

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR CHANGE OF OWNERSHIP EXEMPTION

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.**Facility/Project Identification**

Facility Name: Southern Illinois Orthopedic Center, LLC		
Street Address: 510 Lincoln Drive		
City and Zip Code: Herrin, 62948		
County: Williamson	Health Service Area: 5	Health Planning Area: 199

Legislators

State Senator Name: Dale Fowler
State Representative Name: Dave Severin

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

Exact Legal Name: Southern Illinois Orthopedic Center, LLC
Street Address: 510 Lincoln Drive
City and Zip Code: Herrin, 62948
Name of Registered Agent: James Michael Davis
Registered Agent Street Address: 510 Lincoln Drive
Registered Agent City and Zip Code: Herrin, IL 62948
Name of Chief Executive Officer: Justin D. Harris
CEO Street Address: 510 Lincoln Drive
CEO City and Zip Code: Herrin, IL 62948
CEO Telephone Number: 618-997-6800

Type of Ownership of Applicants

<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship
Other	
<ul style="list-style-type: none"> 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: Juan Morado Jr.
Title: Counsel
Company Name: Benesch Friedlander Coplan and Aronoff
Address: 71 South Wacker Drive, 16 th Floor, Chicago, IL 60606
Telephone Number: 312-212-4949
E-mail Address: jmorado@beneschlaw.com
Fax Number: 312-767-9162

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

Exact Legal Name: Southern Illinois Orthopedic Associates, LLC
Street Address: 510 Lincoln Drive
City and Zip Code: Herrin, 62948
Name of Registered Agent: Damon Hill
Registered Agent Street Address: 510 Lincoln Drive
Registered Agent City and Zip Code: Herrin, IL 62948
Name of Chief Executive Officer: Justin D. Harris
CEO Street Address: 510 Lincoln Drive
CEO City and Zip Code: Herrin, IL 62948
CEO Telephone Number: 618-997-6800

Type of Ownership of Applicants

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State Senator Name: Dale Fowler
State Representative Name: Dave Severin

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

Exact Legal Name: Southern Illinois Hospital Services, Inc
Street Address: 1239 East Main Street, P.O. Box 3988
City and Zip Code: Carbondale, IL 62902-3988
Name of Registered Agent: John R. Daly
Registered Agent Street Address: 1239 East Main Street, P.O. Box 3988
Registered Agent City and Zip Code: Carbondale, IL 62902-3988
Name of Chief Executive Officer: Rex Budde
CEO Street Address: 1239 East Main Street, P.O. Box 3988
CEO City and Zip Code: Carbondale, IL 62902-3988
CEO Telephone Number: 618-457-5200

Type of Ownership of Applicants

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

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

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State Senator Name: Dale Fowler
State Representative Name: Dave Severin

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

Exact Legal Name: Southern Illinois Healthcare Enterprises, Inc.
Street Address: 1239 East Main Street, P.O. Box 3988
City and Zip Code: Carbondale, IL 62902-3988
Name of Registered Agent: John R. Daly
Registered Agent Street Address: 1239 East Main Street, P.O. Box 3988
Registered Agent City and Zip Code: Carbondale, IL 62902-3988
Name of Chief Executive Officer: Rex Budde
CEO Street Address: 1239 East Main Street, P.O. Box 3988
CEO City and Zip Code: Carbondale, IL 62902-3988
CEO Telephone Number: 618-457-5200

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

- Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
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Telephone Number: 312-212-4949
E-mail Address: jmorado@beneschlaw.com
Fax Number: 312-767-9162

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

Name: Cathy Blythe
Title: System Director, Strategic Services
Company Name: Southern Illinois Healthcare
Address: 1239 East Main Street, PO Box 388 Carbondale, Illinois 62902-3988
Telephone Number: 618-457-5200 x 67963
E-mail Address: cathy.blythe@yahoo.com
Fax Number: 618-529-0568

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

Name: Andrea R. Rozran
Title: President
Company Name: Diversified Health Resources, Inc.
Address: 1209 North Astor Street #2N Chicago, IL 60610-2655
Telephone Number: 312-266-0466
E-mail Address: arozran@diversifiedhealth.net
Fax Number: N/A

Post Exemption Contact

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

Name: Justin D. Harris
Title: Chief Executive Officer
Company Name: Southern Illinois Orthopedic Center, LLC
Address: 510 Lincoln Drive, Herrin, IL 62948
Telephone Number: 619-997-6800
E-mail Address: jdharris@sioc.com
Fax Number: 618-997-1187

Site Ownership after the Project is Complete

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Southern Orthopedic Associates, LLC
Address of Site Owner: 510 Lincoln Drive, Herrin, IL 62948
Street Address or Legal Description of the Site: 510 Lincoln Drive, Herrin, IL 62948
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Current Operating Identity/Licensee

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

Exact Legal Name: Southern Illinois Orthopedic Center , LLC		
Address: 510 Lincoln Drive, Herrin, IL 62948		
<input type="checkbox"/> Non-profit Corporation <input type="checkbox"/> For-profit Corporation <input checked="" type="checkbox"/> Limited Liability Company <input type="checkbox"/> Other	<input type="checkbox"/> Partnership <input type="checkbox"/> Governmental <input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/>

Operating Identity/Licensee after the Project is Complete

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

Exact Legal Name: Southern Illinois Orthopedic Center, LLC			
Address: 510 Lincoln Drive, Herrin, IL 62948			
<input type="checkbox"/>	Non-profit Corporation	<input type="checkbox"/>	Partnership
<input type="checkbox"/>	For-profit Corporation	<input type="checkbox"/>	Governmental
<input checked="" type="checkbox"/>	Limited Liability Company	<input type="checkbox"/>	Sole Proprietorship
<input type="checkbox"/>	Other		
<ul style="list-style-type: none"> 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 <u>ATTACHMENT 3</u>, 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 <u>ATTACHMENT 4</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Narrative Description

In the space below, provide a brief narrative description of the change of ownership. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site.

This Certificate of Exemption ("COE") application addresses the change in control of Southern Illinois Orthopedic Center, LLC, a licensed multi-specialty Ambulatory Surgical Treatment Center located at 510 Lincoln Drive, Herrin, Illinois 62948 ("SIOC"). The facility is currently owned by a joint venture limited liability company whose units are held by Southern Orthopedic Associates, LLC ("SOA") and Southern Illinois Hospital Services, Inc. ("SIHS"), an Illinois non-for-profit corporation. SOA holds a 51% ownership interest in the facility and SIHS maintains a 49% percent interest currently. Southern Illinois Healthcare Enterprises, Inc. ("SIHE"), an Illinois not-for-profit corporation is the sole corporate member of SIHS.

SIHS will be acquiring a 2% ownership interest currently held by SOA and pursuant to 77 Ill. Admin. Code. Section 1130.140 this transaction requires a Certificate of Exemption. The facility will not be changing the categories of service that it is currently approved for and will continue to offer patients outpatient surgical procedures. Additionally, the facility's name, the license and its governing body will be unchanged as a result of this transaction.

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: N/A

Fair Market Value: N/A

Project Status and Completion Schedules

Outstanding Permits: Does the facility have any projects for which the State Board issued a permit that is not complete? Yes ☐ No ☒. If yes, indicate the projects by project number and whether the project will be complete when the exemption that is the subject of this application is complete.

Anticipated exemption completion date (refer to Part 1130.570): Within 45 days of HFSRB approval.

State Agency Submittals

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 being deemed incomplete.

CERTIFICATION

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

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

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

Justin D. Harris
SIGNATURE

SIGNATURE

Justin D. Harris
PRINTED NAME

PRINTED NAME

Chief Executive Officer
PRINTED TITLE

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 9th day of December, 2022

Notarization:
Subscribed and sworn to before me
this ____ day of _____

Tynette Jansen
Signature of Notary

Signature of Notary

Seal

Seal

*Insert the EXACT legal name of the applicant



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Tynette Jansen
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SIGNATURE

SIGNATURE

PRINTED NAME

John B. Millstead

PRINTED NAME

PRINTED TITLE

SVP & COO, Southern Illinois Healthcare
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of ____

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this 9th day of December 2022.

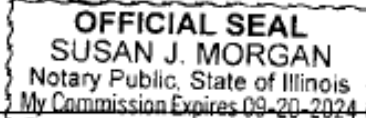
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CHANGE OF OWNERSHIP APPLICATION FOR EXEMPTION- 04/2021 Edition

CERTIFICATION

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This Application is filed on the behalf of Southern Illinois Healthcare Enterprises, Inc., 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

Rex P. Budde
PRINTED NAME

President & CEO
PRINTED TITLE

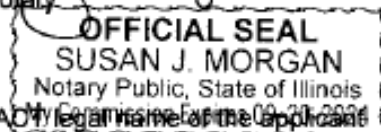
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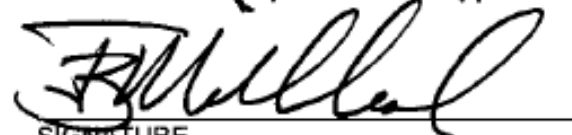


Signature of Notary

Seal



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SIGNATURE

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SVP & COO
PRINTED TITLE

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- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
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This Application is filed on the behalf of Southern Illinois Hospital Services, Inc., 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.


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Rex P. Budde
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President & CEO
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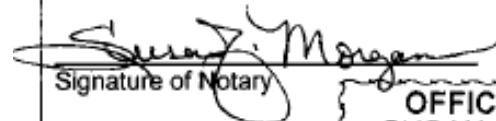

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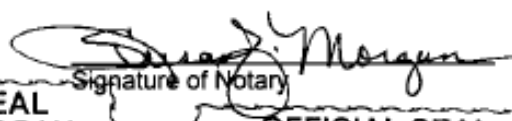
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Signature of Notary

Seal

OFFICIAL SEAL
SUSAN J. MORGAN
Notary Public, State of Illinois
My Commission Expires 09-20-2024

*Insert the EXACT legal name of the applicant


Signature of Notary

OFFICIAL SEAL
SUSAN J. MORGAN
Notary Public, State of Illinois
My Commission Expires 09-20-2024

SECTION II. BACKGROUND.**BACKGROUND OF APPLICANT**

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.
3. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application. Please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.
4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
5. If, during a given calendar year, an applicant submits more than one Application, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT 5, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 5.

SECTION III. CHANGE OF OWNERSHIP (CHOW)**Transaction Type. Check the Following that Applies to the Transaction:**

- ☐ Purchase resulting in the issuance of a license to an entity different from current licensee.
- ☐ Lease resulting in the issuance of a license to an entity different from current licensee.
- ☐ Stock transfer resulting in the issuance of a license to a different entity from current licensee.
- ☒ X Stock transfer resulting in no change from current licensee.
- ☐ Assignment or transfer of assets resulting in the issuance of a license to an entity different from the current licensee.
- ☐ Assignment or transfer of assets not resulting in the issuance of a license to an entity different from the current licensee.
- ☐ Change in membership or sponsorship of a not-for-profit corporation that is the licensed entity.
- ☐ Change of 50% or more of the voting members of a not-for-profit corporation's board of directors that controls a health care facility's operations, license, certification or physical plant and assets.
- ☐ Change in the sponsorship or control of the person who is licensed, certified or owns the physical plant and assets of a governmental health care facility.
- ☐ Sale or transfer of the physical plant and related assets of a health care facility not resulting in a change of current licensee.
- ☐ Change of ownership among related persons resulting in a license being issued to an entity different from the current licensee
- ☐ Change of ownership among related persons that does not result in a license being issued to an entity different from the current licensee.
- ☐ Any other transaction that results in a person obtaining control of a health care facility's operation or physical plant and assets and explain in "Narrative Description."

1130.520 Requirements for Exemptions Involving the Change of Ownership of a Health Care Facility

1. Prior to acquiring or entering into a contract to acquire an existing health care facility, a person shall submit an application for exemption to HFSRB, submit the required application-processing fee (see Section 1130.230) and receive approval from HFSRB.
2. If the transaction is not completed according to the key terms submitted in the exemption application, a new application is required.
3. READ the applicable review criteria outlined below and **submit the required documentation (key terms) for the criteria:**

APPLICABLE REVIEW CRITERIA	CHOW
1130.520(b)(1)(A) - Names of the parties	X
1130.520(b)(1)(B) - Background of the parties, which shall include proof that the applicant is fit, willing, able, and has the qualifications, background and character to adequately provide a proper standard of health service for the community by certifying that no adverse action has been taken against the applicant by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application.	X
1130.520(b)(1)(C) - Structure of the transaction	X
1130.520(b)(1)(D) - Name of the person who will be licensed or certified entity after the transaction	X
1130.520(b)(1)(E) - List of the ownership or membership interests in such licensed or certified entity both prior to and after the transaction, including a description of the applicant's organizational structure with a listing of controlling or subsidiary persons.	X
1130.520(b)(1)(F) - Fair market value of assets to be transferred.	X
1130.520(b)(1)(G) - The purchase price or other forms of consideration to be provided for those assets. [20 ILCS 3960/8.5(a)]	X
1130.520(b)(2) - Affirmation that any projects for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of this Section	X
1130.520(b)(3) - If the ownership change is for a hospital, affirmation that the facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction. The hospital must provide affirmation that the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction	X

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

SECTION IV. CHARITY CARE INFORMATION

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

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

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

Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

APPEND DOCUMENTATION AS ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

INDEX OF ATTACHMENTS			
ATTACHMENT NO.			PAGES
1	Applicant Identification including Certificate of Good Standing		20-24
2	Site Ownership		25-26
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.		27-28
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.		29-32
5	Background of the Applicant		33-35
6	Change of Ownership		36-49
7	Charity Care Information		50

ATTACHMENT 1

Type of Ownership of Applicant

Included with this attachment are:

1. The Certificate of Good Standing for the applicant, Southern Illinois Orthopedic Center, LLC
2. The Certificate of Good Standing for Southern Illinois Hospital Services, Inc.
3. The Certificate of Good Standing for Southern Orthopedic Associates, LLC
4. The Certificate of Good Standing for Southern Illinois Healthcare Enterprises, Inc.

ATTACHMENT 1
Certificate of Good Standing – Southern Illinois
Orthopedic Center, LLC

File Number

0022588-6



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

SOUTHERN ILLINOIS ORTHOPEDIC CENTER, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON OCTOBER 01, 1998, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.

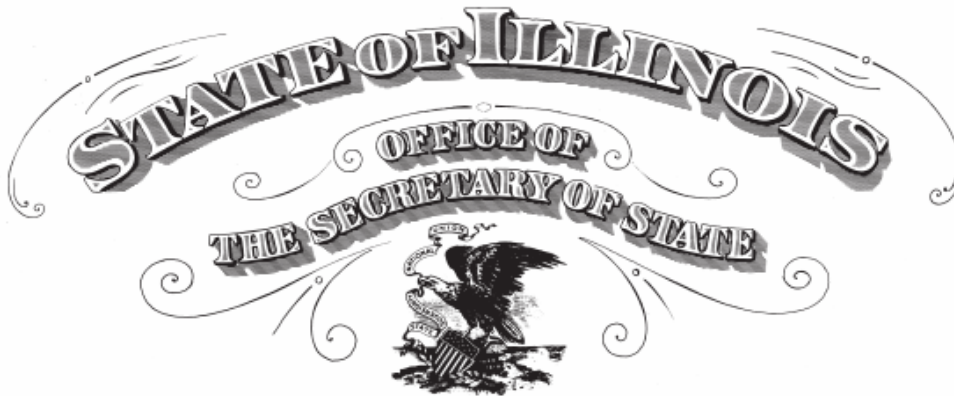


Authentication #: 2232605058 verifiable until 11/22/2023
Authenticate at: <https://www.ilsos.gov>

In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 22ND
day of NOVEMBER A.D. 2022 .

Jesse White

SECRETARY OF STATE

ATTACHMENT 1
Certificate of Good Standing – Southern Illinois Hospital Services, Inc.*File Number* 2877-076-6***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

SOUTHERN ILLINOIS HOSPITAL SERVICES, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON APRIL 15, 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 #: 2232605074 verifiable until 11/22/2023
Authenticate at: <https://www.ilsos.gov>

***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 22ND
day of NOVEMBER A.D. 2022 .***

Jesse White

SECRETARY OF STATE

ATTACHMENT 1
Certificate of Good Standing – Southern Orthopedic Associates, LLC*File Number* 0022575-4***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

SOUTHERN ORTHOPEDIC ASSOCIATES, L.L.C., HAVING ORGANIZED IN THE STATE OF ILLINOIS ON SEPTEMBER 30, 1998, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.



Authentication #: 2232605070 verifiable until 11/22/2023
Authenticate at: <https://www.ilsos.gov>

***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 22ND
day of NOVEMBER A.D. 2022 .***

SECRETARY OF STATE

ATTACHMENT 1
Certificate of Good Standing – Southern Illinois Healthcare
Enterprises, Inc.

File Number 5313-710-5



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***

**SOUTHERN ILLINOIS HEALTHCARE ENTERPRISES, INC., A DOMESTIC CORPORATION,
INCORPORATED UNDER THE LAWS OF THIS STATE ON JULY 06, 1983, 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 #: 2232700398 verifiable until 11/23/2023
Authenticate at: <https://www.ilsos.gov>

***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 23RD
day of NOVEMBER A.D. 2022 .***

Jesse White

SECRETARY OF STATE

ATTACHMENT 2
Site Ownership

Enclosed with this Attachment is a property tax bill for the property site where the facility is located. The bill confirms that Southern Illinois Orthopedic Center LLC maintains control of the site. There is an existing lease that will continue to be in place following the change in ownership between Southern Orthopedic Associates, LLC and Southern Illinois Orthopedic Center, LLC.

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
CHANGE OF OWNERSHIP APPLICATION FOR EXEMPTION- 04/2021 EditionATTACHMENT 2
Site Ownership

BILL NUMBER 29977	PAY TO: ASHLEY GOTT COUNTY COLLECTOR 407 N. MONROE, SUITE 104 MARION, IL 62959	BILL NUMBER 29977	PAY TO: ASHLEY GOTT COUNTY COLLECTOR 407 N. MONROE, SUITE 104 MARION, IL 62959
1ST INS. 91,390.08		2ND INS. 91,390.08	



INDEX # 06-07-450-010	FIRST INSTALLMENT PAYMENT	INDEX # 06-07-450-010	SECOND INSTALLMENT PAYMENT
DUE DATE SEPT 8, 2022	BACK TAX	DUE DATE OCT 13, 2022	TOTAL TAX 182,780.16
INTEREST	AMOUNT COLLECTED	INTEREST	AMOUNT COLLECTED
<input type="checkbox"/> CHECK <input type="checkbox"/> CASH YOUR CANCELLED CHECK IS YOUR RECEIPT		<input type="checkbox"/> CHECK <input type="checkbox"/> CASH YOUR CANCELLED CHECK IS YOUR RECEIPT	

1 06-07-450-010
SO IL ORTHOPEDIC CENTER LLC

510 LINCOLN DR UNIT # 2
HERRIN, IL 62948

DETACH AND SEND THIS COUPON WITH YOUR FIRST PAYMENT
FOR NAME OR ADDRESS CHANGES SEE REVERSE SIDE

2 06-07-450-010
SO IL ORTHOPEDIC CENTER LLC

510 LINCOLN DR UNIT # 2
HERRIN, IL 62948

DETACH AND SEND THIS COUPON WITH YOUR SECOND PAYMENT
FOR NAME OR ADDRESS CHANGES SEE REVERSE SIDE

1977 EQUALIZED 150	PAY 2021 2022	INDEX NUMBER 06-07-450-010	CLASS CODE 0060	TAXES FOR REAL ESTATE TAX BILL	TAX CODE 06008
SENIOR CAP BASE 1,899,290	TAXING BODY		CURRENT YEARS RATE	% OF TOTAL	CURRENT YEARS TAX
PRIOR YEAR TAX 178,870.28	COUNTY GOVERNMENT		1.655770	18.21%	33,284.46
FAIR CASH VALUE 6,030,630	AIRPORT		0.103200	1.13%	2,074.54
ACRES OF LAND	CITY OF HERRIN		1.943360	21.37%	39,065.62
ACRES OF FARMLAND	JR. COLLEGE NO.530		0.754620	8.29%	15,169.44
LAND VALUE	CARTERVILLE DIST.UNIT 5		4.224470	46.46%	84,920.72
+ BUILD. AND IMPROV. 1,759,880	HERRIN LIBRARY		0.155070	1.70%	3,117.24
- HOME IMP. ENTERPRISE	HERRIN PARK DIST.		0.231980	2.55%	4,663.28
- TOTAL VALUE 2,010,210	MOSQUITO ABATEMENT		0.024120	0.26%	484.86
X MULTIPLIER 1.0000					
COUNTY EQUALIZATION 1.0584					
= EQUAL ASSESSED VALUE 2,010,210					
- SENIOR CAP EXEMPTION					
- OWNER OCC EXEMPTION					
- HOMESTEAD					
- DISABLED VETERANS					
- RETURNING VETERANS					
- FARMLAND					
- FARM BUILDINGS					
- NET TAXABLE 2,010,210					
X RATE 9.092590					
- CURRENT TAX 182,780.16					
+ BACKTAX					
= TOTAL TAX 182,780.16					

PAYMENT INSTRUCTIONS TAX BILL MAY BE PAID BY MAIL, AT THE COUNTY TREASURER'S OFFICE IN THE ADMIN. BUILDING, AT MOST BANKS IN THE COUNTY OR ONLINE AT http://www.williamsoncountyl.gov			
1ST DUE DATE SEPT 8, 2022	2ND DUE DATE OCT 13, 2022		
1ST INSTALLMENT 91,390.08	2ND INSTALLMENT 91,390.08		
INTEREST	COSTS	INTEREST	COSTS
FIRST INSTALLMENT PAID 09/05/2022		SECOND INSTALLMENT PAID 10/12/2022	
AMOUNT COLLECTED 91,390.08		AMOUNT COLLECTED 91,390.08	

ASHLEY GOTT - WILLIAMSON COUNTY, TREASURER OFFICE HOURS 8:00 AM-4:00 PM MONDAY - FRIDAY \$25 PROCESSING FOR EACH RETURNED CHECK			
BILLING ADDRESS SO IL ORTHOPEDIC CENTER LLC 510 LINCOLN DR UNIT # 2 HERRIN, IL 62948			
PROPERTY ADDRESS - Not Verified 510 LINCOLN DR HERRIN IL 62948			
OWNER'S NAME SOUTHERN ILLINOIS ORTHOPEDIC			
LEGAL DESCRIPTION Q8 SC TN RRG LOT BLK PLT 009 000 225 L 9 PHS 3; L 18 PHS 6; S 150.45 OF L 17 (EX E 60) PHS 6; S 15' L 6 PHS 2; L 5 (EX E 60') & RD			
Book 463 Page 144 Date 07/25/2003			

ATTACHMENT 3

Operating Entity/Licensee

The Southern Illinois Orthopedic Center, LLC is licensed by the Illinois Department of Public Health. Attached as evidence of the owner entity's good standing is a Certificate of Good Standing issued by Illinois Secretary of State.

ATTACHMENT 3
Certificate of Good Standing – Southern Illinois
Orthopedic Center, LLC

File Number

0022588-6



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

SOUTHERN ILLINOIS ORTHOPEDIC CENTER, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON OCTOBER 01, 1998, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.



Authentication #: 2232605058 verifiable until 11/22/2023
Authenticate at: <https://www.ilsos.gov>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 22ND day of NOVEMBER A.D. 2022 .

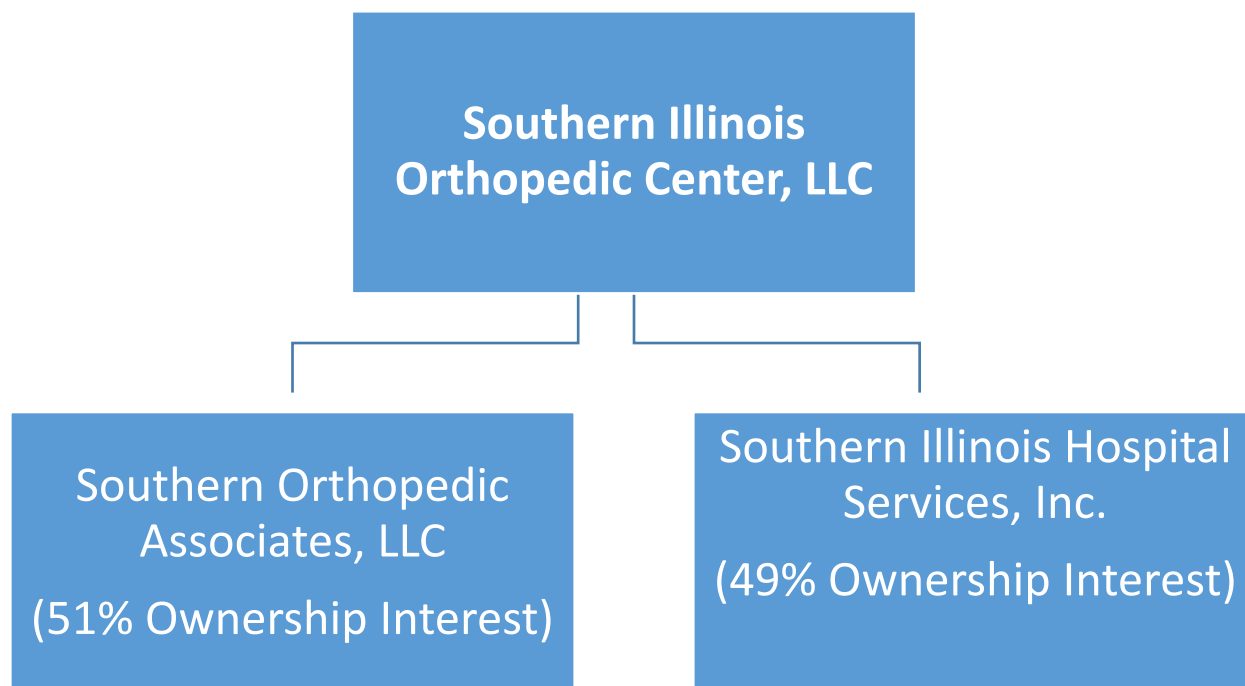
Jesse White

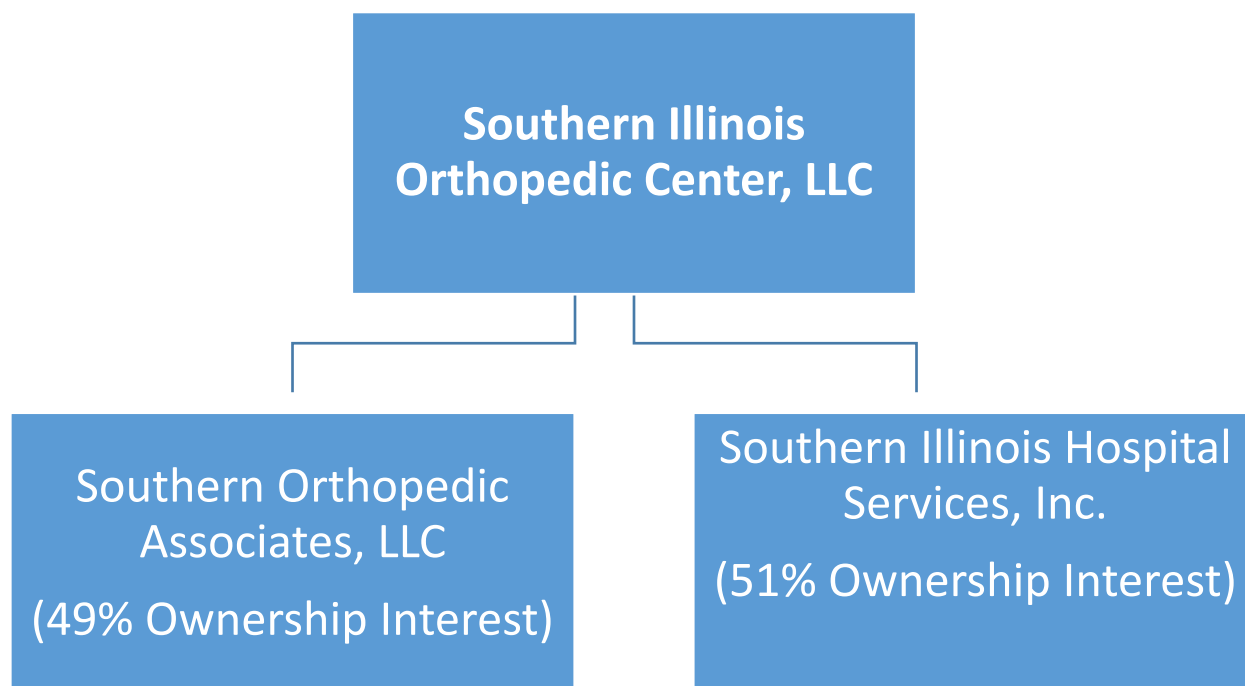
SECRETARY OF STATE

ATTACHMENT 4

Organizational Relationships

The facility is currently owned by Southern Orthopedic Associates, LLC ("SOA") and Southern Illinois Hospital Services, Inc. ("SIHS"), an Illinois not-for-profit corporation. SOA holds a 51% ownership interest in the facility and SIHS maintains a 49% percent interest currently. SIHS will be acquiring a 2% ownership interest currently held by SOA and will in turn obtain control of SIOC. Southern Illinois Healthcare Enterprises, Inc., an Illinois not-for-profit corporation, is the sole corporation member of SIHS.

ATTACHMENT 4
Pre-Transaction Organizational Chart

ATTACHMENT 4
Post-Transaction Organizational Chart

The organizational chart for Southern Illinois Healthcare Enterprises, Inc. is structured as follows:

- Southern Illinois Healthcare Enterprises, Inc.** (Parent Company)
 - Health Services of Southern Illinois, Inc.** (Subsidiary)
 - Southern Illinois Hospital Services** (Subsidiary)
 - System Office** (Internal Department)
 - St. Joseph Memorial Hospital** (Hospital)
 - Memorial Hospital of Carbondale** (Hospital)
 - Herrin Hospital** (Hospital)
 - Harrisburg Medical Center** (Medical Center)
 - Harrisburg Medical Center Foundation** (Foundation)
 - SIH Cayman SPC Group, Ltd.** (Special Purpose Vehicle)
 - Southern Illinois Medical Services, NFP** (Not-for-Profit)
 - SIH Foundation, NFP** (Not-for-Profit)
 - Quality Health Partners LLC** (Limited Liability Company)
 - Southern Orthopedic Associates, SC** (Joint Venture)
 - dba The Orthopedic Institute of Southern Illinois** (Joint Venture Name)
 - partner** (Relationship)
 - Southern Illinois Orthopedic Center, LLC** (Joint Venture Entity)
 - Physicians' Surgery Center, LLC** (Joint Venture Entity)

Legend: Joint ventures (indicated by dashed lines and dotted boxes in the original chart).

ATTACHMENT 5

Background of the Applicant

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

Southern Orthopedic Associates, LLC ("SOA") owns no other healthcare facilities, Southern Illinois Hospital Services, Inc. ("SIHS") owns and operates in St. Joseph Memorial Hospital, Memorial Hospital of Carbondale, Herrin Hospital, Harrisburg Medical Center, and Physicians Surgery Center, LLC. Included with this Attachment is a letter from the Applicants affirming ownership of the facilities.

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.**

None of the current owners, corporate officers, or directors of SOA or SIHS own or operate healthcare facilities other than the facility subject to this application.

3. **A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application. Please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.**

Included with this Attachment is letter from SOA and SIHS verifying that no adverse action has taken place.

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.**

Included with this Attachment is the applicant's authorization permitting HFSRB and IDPH access to any documents necessary to verify the information needed.

5. **If, during a given calendar year, an applicant submits more than one Application, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.**

Not applicable.

ATTACHMENT 5
Background of the Applicant

Roland J. Barr, M.D.
Amanda L. Brazis, DPM
Treg D. Brown, M.D.

John T. Davis, M.D.
Robert J. Golz, M.D.
Jeffery M. Jones, D.O.
J. Michael Davis, M.D.

John B. Wood, M.D.
Steven D. Young, M.D.
Tennyson W. Lee, M.D.

December 9, 2022

John Kniery
 Board Administrator
 Illinois Health Facilities and Services Review Board
 525 West Jefferson Street, 2nd Floor
 Springfield, Illinois 62761

Re: Certification and Authorization

Dear Mr. Kniery,

As representative of Southern Illinois Orthopedic Center, LLC and Southern Orthopedic Associates, LLC, I, Justin Harris, give authorization to the Health Facilities and Services Review Board and the Illinois Department of Public Health (IDPH) to access documents necessary to verify the information submitted including, but not limited to: official records of IDPH or other state agencies, the licensing or certification records of other states, and the records of nationally recognized accreditation organizations.

I further verify that, Southern Illinois Orthopedic Center, LLC and Southern Orthopedic Associates, LLC have no ownership interest in any other Illinois Healthcare facilities, and as such we have no adverse actions to report for the past three (3) years.

I hereby certify that this is true and based upon my personal knowledge under penalty of perjury and in accordance with 735 ILCS 5/1-109.

Sincerely,

Justin D. Harris
 Chief Executive Officer
 Southern Illinois Orthopedic Center, LLC
 Southern Orthopedic Associates, LLC

510 Lincoln Drive
Herrin IL 62948
618.997.6800
www.oisil.com

ATTACHMENT 5
Background of the Applicant**Administration**

t 618.457.5200
f 618.529.0568

December 9, 2022

Ms. John Kniery
Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Second Floor
Springfield, Illinois 62761

Dear Mr. Kniery:

Southern Illinois Hospital Services, Southern Illinois Healthcare Enterprises, Inc., Southern Illinois Orthopedic Center, LLC, and Southern Orthopedic Associates, LLC, are seeking approval of a Certificate of Exemption for the Change of Ownership of Southern Illinois Orthopedic Center, LLC, which is located in Herrin, Illinois.

As a result of this transaction, Southern Illinois Hospital Services (SIHS) will own a 51% interest in Southern Illinois Orthopedic Center, LLC, an increase of 2% from the 49% interest that it currently owns.

SIHS owns and operates the following health care facilities, as defined under the Illinois Health Facilities Planning Act (20 ILCS 3960/3).

Harrisburg Medical Center, Harrisburg
Herrin Hospital, Herrin
Memorial Hospital of Carbondale, Carbondale
St. Joseph Memorial Hospital, Murphysboro
Physicians' Surgery Center, LLC, Carbondale

In addition, SIHS currently owns forty-nine percent (49%) of Southern Illinois Orthopedic Center, LLC.

Southern Illinois Healthcare Enterprises, Inc., is the sole corporate member of Southern Illinois Hospital Services (SIHS), an Illinois not for profit corporation.

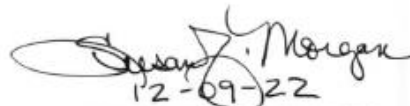
We hereby certify that there has been no adverse action taken against any health care facility owned and/or operated by SIHS during the three years prior to the filing of this application.

This letter is also authorizes the Illinois Health Facilities and Services Review Board and the Illinois Department of Public Health (IDPH) to access any documents necessary to verify the information submitted, including but not limited to the following: official records of IDPH or other state agencies; the licensing or certification records of other states, where applicable; and the records of nationally recognized accreditation organizations, as identified in the requirements specified in 77 Ill. Adm. Code 1110.230.a).

Sincerely,

John B. Millstead
Senior Vice President and Chief Operating Officer
Southern Illinois Hospital Services

1239 East Main Street | PO Box 3988 Carbondale, IL 62902-3988


12-09-22

OFFICIAL SEAL
SUSAN J. MORGAN
Notary Public, State of Illinois
My Commission Expires 09-20-2024

sih.net

ATTACHMENT 6

Change of Ownership

Section 1130.520(b)(1)(B)- Names of parties

The application for exemption is subject to approval under Section 1130.560 and shall include the information required by Section 1130.500

The parties involved in this project are:

- Southern Illinois Orthopedic Center, LLC
- Southern Illinois Hospital Services, Inc.
- Southern Illinois Healthcare Enterprises, Inc.
- Southern Orthopedic Associates, LLC

ATTACHMENT 6

Change of Ownership

Section 1130.520(b)(1)(B)- Background of the parties

"Background of the parties, which shall include proof that the applicant is fit, willing, able, and has the qualifications, background and character to adequately provide a proper standard of health service for the community by certifying that no adverse action has been taken against the applicant by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application."

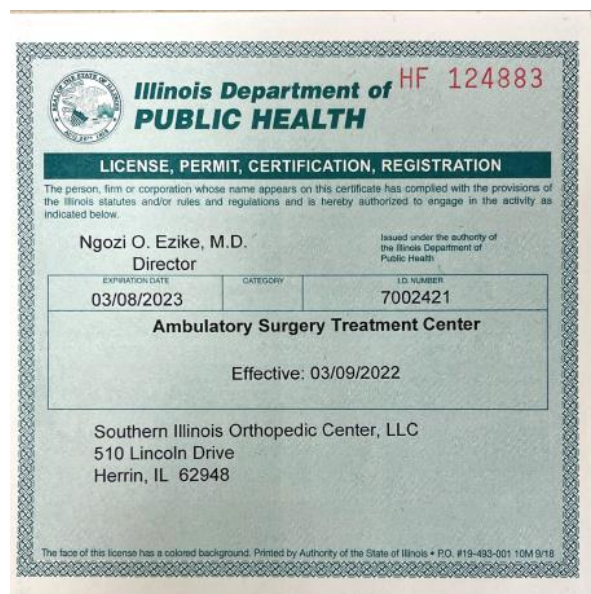
The following information is provided to illustrate the qualifications, background and character of the Applicants, and to assure the Health Facilities and Services Review Board that the proposed hospital will provide a proper standard of health care services for the community.

Southern Illinois Healthcare Enterprises, Inc., Southern Illinois Hospital Services, Inc. ("SIHS")- Southern Illinois Healthcare Enterprises, Inc. ("SIHE"), an Illinois not-for-profit corporation is the sole corporate member of SIHS. SIHS is a not-for-profit health system serving the southernmost counties of Illinois with four hospitals, a comprehensive cancer center, Level II Trauma Center and more than 30 outpatient and specialty practices.

SIHS owns and operates in St. Joseph Memorial Hospital, Memorial Hospital of Carbondale, Herrin Hospital, Harrisburg Medical Center, and Physicians Surgery Center, LLC. Based in Carbondale, Ill., SIHS is the region's largest private employer with 4,000 employees and the largest provider of charity care, unreimbursed care and community benefits. SIHS will be acquiring 2% interest from Southern Orthopedic Associates, LLC ("SOA") in the facility resulting in a change in control.

Southern Illinois Orthopedic Center, LLC ("SIOC")- This is a joint venture entity owned by SIHS and SOA which holds the license for the ambulatory surgical treatment center operated as Southern Illinois Orthopedic Center.

Southern Orthopedic Associates, LLC- ("SOA")- This is a physician practice based in Herrin, Illinois and partial owner of SIOC. In November of 2000, SOA and Marion Orthopedics came together and agreed to combine their practices. This organization was formed as Southern Orthopedic Associates.



ATTACHMENT 6

Change of Ownership

Section 1130.520(b) (1)(C)- Structure of the transaction

The application for exemption is subject to approval under Section 1130.560 and shall include the information required by Section 1130.500.

The facility is currently owned by Southern Orthopedic Associates, LLC ("SOA") and Southern Illinois Hospital Services, Inc. ("SIHS"). SOA holds a 51% ownership interest in the facility and SIHS maintains a 49% percent interest currently. SIHS will be acquiring a 2% ownership interest currently held by SOA and will in turn obtain control of SIOC. Southern Illinois Healthcare Enterprises, Inc. ("SIHE"), an Illinois not-for-profit corporation is the sole corporate member of SIHS.

ATTACHMENT 6

Change of Ownership

1130.520(b) (1)(D)- Entity to be Licensed after transaction

"Name of the person who will be the licensed or certified entity after the transaction"

The entity to be licensed after the change of ownership will remain Southern Illinois Orthopedic Center, LLC. There will be no change in the entity currently licensed by the Illinois Department of Public Health to operate the ambulatory surgical treatment center.

ATTACHMENT 6

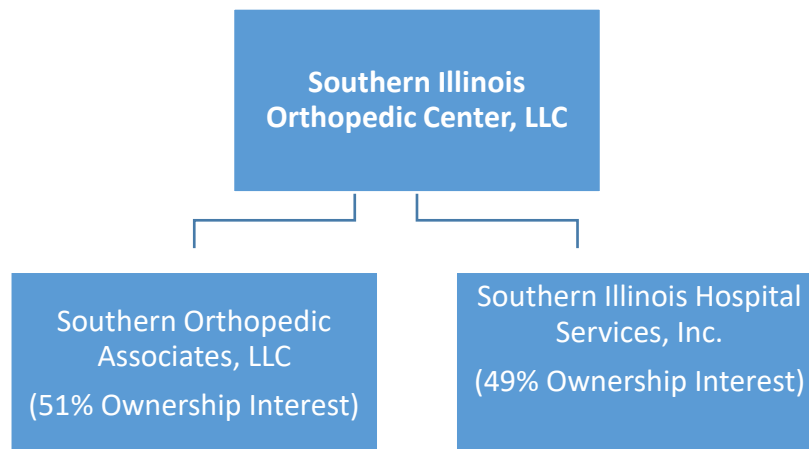
Change of Ownership

Section 1130.520(b) (1)(E)- List of Ownership

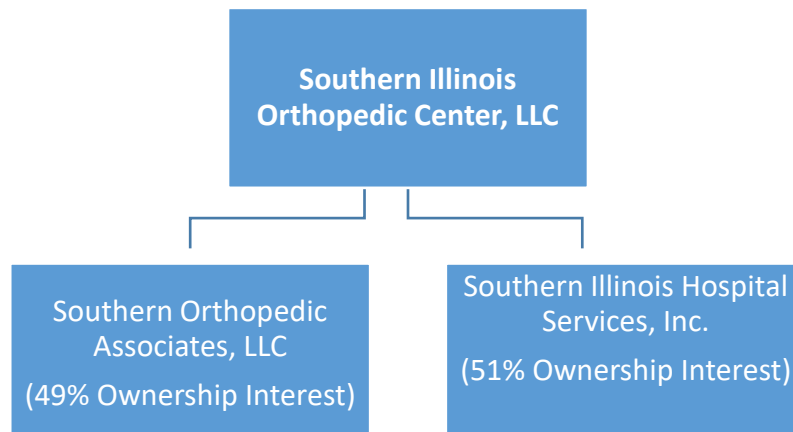
"List of the ownership or membership interests in such licensed or certified entity both prior to and after the transaction, including a description of the applicant's organizational structure with a listing of controlling or subsidiary persons."

The facility is currently owned by Southern Orthopedic Associates, LLC ("SOA") and Southern Illinois Hospital Services, Inc. ("SIHS"). SOA holds a 51% ownership interest in the facility and SIHS maintains a 49% percent interest currently. SIHS will be acquiring a 2% ownership interest currently held by SOA and will in turn obtain control of SIOC. Southern Illinois Healthcare Enterprises, Inc. ("SIHE"), an Illinois not-for-profit corporation is the sole corporate member of SIHS.

Prior to Transaction



Post Transaction



ATTACHMENT 6

Change of Ownership

Section 1130.520(b) (1)(F)- Fair Market Value of the transaction

"Fair market value of assets to be transferred."

The identified purchase price of \$355,900 is based on an arm's length transaction and represents the fair market value of the units being transferred.

ATTACHMENT 6

Change of Ownership

Section 1130.520(b) (1)(G)- Purchase price

"The purchase price or other forms of consideration to be provided for those assets. [20 ILCS 3960/8.5(a)]"

The identified purchase price of \$355,900 is based on an arm's length transaction and represents the fair market value of the units being transferred.

ATTACHMENT 6

Change of Ownership

Section 1130.520(b)(2)- Outstanding Permits

"Affirmation that any projects for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of this Section"

There are currently no outstanding permits that have been issued to the Applicants.

ATTACHMENT 6

Change of Ownership

Section 1130.520(b)(3)- Hospital Charity Care

"If the ownership change is for a hospital, affirmation that the facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction. The hospital must provide affirmation that the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction"

This change of ownership does not involve a hospital; thus, this provision is NOT APPLICABLE.

ATTACHMENT 6

Change of Ownership

Section 1130.520(b)(4)- Anticipated Benefits to the Community

“A statement as to the anticipated benefits of the proposed change in ownership to the community.”

This purpose of this project is to ensure the residents of the community and the patients that will be served by Southern Illinois Orthopedic Center, LLC continue to have access to this community anchor and the procedures they need. This joint venture facility maintains a commitment to provide care for all patients within their community. The physicians associated with ownership group of Southern Orthopedic Associates, LLC and Southern Illinois Hospital Services, Inc. have and will continue to provide services to vulnerable patient populations regardless of their ability to pay.

ATTACHMENT 6

Change of Ownership

Section 1130.520(b)(5)- Anticipated Cost Savings for the Community and Facility

“The anticipated or potential cost savings, if any, that will result for the community and the facility because of the change in ownership”

This transaction will not negatively impact the service to the community as this transaction is a change of control among existing partners. This will allow for the continued operation of the facility by the same physicians currently affiliated with the facility.

Ambulatory Surgical Treatment Centers undoubtedly yield cost savings to the facility and the community which they serve. This increase in access to surgical care provides patients with the ability to have procedures performed at costs that are significantly lower than those performed in a hospital operating suite. By changing control of the facility patients and physicians will have the benefit of participating in payor agreements reserved for entities controlled by health systems. Those savings result in lower costs to healthcare systems and the patients themselves.

ATTACHMENT 6

Change of Ownership

Section 1130.520(b)(6)- Quality Improvement Program

"A description of the facility's quality improvement program mechanism that will be utilized to assure quality control"

Southern Illinois Orthopedic Center, LLC's quality improvement program mechanism will remain in place and in the unlikely event that the outcomes being experienced do not meet or exceed those standards, an appropriate quality improvement plan will be initiated.

ATTACHMENT 6

Change of Ownership

Section 1130.520(b)(7)- Facility's Governing Body

"A description of the selection process that the acquiring entity will use to select the facility's governing body"

The transaction involves in a shift of ownership control of the units in the licensee, Southern Illinois Orthopedic Center, LLC. While the operating agreement of the licensee will change consistent with the new ownership structure, there will be no changes in the individuals currently serving on the facility's governing body. In fact there will continue to be 4 Southern Orthopedic Associate, LLC board members and 3 board members from Southern Illinois Hospital Services, Inc.

From a patient, provider, and communal basis, the operation of the facility will remain unchanged.

ATTACHMENT 6

Change of Ownership

Section 1130.520(b)(9)- Summary of Proposed Changes Within 24 Months

“A description or summary of any proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within 24 months after acquisition.”

This transaction does not envision any proposed changes to the scope of services or level of care currently provided in the facility. There is no expectation of any disruptions with the physicians who will perform surgeries at the facility as a result of this transaction nor will there be changes to the categories of services that are already approved for this facility. We do not expect any other changes within 24 months of the acquisition.

ATTACHMENT 7
Charity Care Information

	2019	2020	2021
Net Patient Revenue	\$9,479,281	\$8,936,165	\$10,347,035
Amount of Charity Care (charges)			
Cost of Charity Care	\$2,861	\$674	\$1,625

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

INDEX OF ATTACHMENTS			
ATTACHMENT NO.			PAGES
1	Applicant Identification including Certificate of Good Standing		20-24
2	Site Ownership		25-26
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.		27-28
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.		29-32
5	Background of the Applicant		33-35
6	Change of Ownership		36-49
7	Charity Care Information		50