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May 6, 2022

VIA EMAIL: mike.constantino@illinois.gov

Mike Constantino
Senior Project Reviewer
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62702

Re: **#E-025-22 - West Suburban Medical Center, #E-026-22 – West Suburban Medical Center [Real Estate Only], #E-27-22 – Louis Weiss Memorial Hospital, #E-028-22 – Louis Weiss Memorial Hospital [Real Estate Only]**

Dear Mr. Constantino:

We represent AUM Global Healthcare Holdings, LLC d/b/a Resilience Healthcare, WestLaw Management, LLC, and Ramco Healthcare Holdings, LLC (collectively "Buyer") in connection with the four Certification of Exemption applications for the change of ownership of West Suburban Medical Center and Louis A. Weiss Memorial Hospital. Please accept this letter as our response to your May 2, 2022, request for additional information. Counsel for Pipeline Health System, LLC and certain affiliated applicant entities ("Seller") will be submitting a separate response to the questions directed to them.

Please note the following:

1. Buyer took primary responsibility for developing the responses to questions 2, 5, and 6.

2. Seller took responsibility for developing the responses to questions 1, 3, and 4.

Buyer Responses to May 2, 2022 Request for Additional Information

1. Please provide a list of all Federal and State funds that was received by both Pipeline Hospitals. Please provide this information by year and by hospital.

[To be answered by Seller]

2. Please provide a copy of the loan agreement with Provizia Capital, LTD.

The specific terms of the loan agreement with Provizia Capital, LTD is still being negotiated at this time and, while there is a commitment to provide a loan, ultimately the loan is conditioned upon approval of the pending COE applications before the Board.

3. Please provide the methodology used to determine the purchase price of both hospitals.

[To be answered by Seller]

4. Please provide the balance sheet for both hospitals as of December 31, 2021.

[To be answered by Seller]

5. Please provide in detail what would be entailed by the "revenue enhancement strategy" at both hospitals.

As previously discussed, both at the public hearing and in filings with the Board, the initial strategy involves an overhaul of revenue cycle management processes at the two facilities. Currently, Buyer believes there are significant efficiencies to be gained by simply working to ensure that claims are being timely filed and appealed when applicable. Dr. Prasad intends to bring this function in-house to work towards less disruption and bring about a more stable flow of revenue.

Dr. Prasad also intends to initiate new service lines that the hospital is already equipped to provide but is not currently providing (these are not new categories of service, as that term is defined by the Board). A prime example would be expanded wound care. Both facilities have access to hyperbaric oxygen chambers which helps wound healing by bringing oxygen-rich plasma to tissue starved for oxygen. Wounds cause damage to the blood vessels, and the result is fluid that leaks into the tissues and causes swelling. This swelling deprives the damaged cells of oxygen, and tissue starts to die. Hyperbaric chambers can significantly improve outcomes for patients in need of this care and lead to increased limb salvaging and decreased amputations. Neither facility is currently utilizing their hyperbaric chambers for this purpose, and it is expected that providing this service will increase access and revenues at the hospitals as well as reduce unnecessary or extended stays due to extended time for wounds to heal. One facility is already approved to provide inpatient AMI services, but the potential to expand outpatient behavioral health services is being actively evaluated. These are limited examples of services that the facilities can offer to their patient base which enhance revenue streams at the facilities and more importantly enhance access to necessary care and improve patient outcomes.

6. Will the $12 million used as a credit as part of the $92 million purchase price be used to invest in the two Hospitals?

Yes, Buyers intend to utilize any credits provided from the purchase price for the direct benefit of and investment in Weiss Memorial Hospital and West Suburban Medical Center. To be clear, these funds will be utilized for the benefit of the two facilities and will not be diverted for the benefit of the Buyers. Finally, Buyers can confirm that of the $12 million credit, that at least $8 million will be used for benefit of Weiss Memorial Hospital, in order to honor Seller's prior commitment to the community in connection with the sale of the Weiss Surface Lot.

If you should have any questions or need any additional information regarding our submission, please do not hesitate to contact me at 312-212-4967 or via email at JMorado@beneschlaw.com. You can also contact my colleague Mark J. Silberman at 312-212-4952 or via email at MSilberman@benseschlaw.com. Additionally, we would ask that you include both Seller and Buyer counsel in any follow up you may have.

Very truly yours,

BENESCH, FRIEDLANDER,
COPLAN & ARONOFF LLP

Juan Morado, Jr.

JMJ

cc: April Simmons, General Counsel, HFSRB
Anne M. Murphy, ArentFox Schiff