alley lying adjacent thereto, also Lot 7, except the South 80 feet thereof, and Lot 8 except the South 80 feet thereof and also except the East 12 feet thereof, together with the South Half of the vacated alley lying adjacent thereto.

LEGAL DESCRIPTION(Cont.)

TRACT VII:
Lots 8 and 9 of a Subdivision of a part of the NW¼ of the SW¼ of Section 8, Township 19 North, Range 9 East of the 3rd P.M., situated in Champaign County, Illinois.

TRACT VIII:
Lots 3, 4, 5, and 6 and the North 42 feet of Lot 7 in S.H. Busey's Third Addition to the City of Urbana, situated in the City of Urbana, in Champaign County, Illinois.

TRACT IX:
2809 Lot 2 of M.W. and G.W. Busey's Subdivision of Lot D and part of Lot B of the SW¼ of Section 8, Township 19 North, Range 9 East of the 3rd P.M. situated in the City of Urbana, in Champaign County, Illinois.

TRACT X:
Lot 5 in Block 2 of S.T. Busey's Second Addition to the City of Urbana, situated in the City of Urbana, in Champaign County, Illinois.

2837 TRACT XI:
Lot 10 in M.W. and G.W. Busey's Subdivision of Lot D and part of Lot B of the SW¼ of Section 8, Township 19 North, Range 9 East of the 3rd P.M., situated in the City of Urbana, in Champaign County, Illinois.

TRACT XII:
(a) That portion of Coler Avenue lying South of the South right-of-way line of Park Street and North of a line parallel to and 39 feet South of the South right-of-way line of Park Street and below the elevation of 725.9 feet above sea level and above the elevation of 710.0 feet above sea level; and also

(b) That portion of Coler Avenue that lies South of a line parallel to and 168 feet South of the South right-of-way line of Park Street and North of a line that lies parallel to and 190 feet South of the South right-of-way line of Park Street and below the elevation of 725.9 feet above sea level and above the elevation of 713.5 feet above sea level.

3. Taxes for the years 1976 and 1977.

4. Covenants contained in the Limited Warranty Deed dated August 9, 1976 and recorded September 7, 1976 as document 76 R 17651 that during the period of twenty years after the date of the deed no petroleum products shall be advertised, stored, sold or distributed on the premises conveyed or any part thereof with no forfeiture or reversionary clause. (Affects that portion of Tract I (c) lying within the West Half of Lot One of M. W. Busey's Heirs Addition to the City of Urbana).

5. Covenant and restriction contained in Warranty Deed dated and recorded December 15, 1905 in Book 138 at page 417 as Document 49547 pertaining to the East half of the West half of Lot 1 of M. W. Busey's Heirs Addition to the City of Urbana, that grantees will not build or permit to be built upon this property a building to cost less than $1,200.00 and which contains no forfeiture or reversionary clause. (Affects Tract I (c).

6. Existing easement or easements for public utilities, their successors and assigns, to operate, maintain, renew and reconstruct their facilities as operated and maintained in that portion of premises lying within vacated Park Street. (Affects Tract II).

7. Rights of The City of Urbana, Illinois, by virtue of reservation contained in the Vacation Ordinance passed March 3, 1974 and recorded March 25, 1975 as document 75 R 3787 vacating a portion of Park Street, in easements for maintenance and repair of all sewers and drains and all public service facilities located on or under said street and a surface easement for pedestrian sidewalks on that portion of said street located within 20 feet from the centerline North and South of said street. (Affects Tract II).

8. Rights of Illinois Power Company, an Illinois corporation, its successors and assigns, by virtue of Easement dated January 10, 1968 and recorded February 5, 1968 in Book 868 at page 176 as document 772446 made by Orace Cuppernell and Dorothy Cuppernell granting the right to erect, operate and maintain electric transmission and distribution lines and appurtenant equipment through All that part of a strip of land 40 feet in width which extends over, across, through and lies within the East 60 feet of the West 120 feet of Lot 3 of M. W. Busey's Heirs Addition to the Town (now City) of Urbana, Illinois; the centerline of said 40-foot strip being described as beginning on the North line of said Lot 3 at a point 85 feet East of the Northwest corner thereof; thence extending Southeasterly to a point of exit on the East line of the above described tract of land, said point being 10 feet South of the Northeast corner of the East 60 feet of the West 120 feet of said Lot 3; (Affects Tract IV).

9. Rights of Illinois Power Company, an Illinois corporation, its successors and assigns, by virtue of Easement dated June 22, 1968 and recorded March 17, 1969 in Book 898 at page 533 as document 789822 made by Enos L. Phillips and others granting the right to erect, operate and maintain electric transmission and distribution lines and appurtenant equipment through The Northeasterly 30 feet of even width off of that part of Lot 3 of M. W. Busey's Heirs Addition of Town Lots to Urbana, Illinois, which lies Southwesterly of and contiguous to the Southwesterly right of way line of the Norfolk and Western Railroad, Except the West 120 feet of said Lot 3; (Affects Tract IV).

10. Rights of Illinois Power Company, an Illinois corporation, its successors and assigns, by virtue of Easement dated January 9, 1969 and recorded March 17, 1969 in Book 898 at page 535 as document 789823 made by Carle Clinic Association granting the right to erect, operate and maintain electric transmission and distribution lines and appurtenant equipment through That part of the West 60 feet of Lot 3 of M. W. Busey's Heirs' Addition to Urbana, Illinois, described as follows, to-wit:
Beginning at the Northwest corner of said Lot 3; thence extending Southeasterly to a point on the East line of the above described West 60-foot tract, said point being 15 feet South of the Northeast corner thereof; thence North along said East line to the North line of said Lot 3; thence West to the point of beginning; and also through the Northeasterly 30 feet of even width off of that part of Lot 3 of M. W. Busey's Heirs Addition of Town Lots to Urbana, Illinois, which lies Southwesterly of and contiguous to the Southwesterly right-of-way line of the Norfolk and Western Railroad, except the West 120 feet of said Lot 3. (Affects Tract IV).

11. Rights of Illinois Power Company, an Illinois corporation, its successors and assigns, by virtue of Easement dated April 1, 1975 and recorded May 16, 1975 in Book 1052 at page 895 as document 75 R 6499 made by Carle Clinic Association granting the right to construct, operate and maintain an electric substation and appurtenant equipment on a certain parcel of land located within that part of Lot 3 of M. W. Busey's Heirs Addition to the City of Urbana, which lies Southwesterly and contiguous to the Southwesterly right of way line of the Norfolk and Western Railroad, said Addition to the City of Urbana being a part of the SW¼ of the SW¼ of Section 8, Township 19 North, Range 9 East of the Third Principal Meridian; said rights and easement shall be located on said part of Lot 3 within the boundaries described as follows, to wit: Beginning at the Northeast corner of said part of Lot 3, thence extending South along the East property line to a point, said point being 51 feet South of said corner, thence deflecting Northwesterly and extending on a course parallel to said railroad right of way line to a point, said point being 47 feet West of said East property line and also 51 feet South of aforesaid right of way, thence deflecting Northerly and extending 25 feet on a course parallel to said East property line, thence deflecting Northeasterly and extending to a point on said right of way line, said point being 51 feet Northwesterly of Northeast corner of said part of Lot 3, thence deflecting Southeasterly and extending along aforesaid right of way to point of beginning.
(Affects IV).

12. Rights of the City of Urbana, Illinois by reservation of easements upon and under alley vacated by Ordinance dated October 9, 1975 and recorded October 14, 1975 in Book 1065 at page 82 as document 75 R 15526 for repair or replacement of all sewers and drains and all public service facilities located on or under the surface of any part of said vacated alley, also rights of public utilities, their successors and assigns in and to existing easements to operate, maintain, renew and reconstruct their facilities.
(Affects Tract I (d), V and VI).
NOTE: Survey furnished us shows existing ten-inch sanitary line running through the portion of premises lying within the above vacated alley.

13. Rights of the City of Urbana, Illinois by reservation of easements under in and between portions of vacated Coler Avenue vacated by Ordinance dated October 9, 1975 and recorded October 14, 1975 in Book 1065 at page 85 as document 75 R 15527 for maintenance, repair or replacement of all sewers and drains and all public service facilities located on or under the surface of any part of said portion of said street and also rights of public utilities, their successors and assigns, in and to existing easements and to operate, maintain and renew and reconstruct their facilities.
(Affects Tract XII).

14. Lease made by The Carle Foundation, an Illinois corporation not for pecuniary profit, to Carle Clinic Association, an unincorporated association, dated September 1, 1975 demising a portion of Tract I (a) of the premises for a term of years effective September 1, 1975 and ending April 1, 2003 as disclosed by Memorandum of Lease dated September 1, 1975 and recorded October 27, 1975 in Book 1065 at page 884 as document 75 R 16198 and all rights thereunder of and all acts done or suffered thereunder by said lessee or by any party claiming by, through or under said lessee.

15. Mortgage dated October 1, 1975 and recorded November 3, 1975 in Book 1066 at page 387 as document 75 R 16573 made by The Carle Foundation, an Illinois not-for-profit corporation, to Illinois Health Facilities Authority, a body corporate and politic, to secure a note for $22,500,000.00.
NOTE: The rights of Illinois Health Facilities Authority under the mortgage insured have been assigned to Illinois National Bank of Springfield, as Trustee by document 75 R 16574 in Book 1066 at page 458.

16. Rights of the United States of America and the State of Illinois or either of them to recover any public funds advanced under either or both the provisions of the Hill-Burton Act or the Illinois Hospital Construction Act.

(17) Security interest of Illinois Health Facilities Authority, secured party as disclosed by Financing Statement filed November 3, 1975 as document 75 R 16575 and as File No. 75 F 2611, executed by The Carle Foundation, an Illinois not-for-profit corporation, debtor, securing certain chattels on the land.
NOTE: Contained in said instrument is a recitation assigning said security interest to Illinois National Bank of Springfield.

(18) Trust indenture dated October 1, 1975 and recorded November 3, 1975 in Book 1066 at page 458 as document 75 R 16574 made by Illinois Health Facilities Authority to Illinois National Bank of Springfield as trustee, to secure mortgage revenue bonds, series 1975, in the aggregate amount of $22,500,000.00.

CHICAGO TITLE INSURANCE COMPANY

By Robert S. Hutchens
Authorized Signatory

RSH/bm
2/3/77

File Number 5274-755-4

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

THE CARLE FOUNDATION HOSPITAL, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON MAY 28, 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* 12TH *day of* AUGUST *A.D.* 2022 .

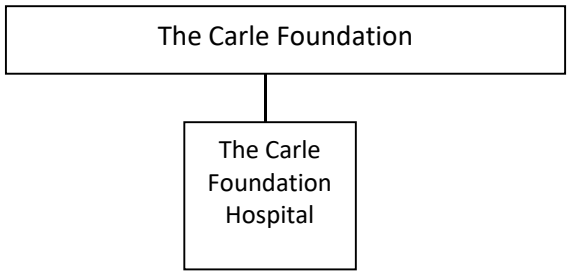
Authentication #: 2222402642 verifiable until 08/12/2023

Authenticate at: https://www.ilsos.gov

Jesse White

SECRETARY OF STATE

Organizational Chart



Attachment- 4

Flood Plain Requirements

The requirement to provide documentation that the project is not in a flood plain is not applicable because there is no construction associated with the project.

Attachment-5

Historic Resources Preservation Act Requirements

This project does not involve the demolition or other modification of buildings and will have no impact on historic resources. Thus, the requirement to obtain clearance from the Historic Preservation Agency is not applicable.

Attachment- 6

Project Costs			
USE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Preplanning Costs	$0	$0	$0
Site Survey and Soil Investigation	$0	$0	$0
Site Preparation	$0	$0	$0
Off Site Work	$0	$0	$0
New Construction Contracts	$0	$0	$0
Modernization Contracts	$0	$0	$0
Contingencies	$0	$0	$0
Architectural Fees	$0	$0	$0
Consulting and Other Fees	$0	$0	$0
Movable or Other Equipment (not in construction contracts)	$0	$0	$0
Bond Issuance Expense (project related)	$0	$0	$0
Net Interest Expense During Construction (project related)	$0	$0	$0
Fair Market Value of Leased Space or Equipment	$0	$0	$0
Other Costs To Be Capitalized	$0	$0	$0
Acquisition of Building or Other Property (excluding land)	$0	$0	$0
TOTAL USES OF FUNDS	**$0**	**$0**	**$0**

Active CON Permits

The Carle Foundation has the following active permits:

CON 20-048: Carle- Danville Medical Office Building

- The CON permit for project 20-048 was approved on March 1, 2021.
- An annual progress report was submitted on February 22, 2022.
- The project completion date of record is June 30, 2023.

CON 20-047: Carle Sugicenter: Danville

- The CON permit for project 20-047 was approved on April 22, 2021.
- An annual progress report was submitted on April 13, 2022.
- The project completion date of record is June 30, 2023.

CON 21-001: Carle Sugicenter: Danville

- The CON permit for project 21-001 was approved on April 22, 2021.
- An annual progress report was submitted on April 13, 2022.
- The project completion date of record is June 30, 2023.

Cost Space Requirements

There are neither project costs nor construction associated with the project.

Attachment-9

Section 1110.130 Discontinuation

The Applicants do not propose the discontinuation of a healthcare facility or a category of service. Therefore this section is not applicable.

ATTACHMENT 11

Background of Applicants

1. A listing of all health care facilities owned or operated by Carle, including licensing, and certification.

The following is a list of all Illinois healthcare facilities (as that term is defined in the Act) owned by Carle:

- The Carle Foundation Hospital
  - License Number: 003798
  - Accreditation Identification Number: 119139-2012-AHC-USA-NIAHO
- Richland Memorial Hospital, d/b/a Carle Richland Memorial Hospital
  - License Number: 004788
  - Accreditation Identification Number: HFAP ID: 175621
- Hoopeston Community Memorial Hospital, d/b/a Carle Hoopeston Regional Health Center
  - License Number: 004200
  - Accreditation Identification Number: 128702-2012-AHC-USA-NIAHO
- Carle Bromenn Medical Center
  - License Number: 0005645
  - Accreditation Identification Number: 189504-2018-AHC-USA-NIAHO
- Carle Eureka Hospital
  - License Number: 0005652
  - Accreditation Identification Number: 189647-2018-AHC-USA-NIAHO
- Champaign SurgiCenter, LLC
  - License Number: 7002959
  - Accreditation Identification Number: 119139-2012-AHC-USA-NIAHO
- Carle SurgiCenter – Danville
  - License Number: 7002439
  - Accreditation Identification Number: 119139-2012-AHC-USA-NIAHO
- The Center for Outpatient Medicine
  - License Number: 7002116
  - Accreditation Identification Number: AAAHC #109077
- BroMenn Care and Comfort Suites
  - License Number: 4000025
  - Accreditation Identification Number: AAAHC #109077

2. A listing of all health care facilities owned (at least 5%) and/or operated in Illinois by Carle.
Except as provided above, Carle does not have a five percent (5%) or greater ownership interest in any other Illinois healthcare facilities.

3. Attestation.
Carle attests that in the last three years prior to filing of this COE application, there has been no "adverse action" (as that term is defined in 77 IAC 1130.140) against any Illinois health care facility owned and operated by Carle and subject to HFSRB jurisdiction.

4. Authorization.
HFSRB and IDPH are hereby authorized by Carle to access any documents necessary to verify the information submitted with this application relating to Carle, including, but not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations.

Attachment-11

Illinois Department of PUBLIC HEALTH

HF 124678

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
12/31/2022		0003798

General Hospital

Effective: 01/01/2022

The Carle Foundation Hospital
611 West Park Street
Urbana, IL 61801

The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #19-493-001 10M 9/18

← DISPLAY THIS PART IN A CONSPICUOUS PLACE

Exp. Date 12/31/2022

Lic Number 0003798

Date Printed 01/19/2022

The Carle Foundation Hospital

611 West Park Street
Urbana, IL 61801

FEE RECEIPT NO.

Illinois Department of PUBLIC HEALTH

HF 125298

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.

Amaal V.E. Tokars
Acting Director

Issued under the authority of the Illinois Department of Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
6/30/2023		0004200

Critical Access Hospital

Effective: 07/01/2022

Hoopeston Community Memorial Hospital
dba Carle Hoopeston Regional Health Center
701 E Orange St

Hoopeston, IL 60942

The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #19-493-001 10M 9/18

← DISPLAY THIS PART IN A CONSPICUOUS PLACE

Exp. Date 6/30/2023

Lic Number 0004200

Date Printed 4/6/2022

Hoopeston Community Memorial Hosp
dba Carle Hoopeston Regional Health
701 E Orange St
Hoopeston, IL 60942

FEE RECEIPT NO.

Illinois Department of PUBLIC HEALTH

HF 124733

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
1/31/2023		0004788

General Hospital

Effective: 02/01/2022

Richland Memorial Hospital Inc
dba Carle Richland Memorial Hospital
800 East Locust Street

Olney, IL 62450

The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #19-493-001 10M 9/18

DISPLAY THIS PART IN A CONSPICUOUS PLACE

Exp. Date 1/31/2023

Lic Number 0004788

Date Printed 1/27/2022

Richland Memorial Hospital Inc
dba Carle Richland Memorial Hospital
800 East Locust Street
Olney, IL 62450

Attachment- 11a
FEE RECEIPT NO.

Illinois Department of PUBLIC HEALTH

HF 125541

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.

Amaal V.E. Tokars
Acting Director

Issued under the authority of the Illinois Department of Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
6/30/2023		0006189

General Hospital

Effective: 07/01/2022

Carle BroMenn Medical Center
1304 Franklin Avenue
Normal, IL 61761

The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #19-493-001 10M 9/18

← DISPLAY THIS PART IN A CONSPICUOUS PLACE

Exp. Date 6/30/2023

Lic Number 0006189

Date Printed 5/10/2022

Carle BroMenn Medical Center

1304 Franklin Avenue
Normal, IL 61761

FEE RECEIPT NO.

Illinois Department of PUBLIC HEALTH

HF 125300

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.

Amaal V.E. Tokars
Acting Director

Issued under the authority of the Illinois Department of Public Health

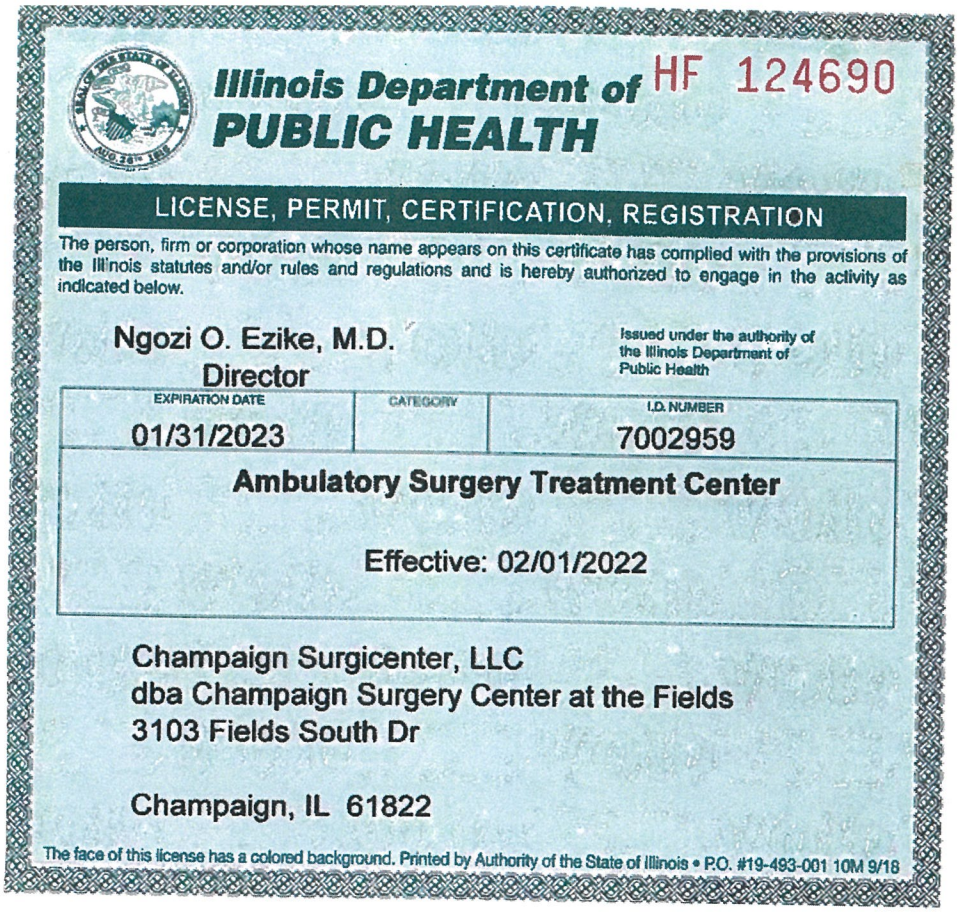
EXPIRATION DATE	CATEGORY	I.D. NUMBER
6/30/2023		0006171

Critical Access Hospital

Effective: 07/01/2022

Carle Eureka Hospital
101 South Major Street
Eureka, IL 61530

The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #19-493-001 10M 9/18



Illinois Department of PUBLIC HEALTH

HF 124690

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
01/31/2023		7002959

Ambulatory Surgery Treatment Center

Effective: 02/01/2022

Champaign Surgicenter, LLC
dba Champaign Surgery Center at the Fields
3103 Fields South Dr

Champaign, IL 61822

The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #19-493-001 10M 9/18

HF 125778

Illinois Department of PUBLIC HEALTH

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.

Amaal V.E. Tokars
Acting Director

Issued under the authority of the Illinois Department of Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
7/31/2023		7002439

Ambulatory Surgery Treatment Center

Effective: 08/01/2022

Carle Surgicenter
2300 N Vermilion
Danville, IL 61832

The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #19-493-001 10M 9/18

Illinois Department of PUBLIC HEALTH

HF 125867

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.

Amaal V.E. Tokars
Acting Director

Issued under the authority of the Illinois Department of Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
8/6/2023		7002116

Ambulatory Surgery Treatment Center

Effective: 08/07/2022

The Center for Orthopedic Medicine, LLC
2502 East Empire St Ste B
Bloomington, IL 61704

The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #19-493-001 10M 9/18

← DISPLAY THIS PART IN A CONSPICUOUS PLACE

Exp. Date 8/6/2023

Lic Number 7002116

Date Printed 7/1/2022

The Center for Orthopedic Medicine, L

2502 East Empire St Ste B
Bloomington, IL 61704-3739

FEE RECEIPT NO.

Illinois Department of PUBLIC HEALTH

HF 125926

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.

Amaal V.E. Tokars
Acting Director

Issued under the authority of the Illinois Department of Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
8/14/2023		4000025

Postsurgical Recovery Care Center

Licensed Beds: 3

Bromenn Care and Comfort Suites
2502 B East Empire St
Bloomington, IL 61704

The face of this license has a colorec background. Printed by Authority of the State of Illinois • P.O. #19-493-001 10M 9/18

DISPLAY THIS PART IN A CONSPICUOUS PLACE

Exp. Date 8/14/2023

Lic Number 4000025

Date Printed 7/5/2022

Bromenn Care and Comfort Suites

2502 B East Empire
Bloomington, IL 61704

FEE RECEIPT NO.

HEALTHCARE CERTIFICATE

Certificate no.:
10000467101-MSC-CMS-USA

Initial certification date:
29 June, 2012

Valid:
29 June, 2021 – 29 June, 2024

This is to certify that the management system of

Carle Foundation Hospital

611 W. Park St., Urbana, IL, 61801, USA

has been found to comply with the requirements of the:

NIAHO® Hospital Accreditation Program

Pursuant to the authority granted to DNV Healthcare USA Inc. by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, this organization is deemed in compliance with the Medicare Conditions of Participation for Hospitals (42 C.F.R. §482).

Place and date:
Milford, OH, 02 June, 2021

ACCREDITED Hospital Quality & Patient Safety

CMS CENTERS FOR MEDICARE & MEDICAID SERVICES

For the issuing office:
DNV Healthcare USA Inc.
400 Techne Center Drive, Suite 100,
Milford, OH, 45150, USA

Patrick Horine
Management Representative

HEALTHCARE CERTIFICATE

Certificate no.:
10000490309-MSC-CMS-USA

Initial certification date:
19 December, 2012

Valid:
19 December, 2021 – 19 December, 2024

This is to certify that the management system of

Carle Hoopeston Regional Health Center

701 E. Orange, Hoopeston, IL, 60942, USA

has been found to comply with the requirements of the:

NIAHO® Critical Access Hospital Accreditation Program

Pursuant to the authority granted to DNV Healthcare USA Inc. by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, this organization is deemed in compliance with the Medicare Conditions of Participation for Specialized Providers – Critical Access Hospitals (42 C.F.R. §485 Subpart F).

Place and date:
Milford, OH, 30 August, 2021

US Centers for Medicare & Medicaid Services
ACCREDITED
Critical Access Hospital
Quality & Patient Safety

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

For the issuing office:
DNV Healthcare USA Inc.
400 Techne Center Drive, Suite 100,
Milford, OH, 45150, USA

Patrick Horine
Management Representative

HEALTHCARE CERTIFICATE

Certificate no.:
10000449947-MSC-CMS-USA

Initial certification date:
22 March, 2022

Valid:
22 March, 2022 – 22 March, 2025

This is to certify that the management system of

Carle Richland Memorial Hospital

800 E. Locust Street, Olney, IL, 62450, USA

has been found to comply with the requirements of the:

NIAHO® Hospital Accreditation Program

Pursuant to the authority granted to DNV Healthcare USA Inc. by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, this organization is deemed in compliance with the Medicare Conditions of Participation for Hospitals (42 C.F.R. §482).

Place and date:
Milford, OH, 25 March, 2022

US Centers for Medicare & Medicaid Services
ACCREDITED
Hospital
Quality & Patient Safety

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

For the issuing office:
DNV Healthcare USA Inc.
400 Techne Center Drive, Suite 100,
Milford, OH, 45150, USA

Patrick Horine
Management Representative

HEALTHCARE CERTIFICATE

Certificate no.:
10000505920-MSC-CMS-USA

Initial certification date:
07 December, 2012

Valid:
07 December, 2021 – 07 December, 2024

This is to certify that the management system of

Carle BroMenn Medical Center

1304 Franklin Avenue, Normal, IL, 61761, USA

has been found to comply with the requirements of the:

NIAHO® Hospital Accreditation Program

Pursuant to the authority granted to DNV Healthcare USA Inc. by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, this organization is deemed in compliance with the Medicare Conditions of Participation for Hospitals (42 C.F.R. §482).

Place and date:
Milford, OH, 09 November, 2021

DNV
US Centers for Medicare & Medicaid Services
ACCREDITED
Hospital
Quality & Patient Safety

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

For the issuing office:
DNV Healthcare USA Inc.
400 Techne Center Drive, Suite 100,
Milford, OH, 45150, USA

Patrick Horine
Management Representative

HEALTHCARE CERTIFICATE

Certificate no.:
10000504781-MSC-CMS-USA

Initial certification date:
12 December, 2012

Valid:
12 December, 2021 – 12 December, 2024

This is to certify that the management system of

Carle Eureka Hospital

101 S. Major Street, Eureka, IL, 61530, USA

has been found to comply with the requirements of the:

NIAHO® Critical Access Hospital Accreditation Program

Pursuant to the authority granted to DNV Healthcare USA Inc. by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, this organization is deemed in compliance with the Medicare Conditions of Participation for Specialized Providers – Critical Access Hospitals (42 C.F.R. §485 Subpart F).

Place and date:
Milford, OH, 03 November, 2021

DNV
US Centers for Medicare & Medicaid Services
ACCREDITED
Critical Access Hospital
Quality & Patient Safety

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

For the issuing office:
DNV Healthcare USA Inc.
400 Techne Center Drive, Suite 100,
Milford, OH, 45150, USA

Patrick Horine
Management Representative

Section III, Purpose of the Project, and Alternatives – Information Requirements

Purpose of Project

Overview of Purpose

The purpose of this project is to ensure continued access to quality healthcare for patients in east central Illinois. This Project is necessitated by the uncertainty of the continuation of the public health emergency declarations that the Governor has been issuing on a 30-day rolling basis for some period of time. By way of background, due to the COVID-19 pandemic and associated surges in demand for inpatient hospital services, pursuant to 77 Illinois Administrative Code 1130.240 (f) (4), The Carle Foundation Hospital ("CFH") temporarily added 36 medical/surgical beds to accommodate high inpatient medical/surgical volumes. The Applicants propose to make these 36 beds part of their permanent licensed bed complement. Doing so is necessary, because the Applicants anticipate that CFH's med/surg average daily census will remain at or exceed current levels after the current gubernatorial disaster proclamation ends. Without its temporary med/surg beds or the proposed permanent beds, CFH would not have enough authorized med/surg beds to meet its current demand for inpatient services. Such demand has a component of COVID-19 illness care and that demand is expected to continue; however, a broad array of other inpatient care is also creating the demand.

CFH is able to add these beds without any construction, because it has completed two major bed projects in the last 10 years that provided for new bed units which were generally expected to operate in single occupancy rooms. One of those projects involved 136 inpatient rooms and with the other project, a total of 184 rooms. The first project involved construction of a $186.7M, nine-story bed tower ("Carle Tower") but did not add any bed licenses. Upon completion of that project, bed licenses were moved from older and/or double occupancy rooms in CFH's Rogers, Parkview and North Tower buildings to Carle Tower. Since this move, demand for inpatient services has caused CFH to gradually backfill these vacated Rogers, Parkview and North Tower bed locations via incremental "20 bed Rule" bed additions. This proposed addition of 36 beds will once again backfill existing private and semi-private rooms in CFH's North Tower.

CFH is a crucial provider in a large service area. It is a 453-bed tertiary care hospital, a Level 1 trauma center, a comprehensive stroke center, and a Level III Perinatal Center. It is a safety net hospital for the region, and is an IDPH designated Regional Hospital Coordinating Center. Its medical/surgical units currently consist of 295 permanently licensed beds as well as 36 temporary beds. To address high current and projected utilization, the Applicants request authorization from the State Board to make the 36 temporary medical/surgical beds permanent for a total of 331 med/surg beds. As shown in Table 1110.110 below, CFH's 9/1/21-8/31/22 med/surg average daily census (ADC) was 300 patients. Given the State Board's 90% utilization standard, this recent historical ADC would justify 333.4 beds. Accordingly, the proposed 331 bed med/surg bed complement complies with the State Board's occupancy rate standard.

Although CFH's historical med/surg unit utilization alone is sufficient to justify the proposed beds, the Applicants believe that their effective med/surg utilization will exceed the historical utilization described above. First, CFH's med/surg unit occupancy rate excludes med/surg observation days that occur on its dedicated observation units since

these dedicated observation unit patient days are reported separately on the annual IDPH hospital questionnaire. In 2021, CFH realigned its inpatient units by allocating additional space as dedicated observation units and shifting many of its med/surg observation patients from med/surg units to these dedicated observation units. As a result, dedicated observation days increased from 1,617 in 2020 to 9,133 in 2021. As shown in Table 1110.110 below, these dedicated observation days are not included in the above med/surg occupancy rate calculation even though all of the 10,303 patient days during 9/1/21-8/31/22 would be classified as med/surg observation days if they occurred on a med/surg unit.

Secondly, the Applicants anticipate that CFH's med/surg utilization will exceed the above historical utilization given the consistent growth it has experienced over the past 5+ years. CFH's med/surg patient days increased by 38.9% from 2016 to 9/1/21-8/31/22, with the most significant growth occurring in 2021 and 2022. The Applicants anticipate this growth will continue in the future.

Table 1110.120
Historical Medical/Surgical Bed Utilization

Year	Authorized CON Beds	IP Days	Obs Days	Med/Surg Unit Days	Med/Surg ADC	Dedicated Obs Days	Total Med/Surg Days (inc. Dedicated Obs)	Total Med/Surg ADC (inc. Dedicated Obs)
2016	260	75,207	3,647	78,854	215.4	4,098	82,952	226.6
2017	275	75,722	5,798	81,520	223.3	2,252	83,772	229.5
2018	275	82,039	6,542	88,581	242.7	2,408	90,989	249.3
2019	285	84,172	11,399	95,571	261.8	2,023	97,594	267.4
2020	285	82,907	10,640	93,547	255.6	1,617	95,164	260.0
2021	295	92,543	11,230	103,773	284.3	9,133	112,906	309.3
9/1/21-8/31/22	295	98,640	10,895	109,535	300.1	10,303	119,838	328.3

Given CFH's historical and projected med/surg utilization and the likelihood that its temporary emergency response beds will no longer be available if the current gubernatorial disaster proclamation ends, the Applicants are proposing to permanently add 36 med/surg beds to ensure demand does not exceed its licensed bed complement.

1. **Document that the Project will provide health care services that improve the health care or well-being of the market area population to be served.**

As shown in Attachment- 12A, 64.0% of CFH's med/surg admissions originated from the Hospital's primary service area and another 25.9% resided in the secondary service area. The Applicants do not expect the Project to alter the catchment area for these services.

2. **Define the planning area or market area, or other, per the applicant's definition.**

The geographic service area for the Project is attached as Attachment 12B. CFH serves east central Illinois extending from Kankakee County in the north to Richland County in southern Illinois and as far west as McLean County and east into western Indiana.

3. **Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the Project.**

The aforementioned growth in CFH's medical/surgical bed utilization is attributable to several factors, which the Applicants anticipate will continue for the foreseeable future. Importantly, CFH is a regional tertiary healthcare provider with physicians practicing in 50+ specialties. As such, there is no equivalent provider in any of the HSA 4 or HSA 5 planning areas, and the nearest such facility is in Springfield, Illinois. As noted above, CFH is the only Level I Trauma Center in the region, a Level III perinatal center, and one of only three Comprehensive Stroke Centers in downstate Illinois. As a result, CFH treats higher acuity patients with longer average lengths of stay ("ALOS"). Given the large number of high acuity patients served by CFH, beds do not turn over as quickly as they do at facilities serving lower acuity patients. Accordingly, CFH's patient mix reduces the number of available beds and increases utilization. As the only hospital in the region providing specialized services, such as neuroscience services, cardiovascular services, various leading-edge technologies and advanced cancer treatments, CFH will continue to attract higher acuity patients requiring specialized care, which will contribute to increasing utilization in the future. In the absence of CFH, patients would need to travel to Chicago, Springfield, Peoria, or St. Louis to access the specialized healthcare offered at CFH.

4. **Cite the sources of the information provided as documentation.**

Carle performs ongoing internal utilization studies based on internal reports.

Illinois Health Facilities and Services Review Board, Individual Hospital Profiles 2016-2020 available at https://www2.illinois.gov/sites/hfsrb/InventoriesData/FacilityProfiles/Pages/default.aspx (last visited September 28, 2022).

5. **Detail how the Project will address or improve the previously referenced issues as well as the population's health status and well-being.**

As discussed in greater detail above, CFH proposes to make its 36 temporary med/surg beds permanent to ensure continued access to specialized inpatient care for residents of the geographic area it serves.

6. **Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals as appropriate.**

CFH's prevailing objective is to maintain access to inpatient care by ensuring it has sufficient med/surg beds when the current gubernatorial disaster proclamation ends.

This goal can be achieved at the time of project completion.

ATTACHMENT 12-A

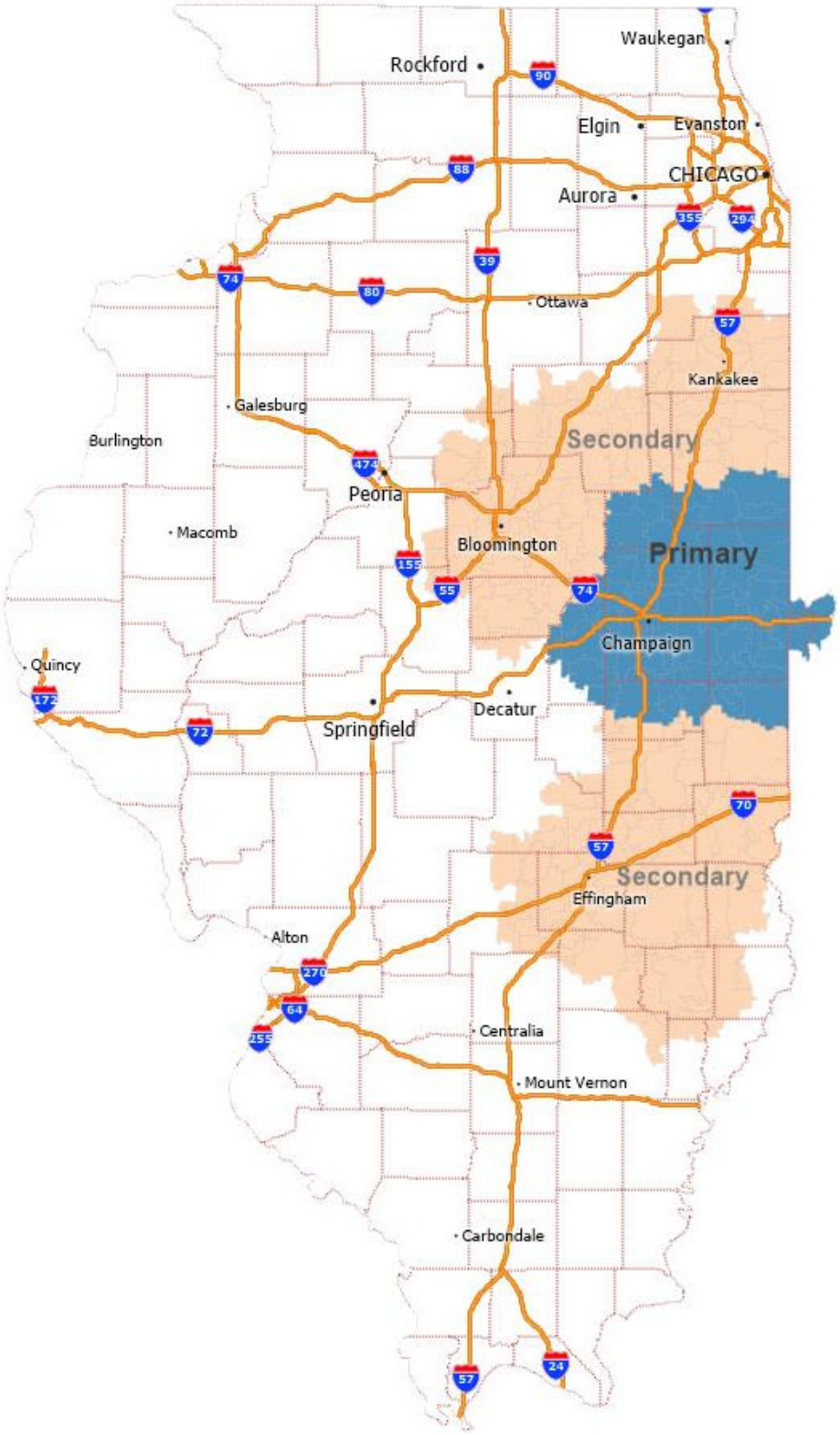
Patient Origin by Service Area

ZIP	Admissions	Service Area	%
61822	1,984	Primary	10.3%
61821	1,862	Primary	9.7%
61802	1,754	Primary	9.1%
61801	1,648	Primary	8.6%
61853	1,563	Primary	8.1%
61874	1,475	Primary	7.7%
61873	1,355	Primary	7.1%
62401	1,248	Secondary	6.5%
62431	1,103	Secondary	5.7%
61951	845	n/a	4.4%
61842	678	Secondary	3.5%
61938	568	Secondary	3.0%
61920	465	Secondary	2.4%
61877	348	Primary	1.8%
61878	236	Primary	1.2%
60901	195	Secondary	1.0%
61722	191	Secondary	1.0%
61705	176	Secondary	0.9%
62420	162	Secondary	0.8%
62703	156	n/a	0.8%
62807	144	n/a	0.7%
62656	143	n/a	0.7%
62561	123	n/a	0.6%
62535	117	n/a	0.6%
62549	108	n/a	0.6%
62526	92	n/a	0.5%
62521	84	n/a	0.4%
62501	77	n/a	0.4%
62480	62	Secondary	0.3%
62471	50	n/a	0.3%
62463	44	Secondary	0.2%
62454	38	Secondary	0.2%
62450	35	Secondary	0.2%
61832	24	Primary	0.1%
60960	21	Primary	0.1%
60963	10	Primary	0.1%

62428	10	Secondary	0.1%
60957	4	Primary	0.0%
61817	1	Primary	0.0%
60911	1	Secondary	0.0%
60914	1	Secondary	0.0%
60912	1	Secondary	0.0%
61833	1	Primary	0.0%

ATTACHMENT 12-B

Service Area for The Carle Foundation Hospital



Attachment- 12

Alternatives to the Proposed Project

The Applicants propose to transition CFH's 36 temporary med/surg to be part of their permanent licensed bed complement. The Applicants believe that the proposed project is the most effective and least costly alternative to the other alternatives considered when balancing access and quality with costs. The following narrative consists of a comparison of the proposed project to alternative options.

The Applicants have considered the following alternatives:

A) Do Nothing ($0)

This option would not address current and projected demand for med/surg beds at CFH and would, therefore, adversely affect patient access. If the Hospital's med/surg average daily census remains at current levels after the gubernatorial disaster proclamation ends, CFH will not have enough authorized med/surg beds to meet demand. If this were the case, many patients would need to travel to Chicago, Springfield, Peoria, or St. Louis to access the specialized healthcare offered at CFH. For most patients, traveling such a distance for care is unmanageable. No other hospital in east central Illinois provides the same level of specialized care as CFH. It is the only Level I trauma center and Level III perinatal center in the region, and is therefore required to provide care to trauma patients. Further, CFH's designation as one of only three Comprehensive Stroke Centers in downstate Illinois reflects the fact that it offers the highest level of competence for treating the full spectrum of stroke events, including the most severe and complex. CFH also operates a nationally recognized cancer center providing state-of-the-art cancer care and offers a number of services not available elsewhere in the region through its Heart and Vascular Institute, Neuroscience Institute and Digestive Health Center.

Additionally, the Emergency Medical Treatment and Active Labor Act (EMTALA) requires hospitals to provide care to anyone needing emergency healthcare treatment regardless of citizenship, legal status, or ability to pay. Under EMTALA, a medical screening exam must be given to all Emergency Department patients. This includes all diagnostics and interventions needed, within the hospital's ability to provide such. CFH must maintain its ability to treat medical emergencies among patients presenting in the ED.

This alternative would not allow CFH to provide necessary specialized care or trauma and emergency care and would require patients to be diverted long distances. For these reasons, this alternative was rejected.

B) Vertically Expand Carle Tower to add a 48-bed Med/Surg Unit ($30,000,000)

This alternative was considered since a brand new unit would allow for increased staffing efficiency and an improved patient experience. The Applicants wish to offer private rooms to all inpatients but must currently utilize double occupancy rooms on several units due to space limitations. In spite of the advantages of constructing a new unit, the Applicants opted for a more measured approach given the current financial challenges it is facing.

C) Increase Med/Surg Capacity by 59 authorized Beds ($0)

This alternative was considered since CFH has 59 available headwalls that meet licensure requirements. Further, due to the significant growth that CFH has experienced (described in

Attachment- 12), bed capacity may again be an issue within two years. However, due to future uncertainties, the Applicants opted for a more measured approach. If volumes continue to grow as anticipated, the Applicants plan to add additional authorized beds.

D) Proposed: Add 36 Medical/Surgical Beds ($0)

The Applicants ultimately decided to make CFH's 36 temporary medical/surgical beds permanent. The chosen option will allow CFH to maintain access to medical/surgical inpatient care by addressing current and projected demand.

Size of Project

There is no construction or change in square footage associated with the proposed addition of medical/surgical beds.

Project Services Utilization

The Applicants propose to transition CFH's 36 temporary med/surg to be part of their permanent licensed bed complement for a total of 331 med/surg beds. As shown in Table 1110.120 below, CFH's 9/1/21-8/31/22 med/surg average daily census (ADC) was 300.1 (109,535 patient days). Given the State Board's 90% utilization standard, this recent historical ADC would justify 333.4 beds. Accordingly, the proposed 331 bed med/surg unit complies with the State Board's occupancy rate standard.

Although CFH's historical med/surg unit utilization alone is sufficient to justify the proposed beds, the Applicants believe that CFH's effective med/surg utilization will exceed the historical utilization described above. First of all, CFH's med/surg unit occupancy rate excludes med/surg observation days that occur on its dedicated observation units since these dedicated observation unit patient days are reported separately on the annual hospital questionnaire. In 2021, CFH realigned its inpatient units by allocating additional space as dedicated observation units and shifting many of its med/surg observation patients from med/surg units to these dedicated observation units. As a result, dedicated observation days increased from 1,617 in 2020 to 9,133 in 2021. As shown in Table 1110.120 below, these dedicated observation days are not included in the above med/surg occupancy rate calculation even though the vast majority of the 10,303 patient days during 9/1/21-8/31/22 would be classified as med/surg observation days if they occurred on a med/surg unit.

Secondly, the Applicants anticipate that CFH's med/surg utilization will exceed the above historical utilization given the consistent growth it has experienced over the past 5+ years. CFH's med/surg patient days increased by 38.9% from 2016 to 9/1/21-8/31/22, with the most significant growth occurring in 2021 and 2022. The Applicants anticipate this growth will continue in the future.

Table 1110.110
Historical Medical/Surgical Bed Utilization

Year	Authorized CON Beds	IP Days	Obs Days	Med/Surg Unit Days	Med/Surg ADC	Dedicated Obs Days	Total Med/Surg Days (inc. Dedicated Obs)	Total Med/Surg ADC (inc. Dedicated Obs)
2016	260	75,207	3,647	78,854	215.4	4,098	82,952	226.6
2017	275	75,722	5,798	81,520	223.3	2,252	83,772	229.5
2018	275	82,039	6,542	88,581	242.7	2,408	90,989	249.3
2019	285	84,172	11,399	95,571	261.8	2,023	97,594	267.4
2020	285	82,907	10,640	93,547	255.6	1,617	95,164	260.0
2021	295	92,543	11,230	103,773	284.3	9,133	112,906	309.3
9/1/21-8/31/22	295	98,640	10,895	109,535	300.1	10,303	119,838	328.3

Section 1100.520 of the Administrative Code documents the established occupancy standard for a hospital with 200+ medical/surgical beds. The table below summarizes the proposed units, projected volume, applicable state standard, and project compliance with the state standard.

Category of Service	Proposed Beds	Projected Med/Surg Patient Days	State Standard Occupancy Rate	Projected Occupancy Rate	Met Standard?
Medical/Surgical	331	109,535 days	90%	90.7%	Yes

Unfinished or Shell Space

The proposed project does not entail unfinished or shell space, so this section is not applicable.

Section V Service Specific Review Criteria

This is project does not involve any of the following services. Therefore the associated sections are not applicable.

- Obstetric, Pediatric and Intensive Care
- Comprehensive Physical Rehabilitation
- Acute Mental Illness and Chronic Mental Illness
- Neonatal Intensive Care
- Open Heart Surgery
- Cardiac Catheterization
- In-Center Hemodialysis
- Non-Hospital Based Ambulatory Surgery
- Selected Organ Transplantation
- Kidney Transplantation
- Subacute Care Hospital Model
- Postsurgical Recovery Care Center
- Community-Based Residential Rehabilitation Center
- Long Term Acute Care Hospital
- Clinical Services Other Than Categories of Service
- Birth Center
- Freestanding Emergency Center Medical Services

Attachments-18 &-20-32

Medical/Surgical – Review Criteria
Criterion 1110.200

1. 1110.200(b)(2) - Planning Area Need - Service to Planning Area Residents

The Applicants propose to transition CFH's 36 temporary med/surg to be part of their permanent licensed bed complement. The additional med/surg beds are necessary to meet the growing demand for med/surg services at CFH. As discussed throughout the application, CFH serves a large service area encompassing east central Illinois. A map of CFH's service area is attached as Attachment – 12b. As shown in Table 1110.200(b)(2) below, 64.0% of CFH's med/surg admissions originated from the Hospital's primary service area and another 25.9% resided in the secondary service area. The Applicants do not expect the Project to alter the catchment area for these services.

ZIP	Admissions	Service Area	%
61822	1,984	Primary	10.3%
61821	1,862	Primary	9.7%
61802	1,754	Primary	9.1%
61801	1,648	Primary	8.6%
61853	1,563	Primary	8.1%
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61920	465	Secondary	2.4%
61877	348	Primary	1.8%
61878	236	Primary	1.2%
60901	195	Secondary	1.0%
61722	191	Secondary	1.0%
61705	176	Secondary	0.9%
62420	162	Secondary	0.8%
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62807	144	n/a	0.7%
62656	143	n/a	0.7%
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62501	77	n/a	0.4%

62480	62	Secondary	0.3%
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60963	10	Primary	0.1%
62428	10	Secondary	0.1%
60957	4	Primary	0.0%
61817	1	Primary	0.0%
60911	1	Secondary	0.0%
60914	1	Secondary	0.0%
60912	1	Secondary	0.0%
61833	1	Primary	0.0%

2. 1110.200(b)(4) - Planning Area Need - Service Demand – Expansion of Existing Category of Service

The Applicants propose to make CFH's 36 temporary med/surg beds permanent by adding 36 med/surg beds. The additional beds are necessary to reduce high utilization over the past two years at CFH and to meet the projected demand for med/surg services in the future. As shown in Table 1110.200(b)(4) below, CFH's med/surg occupancy rate has exceeded the State standard (90%) each of the past two years.

Table 1110.200 (b) (4)
Historical Medical/Surgical Bed Utilization

Year	Authorized CON Beds	IP Days	Obs Days	Med/Surg Unit Days	Med/Surg ADC	Occupancy Rate
9/1/20-8/31/21	295	93,036	10,321	103,357	283.2	96.0%
9/1/21-8/31/22	295	98,640	10,895	109,535	300.1	101.7%

Because no additional volumes are needed to justify the transition of temporary beds to licensed bed based on utilization standards, the volume projections within this application do not require additional referrals. By signing the certification pages within this application, the Applicants attest the current volumes will be maintained.

3. 1110.200(e) - Staffing availability

CFH is currently staffed in accordance with IDPH and DNV accreditation staffing requirements. Since the Project proposes to make 36 temporary med/surg beds permanent, there will effectively be no change in bed capacity or staffing needs. The

Applicants anticipate all staff will continue to practice on the existing med/surg units when the 36 temporary beds are made permanent.

4. 1110.200(f) - Performance Requirements

CFH is located in the Champaign-Urbana Metropolitan Statistical Area ("MSA"). The minimum bed capacity for a medical-surgical category of service within an MSA is 100 beds. The proposed project will result in a 331 med/surg bed unit. Accordingly, this criterion is met.

5. 1110.200(g) - Assurances

By signing the certification pages within this application, the Applicants attest that CFH's medical/surgical category of service will achieve target utilization by the second year after project completion.

Section 1120.120 Availability of Funds

There are no project costs associated with the proposed addition of med/surg beds. The Applicants, therefore, are not required to address Section 1120.120 Availability of Funds.

Section 1120.130 Financial Viability

There are no project costs associated with the proposed addition of med/surg beds. The Applicants, therefore, are not required to address Section 1120.130 Financial Viability.

Attachment-34 & 35

Section 1120.140 Economic Feasibility
A. Reasonableness of Financing Arrangements

There are no project costs associated with the proposed addition of med/surg beds. The Applicants, therefore, are not required to address Section 1120.140 (a) Reasonableness of Financing Arrangements.

Attachment-36a

Section 1120.140 Economic Feasibility
B. Conditions of Debt Financing

There are no project costs associated with the proposed addition of med/surg beds. The Applicants, therefore, are not required to address Section 1120.140 (b) Conditions of Deb Financing.

Attachment-36b

Section 1120.140 Economic Feasibility
C. Reasonableness of Project Costs

There are no project costs associated with the proposed addition of med/surg beds. The Applicants, therefore, are not required to address Section 1120.140 (c) Reasonableness of Project Costs.

Attachment-36c

Section 1120.140 Economic Feasibility
D. Projected Operating Costs
E. Total Effect of the Project on Capital Costs

There are no project costs associated with the proposed addition of med/surg beds. The Applicants, therefore, are not required to address Section 1120.140 (d) or 1120.140 (e).

Attachment-36d&e

Section IX, Safety Net Impact Statement

The Applicants propose to transition Carle Foundation Hospital's ("CFH") 36 temporary med/surg to be part of their permanent licensed bed complement. No services are being eliminated. The addition of beds is not expected to have any adverse impact on safety net services in the area or on the ability of any other healthcare providers to deliver services but rather will enhance the delivery of care to vulnerable patient groups.

This Safety Net Impact Statement addresses the following requirements:

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

   As the largest provider of Medicaid and charity care in the D-01 planning area, CFH is an integral provider of safety net services to residents in east central Illinois. In 2020, CFH provided 79% of all inpatient charity care and 80% of all inpatient Medicaid care in the D-01 planning area.[1] Further, CFH is the only hospital in the region providing many specialized services, such as neuroscience services, cardiovascular services, Level I Trauma, Comprehensive Stroke Center, Level III Perinatal, and various leading-edge technologies and advanced cancer treatments. Without these specialized services, residents would have to travel to Chicago, Springfield, Peoria and St. Louis to receive tertiary care. As discussed in the Purpose of the Project narrative, it is critical CFH remains accessible to patients. The proposed medical/surgical beds will ensure patients in east central Illinois have continued access to tertiary care close to home.

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.**

   As this conversion will maintain the status quo, the Applicants do not believe the Project will have any adverse impact on the ability of other providers or healthcare systems to serve patients seeking safety net services or to cross-subsidize safety net services. There would be effectively no change in CFH's bed capacity, since it is already utilizing the proposed medical/surgical beds under a temporary authorization. Further, none of the projected patient volumes within this application come from facilities other than CFH.

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.**

   Not applicable. The Project does not involve a discontinuation of services.

[1] Based on charity care expense and Medicaid revenue reported on 2020 Annual Hospital Questionnaire.

Section IX, Safety Net Impact Statement

Safety Net Impact Statements shall also include:

1. **For the three fiscal years prior to the application, the applicant must also provide certification describing the amount of charity care provided by the applicant;**

2. **For the three fiscal years prior to the application, a certification of the amount of charity care provided to Medicaid patients;**

3. **Any information the applicant believes is directly relevant to safety net services.**

4. Charity Care Information

Charity Care (# of patients)	**FY 19**	**FY 20**	**FY 21**
Inpatient	3,211	2,999	2,399
Outpatient	159,531	110,331	123,616
Total	**162,742**	**113,330**	**126,015**
Charity Care (cost in dollars)	**FY 19**	**FY 20**	**FY 21**
Inpatient	$5,718,318	$5,086,519	$3,702,975
Outpatient	$13,143,832	$12,163,765	$11,107,210
Total	**$18,862,150**	**$17,250,284**	**$14,810,185**

5. Medicaid Information

Medicaid (# of patients)	**FY 19**	**FY 20**	**FY 21**
Inpatient	5,533	5,974	5,928
Outpatient	287,585	218,934	421,456
Total	**293,118**	**224,908**	**427,384**
Medicaid (Revenue)	**FY 19**	**FY 20**	**FY 21**
Inpatient	$62,182,000	$56,705,000	$65,181,340
Outpatient	$53,599,000	$93,747,000	$98,288,317
Total	**$115,781,000**	**$150,452,000**	**$163,469,657**

6. Additional Information Relevant to Safety Net Services

N/A

Charity Care Information

Charity care figures for The Carle Foundation Hospital for the latest three audited fiscal years are provided in the table below:

The Carle Foundation Hospital

	2019	2020	2021
Net Patient Revenue	$874,680,000	$869,246,000	$1,092,151,153
Amount of Charity Care (charges)	$93,083,649	$83,996,280	$72,227,743
Cost of Charity Care	$18,862,150	$17,250,284	$14,810,185