



STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 FAX: (217) 785-4111

VIA EMAIL

December 14, 2022

John Schmidt
Assistant Chief Executive Officer
Heartland Regional Medical Center
3333 West Deyoung St.
Marion, Illinois 62959
JPSchmidt@qhcus.com

Daniel J. Lawler, Partner
Barnes & Thornburg LLP
One North Wacker Drive, Suite 4400
Chicago, Illinois 60606
Daniel.Lawler@btlaw.com

RE: Change of Ownership Exemption, Health Facilities Planning Act--Part 1130 Exemption.

Exemption #E-065-22: Heartland Regional Medical Center
Exemption Holder: Marion Hospital Corporation d/b/a Heartland Regional Medical Center, Quorum Health Corporation, Quincy Health, LLC., Deaconess Regional Healthcare Services Illinois, Inc. Deaconess Health System, Inc.
Owner of Physical Plant: Deaconess Health System, Inc.
Entity to be Licensed: Deaconess Regional Healthcare Services Illinois, Inc.

Dear Mr. Schmidt and Mr. Lawler:

On December 13, 2022, the Illinois Health Facilities and Services Review Board (State Board) under 77 ILL. Adm. Code 1130 approved your request for a change of ownership exemption. The approval was based upon the application's compliance with applicable provisions of 77 Ill. Adm. Code 1130. The exemption is for Heartland Regional Medical Center, 3333 West Deyoung St., Marion, Illinois. The Hospital has been approved for the following services and beds: 88 medical surgical beds and 18 intensive care beds for a total of 106 authorized beds. The total purchase price is \$108 million.

The exemption is considered a purchase resulting in the issuance of a license to an entity different from the current licensee. The new licensee is Deaconess Regional Healthcare Services Illinois, Inc.

You are reminded that this exemption for change of ownership in which the applicant submitted key terms of the transaction, certification that the transaction was or was not completed according to the key terms contained in the application. The exemption holder must submit the certification within 90 days after the closing date of the transaction. To demonstrate completion of this transaction the exemption holder must provide the State Board with the date that the ownership

change occurred and provide a copy of the license or certification issued pursuant to the change of ownership. Failure to provide the required notification shall subject the exemption holder to the sanctions provided under Section 14 of the Illinois Health Facilities Planning Act. The exemption holder is also reminded that 77 Il. Adm. Code 1130.140 defines transactions that constitute a change of ownership of a health care facility. You should become familiar with those definitions.

The State Board's approval does not exempt the transaction from any other regulatory, certification or licensure requirements that may be applicable prior to acquisition. The exemption will be invalid should the facility for which the change of ownership was granted cease to be an existing health care facility as defined in 77 Il. Adm. Code 1130.140.

Should you have any questions please contact Mike Constantino or George Roate of my staff at mike.constantino@illinois.gov or george.roate@illinois.gov or 217-782-3516.

Sincerely,



John P. Kniery, Administrator
Illinois Health Facilities and Services Review Board