

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

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

Facility/Project Identification

Facility Name: Cardiovascular Institute Ambulatory Surgery Center			
Street Address: 10 Martin Avenue			
City and Zip Code: Naperville 60540			
County: DuPage	Health Service Area: VII	Health Planning Area: A-05	

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

Exact Legal Name: Cardiovascular Institute Ambulatory Surgery Center, LLC	
Street Address: 10 Martin Avenue	
City and Zip Code: Naperville IL 60540	
Name of Registered Agent: Shivani Bautista	
Registered Agent Street Address: 1301 Central Street	
Registered Agent City and Zip Code: Evanston 60201	
Name of Chief Executive Officer: Yvette Saba	
CEO Street Address: 801 S. Washington	
CEO City and Zip Code: Naperville 60540	
CEO Telephone Number: 630-527-3587	

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: Cheryl Eck
Title: System Vice President, Strategy, Planning & Business Development
Company Name: NS-EEH
Address: 4201 Winfield Road; Warrenville, IL 60555
Telephone Number: 331-221-3478
E-mail Address: Cheryl.Eck@eehealth.org
Fax Number:

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

Name: Annette Kenney
Title: System Chief Strategy Officer
Company Name: NS-EEH
Address: 801 S. Washington; Naperville, IL 60540
Telephone Number: 630-527-5803
E-mail Address: Annette.Kenney@eehealth.org
Fax Number:

Facility/Project Identification

Facility Name: Cardiovascular Institute Ambulatory Surgery Center			
Street Address: 10 Martin Avenue			
City and Zip Code: Naperville 60540			
County: DuPage	Health Service Area: VII	Health Planning Area: A-05	

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

Exact Legal Name: Edward Health Ventures
Street Address: 801 S. Washington
City and Zip Code: Naperville 60540
Name of Registered Agent: Shivani Bautista
Registered Agent Street Address: 1301 Central Street
Registered Agent City and Zip Code: Evanston 60201
Name of Chief Executive Officer: Joe Dant
CEO Street Address: 801 S. Washington
CEO City and Zip Code: Naperville 60540
CEO Telephone Number: 630-527-3010

Type of Ownership of Applicants

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Company Name: NS-EEH
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Telephone Number: 630-527-5803
E-mail Address: Annette.Kenney@eehealth.org
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Facility/Project Identification

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City and Zip Code: Naperville 60540			
County: DuPage	Health Service Area: VII	Health Planning Area: A-05	

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

Exact Legal Name: Edward Hospital	
Street Address: 801 S. Washington	
City and Zip Code: Naperville 60540	
Name of Registered Agent: Shivani Bautista	
Registered Agent Street Address: 1301 Central Street	
Registered Agent City and Zip Code: Evanston 60201	
Name of Chief Executive Officer: Yvette Saba	
CEO Street Address: 801 S. Washington	
CEO City and Zip Code: Naperville 60540	
CEO Telephone Number: 630-527-3587	

Type of Ownership of Applicants

- | | |
|--|---|
| ☒ Non-profit Corporation | ☐ Partnership |
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Name: Annette Kenney
Title: System Chief Strategy Officer
Company Name: NS-EEH
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E-mail Address: Annette.Kenney@eehealth.org
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Facility/Project Identification

Facility Name: Cardiovascular Institute Ambulatory Surgery Center			
Street Address: 10 Martin Avenue			
City and Zip Code: Naperville 60540			
County: DuPage	Health Service Area: VII	Health Planning Area: A-05	

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

Exact Legal Name: NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health	
Street Address: 1301 Central Street	
City and Zip Code: Evanston 60201	
Name of Registered Agent: Shivani Bautista	
Registered Agent Street Address: 1301 Central Street	
Registered Agent City and Zip Code: Evanston 60201	
Name of Chief Executive Officer: Gerald P. Gallagher	
CEO Street Address: 1301 Central Street	
CEO City and Zip Code: Evanston 60201	
CEO Telephone Number: 847-570-2000	

Type of Ownership of Applicants

☒ Non-profit Corporation	☐ Partnership	
☐ For-profit Corporation	☐ Governmental	
☐ Limited Liability Company	☐ Sole Proprietorship	☐ Other

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E-mail Address: Annette.Kenney@eehealth.org
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: Cheryl Eck
Title: System Vice President, Strategy, Planning & Development
Company Name: NS-EEH
Address: 4201 Winfield Road; Warrenville, IL 60555
Telephone Number: 331-221-3478
E-mail Address: Cheryl.Eck@eehealth.org
Fax Number:

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Ryan Companies US, Inc
Address of Site Owner: 533 South 3 rd Street Suite 100; Minneapolis, MN 55415
Street Address or Legal Description of the Site: 10 Martin Avenue, Naperville, IL 60540
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: Cardiovascular Institute Ambulatory Surgery Center, LLC			
Address: 10 Martin Avenue, Naperville IL 60540			
☐	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.

Cardiovascular Institute Ambulatory Surgery Center, LLC proposes to establish a single specialty ambulatory surgery treatment center providing cardiac catheterization services with two procedure rooms. The proposed facility will be 17,200 total gross square feet and located at 10 Martin Avenue, Naperville, IL 60540.

This project is classified as a substantive project because it proposes the establishment of a new facility.

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning	In Lease	In Lease	In Lease
Site Survey and Soil Investigation	In Lease	In Lease	In Lease
Site Preparation	In Lease	In Lease	In Lease
Off Site Work	In Lease	In Lease	In Lease
New Construction Contracts	\$ 1,952,891.25	\$ 945,922.07	\$ 2,898,813.32
Modernization Contracts			
Contingencies	\$ 191,793.99	\$ 107,463.01	\$ 299,257.00
Architectural and Engineering Fees	\$ 226,845.23	\$ 222,419.77	\$ 449,265.00
Consulting and Other Fees	\$ 358,125.93	\$ 64,895.07	\$ 423,021.00
Movable or Other Equipment	\$ 3,796,682.00	\$ 113,877.00	\$ 3,910,559.00
Bond Issuance Expense			
Net Interest Expense During Construction			
Fair Market Value of Leased Space	\$ 10,905,750.21	\$ 5,356,475.79	\$ 16,262,226.01
Other Costs to be Capitalized	\$ 1,420,979.08	\$ 53,294.90	\$ 1,474,273.98
Acquisition of Building or Other Property	\$ 783,510.75	\$ 384,829.68	\$ 1,168,340.43
TOTAL USES OF FUNDS	\$ 19,636,578.44	\$ 7,249,177.29	\$ 26,885,755.73
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$ 8,730,828.22	\$ 1,892,701.50	\$ 10,623,529.72
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)	\$ 10,905,750.21	\$ 5,356,475.79	\$ 16,262,226.01
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$ 19,636,578.44	\$ 7,249,177.29	\$ 26,885,755.73

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 \$ <u>2,000,000</u>.

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): June 30, 2025

Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140):

- ☐ 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]

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

APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Facility Bed Capacity and Utilization: Not Applicable

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

CERTIFICATION

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

- 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 **Cardiovascular Institute Ambulatory Surgery Center, 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.

By: Edward Hospital, its Managing Member

By: Yvette Saba
President

Signature

Shivani Bautista

PRINTED NAME

Chief Legal Officer and Corporate Secretary

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 31st day of August, 2023

Ruth Ann Renkor

Signature of Notary

Seal

Official Seal
Ruth Ann Renkor
Notary Public State of Illinois
My Commission Expires 09/08/2023

*Insert the EXACT legal name of the applicant

Notarization:

Subscribed and sworn to before me
this 28th day of August, 2023

Ellen Daniel

Signature of Notary

Seal

OFFICIAL SEAL
ELLEN DANIEL
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES: 11/16/23

CERTIFICATION

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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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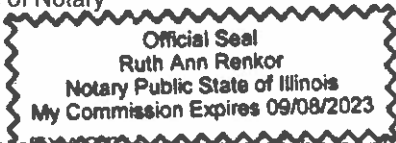
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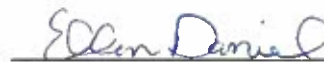

SIGNATURE
Yvette Saba
PRINTED NAME
President
PRINTED TITLE


SIGNATURE
Shivani Bautista
PRINTED NAME
Chief Legal Officer and Corporate Secretary
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 31st day of August, 2023

Notarization:
Subscribed and sworn to before me
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Signature of Notary
Seal

*Insert the EXACT legal name of the applicant


Signature of Notary
Seal


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SIGNATURE

Joseph Dant
PRINTED NAME

Chief Executive Officer
PRINTED TITLE

SIGNATURE

Shivani Bautista
PRINTED NAME

Chief Legal Officer and Corporate Secretary
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 31st day of August, 2023

Signature of Notary

Seal

OFFICIAL SEAL
KATHLEEN E DONATO
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 11/2025

*Insert the EXACT legal name of the applicant

Notarization:

Subscribed and sworn to before me
this 28th day of August, 2023

Signature of Notary

Seal

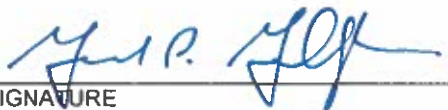
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This Application is filed on the behalf of NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the 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

Gerald P. Gallagher
PRINTED NAME

President & Chief Executive Officer
PRINTED TITLE

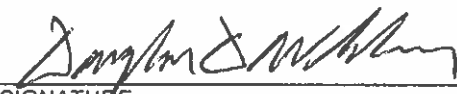
Notarization:

Subscribed and sworn to before me
this 28th day of August, 2023


Signature of Notary

Seal

OFFICIAL SEAL
ELLEN DANIEL
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES: 11/16/23
*Insert the COMMISSION EXPIRATION DATE of the applicant


SIGNATURE

Doug Welday
PRINTED NAME

Chief Financial Officer
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 28th day of August, 2023


Signature of Notary

Seal

OFFICIAL SEAL
ELLEN DANIEL
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES: 11/16/23

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	MET STANDARD?
YEAR 1					
YEAR 2					

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

UNFINISHED OR SHELL SPACE:

Provide the following information:

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

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

ASSURANCES:

Submit the following:

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

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

E. Criterion 1110.225 - Cardiac Catheterization

1. Applicants proposing to establish, expand and/or modernize the Cardiac Catheterization category 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
☒ Cardiac Catheterization	N/A	N/A

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

1. Criterion 1110.225(a), Peer Review

Read the criterion and submit a detailed explanation of your peer review program.

2. Criterion 1110. 225(b), Establishment or Expansion of Cardiac Catheterization Service

Read the criterion and, if applicable, submit the following information:

- a. A map (on 8 1/2" x 11" paper) showing the location of the other hospitals providing cardiac catheterization services within the planning area.
- b. The number of cardiac catheterizations performed for the last 12 months at each of the hospitals shown on the map.
- c. Provide the number of patients transferred directly from the applicant's hospital to another facility for cardiac catheterization services in each of the last three years.

3. Criterion 1110.225(c), Unnecessary Duplication of Services

Read the criterion and, if applicable, submit the following information.

- a. Copies of the letter sent to all facilities within the planning area that currently provide cardiac catheterization. This letter must contain a description of the proposed project and a request that the other facility quantify the impact of the proposal on its program.
- b. Copies of the responses received from the facilities to which the letter was sent.

4. Criterion 1110.225(d), Modernization of Existing Cardiac Catheterization Laboratories

Read the criterion and, if applicable, submit the number of cardiac catheterization procedures performed for the latest 12 months.

5. Criterion 1110.225(e), Support Services

Read the criterion and indicate on a service-by-service basis which of the listed services are available on a 24-hour basis and explain how any services not available on a 24-hour basis will be available when needed.

6. Criterion 1110.225(f), Laboratory Location

Read the criterion and, if applicable, submit line drawings showing the location of the proposed laboratories. If the laboratories are not in proximity, explain why.

7. Criterion 1110.225(g), Staffing

Read the criterion and submit a list of names and qualifications of those who will fill the positions detailed in this criterion. Also, provide staffing schedules to show the coverage required by this criterion.

8. Criterion 1110.225(h), Continuity of Care

Read the criterion and submit a copy of the fully executed written referral agreement(s).

9. Criterion 1110.225(i), Multi-institutional Variance

Read the criterion and, if applicable, submit the following information:

- a. A copy of a fully executed affiliation agreement between the two facilities involved.
- b. Names and positions of the shared staff at the two facilities.
- c. The volume of open-heart surgeries performed for the latest 12-month period at the existing operating program.
- d. A cost comparison between the proposed project and expansion at the existing operating program.
- e. The number of cardiac catheterization procedures performed in the last 12 months at the operating program.
- f. The number of catheterization laboratories at the operating program.
- g. The projected cardiac catheterization volume at the proposed facility annually for the next 2 years.
- h. The basis for the above projection.

APPEND DOCUMENTATION AS ATTACHMENT 23 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

G. Non-Hospital Based Ambulatory Surgery

Applicants proposing to establish, expand and/or modernize the Non-Hospital Based Ambulatory Surgery category of service must submit the following information.

ASTC Service
☒ Cardiovascular
☐ Colon and Rectal Surgery
☐ Dermatology
☐ General Dentistry
☐ General Surgery
☐ Gastroenterology
☐ Neurological Surgery
☐ Nuclear Medicine
☐ Obstetrics/Gynecology
☐ Ophthalmology
☐ Oral/Maxillofacial Surgery
☐ Orthopedic Surgery
☐ Otolaryngology
☐ Pain Management
☐ Physical Medicine and Rehabilitation
☐ Plastic Surgery
☐ Podiatric Surgery
☐ Radiology
☐ Thoracic Surgery
☐ Urology
☐ Other _____

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

APPLICABLE REVIEW CRITERIA	Establish New ASTC or Service	Expand Existing Service
1110.235(c)(2)(B) – Service to GSA Residents	X	X
1110.235(c)(3) – Service Demand – Establishment of an ASTC or Additional ASTC Service	X	
1110.235(c)(4) – Service Demand – Expansion of Existing ASTC Service		X
1110.235(c)(5) – Treatment Room Need Assessment	X	X
1110.235(c)(6) – Service Accessibility	X	
1110.235(c)(7)(A) – Unnecessary Duplication/Maldistribution	X	
1110.235(c)(7)(B) – Maldistribution	X	

1110.235(c)(7)(C) – Impact to Area Providers	X	
1110.235(c)(8) – Staffing	X	X
1110.235(c)(9) – Charge Commitment	X	X
1110.235(c)(10) – Assurances	X	X
APPEND DOCUMENTATION AS <u>ATTACHMENT 25</u>, 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

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):**

<u>\$10,623,529.72</u>	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.
<u>\$16,262,226.01</u>	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.
\$26,885,755.73	TOTAL FUNDS AVAILABLE

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

SECTION VIII. 1120.130 - FINANCIAL VIABILITY

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

Financial Viability Waiver

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

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

See Section 1120.130 Financial Waiver for information to be provided

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

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

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

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

Variance

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

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

SECTION IX. 1120.140 - ECONOMIC FEASIBILITY

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

A. Reasonableness of Financing Arrangements

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

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

B. Conditions of Debt Financing

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

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

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

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

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

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

E. Total Effect of the Project on Capital Costs

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

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

SECTION X. SAFETY NET IMPACT STATEMENT

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

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

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Attachment #1
Certificate of Good Standing

Included with this attachment are the following:

1. Certificate of Good Standing for Cardiovascular Institute Ambulatory Surgery Center, LLC
2. Certificate of Good Standing for Edward Hospital
3. Certificate of Good Standing for Edward Health Ventures
4. Certificate of Good Standing for NS-EE Holdings

File Number

1342977-4



To all to whom these Presents Shall Come, Greeting:

I, Alexi Giannoulas, 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

CARDIOVASCULAR INSTITUTE AMBULATORY SURGERY CENTER, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON AUGUST 17, 2023, 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 #: 2323004408 verifiable until 08/18/2024

Authenticate at: <https://www.isos.gov>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 18TH day of AUGUST A.D. 2023 .

Alexi Giannoulas
SECRETARY OF STATE

File Number

5341-344-7



To all to whom these Presents Shall Come, Greeting:

I, Alexi Giannoulis, 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

EDWARD HOSPITAL, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON MARCH 30, 1984, 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 #: 2312202312 verifiable until 05/02/2024
Authenticate at: <http://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 2ND day of MAY A.D. 2023 .

Alexi Giannoulis
SECRETARY OF STATE

File Number

5419-108-1



To all to whom these Presents Shall Come, Greeting:

I, Alexi Giannoulis, 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

EDWARD HEALTH VENTURES, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON MARCH 28, 1986, 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 #: 2312203842 verifiable until 05/02/2024
Authenticate at: <https://www.isos.gov>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 2ND day of MAY A.D. 2023 .

Alexi Giannoulis
SECRETARY OF STATE

Attachment 1

File Number

7305-903-8



To all to whom these Presents Shall Come, Greeting:

I, Alexi Giannoulas, 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

NS-EE HOLDINGS, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON SEPTEMBER 14, 2021, 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 #: 2312202296 verifiable until 05/02/2024
Authenticate at: <https://www.isos.gov>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 2ND day of MAY A.D. 2023 .

Alexi Giannoulas
SECRETARY OF STATE

**Attachment #2
Site Ownership**



Edward-Elmhurst
HEALTH

10 Martin, Naperville, IL 60540

Leasehold Interest Overview

Ryan Companies US, Inc., a Minnesota corporation, ("Ryan") is the current owner of land commonly known as 10 W Martin Ave, Naperville, IL 60540, as more particularly described in the attached Exhibit A. Edward Hospital, an Illinois not-for-profit corporation, ("Edward") is under contract to purchase the real property.

Ryan is the developer and landlord of the proposed medical office building, which will be constructed and located on approximately 2.8 acres at the address commonly known as 10 W Martin Ave, Naperville, IL 60540, and more particularly described in the attached Exhibit B (the "Site Parcel"). The Site Parcel consists of the land under contract, in addition to land already owned by Edward Hospital.

Ryan intends to construct on the Site Parcel a medical office building consisting of approximately 70,500 rentable square feet (the "Building"), which Edward Health Ventures ("EHV") intends to lease in its entirety pursuant to a leasing arrangement (the "Space Lease"). The Space Lease is contingent upon Edward receiving approval from Illinois Health Facilities and Services Review Board (the "Board") to establish a medical office on the Site Parcel.

Edward Health Ventures ("EHV") intends to sublease approximately 17,000 rentable square feet of the Building (the "ASTC Space") pursuant to a sub-leasing arrangement (the "Space Sub-Lease") with The Cardiovascular Institute Ambulatory Surgery Center ("CIASC") for an ambulatory surgical treatment center ("ASTC"). The Space Sub-Lease is contingent upon CIASC receiving approval from the Board to establish an ASTC.

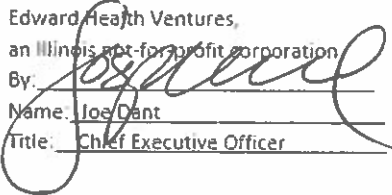
In connection with CIASC's planned use and occupancy of the ASTC Space, Ryan has agreed to fund the construction of the core and shell of the Building, along with the tenant improvements of the Building to be constructed by and on behalf of Edward which shall be funded in part by a tenant improvement allowance from Ryan (the "Allowance"). As consideration for receipt of the Allowance, CIASC has agreed to comply with all sub-tenant obligations under the Space Sub-Lease in the Building, as summarized below.

Allowance	Ryan is providing an Allowance of \$165.00 per rentable square foot of the building, to be used for construction of tenant improvements therein, subject to Rent adjustments as set forth below.
Building Rent	Building Rent = \$39.99 per rentable square foot; subject to 2.50% per rentable square foot annual escalation plus supplemental payment of all other amounts associated with ownership, use, repair, maintenance, possession, management, and operation of the Building in consideration of CIASC's sole and exclusive occupancy and use of the ASTC

	Space.
Initial Lease Term	15 Years
Extension Option	Four (4), Five (5) Year renewal options.

Upon approval of the project from the Board, Ryan and Edward will also enter into a Ground Lease for the Site Parcel. The Ground Lease has an initial term of 50 years with (2) 25-year extensions.

Accepted and agreed to this 14th day of August 2023.

Edward Health Ventures,
an Illinois not-for-profit corporation.
By: 

Name: Joe Dant
Title: Chief Executive Officer

Cardiovascular Institute Ambulatory Surgery Center,
an Illinois corporation.

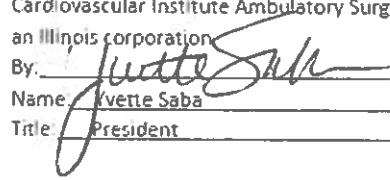
By: 
Name: Juvette Saba
Title: President

EXHIBIT A

PARCEL 1:

LOTS 1 AND 2 IN BLOCK 1 IN BROM SUBDIVISION OF PART OF THE EAST 1/2 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 14, 1961 AS DOCUMENT R61-18064 IN DUPAGE COUNTY, ILLINOIS.

PARCEL 2

THE EAST 90 FEET OF LOT 3 IN BLOCK 1 IN BROM SUBDIVISION OF PART OF THE EAST 1/2 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 14, 1961 AS DOCUMENT R61-18064 IN DUPAGE COUNTY, ILLINOIS.



10 Martin, Naperville, IL 60540

Leasehold Interest Overview

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Ryan is the developer of the proposed medical office building, which will be constructed and located on approximately 2.8 acres at the address commonly known as 10 Martin Ave, Naperville, IL 60540, and more particularly described in the attached Exhibit B (the "Site Parcel"). The Site Parcel consists of the land under contract, in addition to land already owned by Edward Hospital. Ryan will convey the land in Exhibit A to Edward, which will ground lease the Site Parcel to 10 Martin MOB, LLC, a Delaware limited liability company wholly controlled by Ryan ("10 Martin"). The ground lease has an initial term of fifty (50) years, with two (2) extensions of twenty-five (25) years each.

Ryan intends to construct on the Site Parcel a medical office building consisting of approximately 70,500 rentable square feet (the "Building"), which Edward Health Ventures ("EHV") intends to lease in its entirety pursuant to a leasing arrangement (the "Space Lease"), from 10 Martin. The Space Lease is contingent upon Edward receiving permission from the Board to enter into the Space Lease.

In connection with EHV's planned use and occupancy of the Building, 10 Martin, as landlord, has agreed to fund the construction of the core and shell of the Building, along with the tenant improvements of the Building to be constructed by and on behalf of Edward which shall also be funded in part by a tenant improvement allowance from 10 Martin (the "Allowance"). As consideration for receipt of the Allowance, Edward has agreed to comply with all tenant obligations under the Lease in the Building, as summarized below.

Ryan Companies US, Inc.
111 Shuman Boulevard, Suite 400
Naperville, IL 60563

p 630-328-1100
ryancompanies.com

CHARGES & INTEREST TO CASH
Equal Opportunity Employer

RYAN

Allowance 10 Martin is providing an Allowance of \$165.00 per rentable square foot of the building, to be used for construction of tenant improvements therein, subject to Rent adjustments as set forth below.

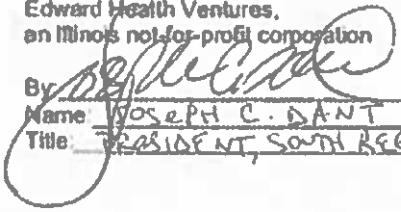
Building Rent Building Rent = \$39.99 per rentable square foot; subject to 2.50% per rentable square foot annual escalation *plus* supplemental payment of all other amounts associated with ownership, use, repair, maintenance, possession, management, and operation of the Building in consideration of EHV's sole and exclusive occupancy and use of the entire Building.

Initial Lease Term 15 years

Extension Option Four (4). Five (5) Year renewal options.

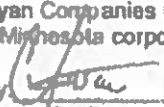
Accepted and agreed to this 8th day of May, 2023

Edward Health Ventures,
an Illinois not-for-profit corporation

By 

Name: JOSEPH C. DANT
Title: PRESIDENT, SOUTH REGION

Ryan Companies US, Inc,
a Minnesota corporation

By 

Name: Curt Pascoe
Title: Vice President

EXHIBIT A

PARCEL 1:

LOTS 1 AND 2 IN BLOCK 1 IN BROM SUBDIVISION OF PART OF THE EAST 1/2 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 14, 1961 AS DOCUMENT R61-18064 IN DUPAGE COUNTY, ILLINOIS.

PARCEL 2

THE EAST 90 FEET OF LOT 3 IN BLOCK 1 IN BROM SUBDIVISION OF PART OF THE EAST 1/2 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 14, 1961 AS DOCUMENT R61-18064 IN DUPAGE COUNTY, ILLINOIS.

EXHIBIT B

LEGAL DESCRIPTION GROUND LEASE AREA

PART OF LOTS 1, 2 AND 3 IN BLOCK 1 IN BROM SUBDIVISION, RECORDED AUGUST 14, 1961 AS DOCUMENT R61-18064, TOGETHER WITH PART OF LOT 7 IN EDWARD HOSPITAL 2ND RESUBDIVISION, RECORDED AUGUST 30, 2006 AS DOCUMENT R2006-168022, BOTH BEING SUBDIVISIONS OF PART OF THE EAST 1/2 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 7; THENCE SOUTH 02 DEGREES 43 MINUTES 53 SECONDS WEST ALONG THE EAST LINE OF SAID LOT 7, A DISTANCE OF 7.63 FEET TO AN ANGLE POINT IN SAID EAST LINE; THENCE SOUTH 00 DEGREES 02 MINUTES 25 SECONDS WEST ALONG SAID EAST LINE, 208.68 FEET TO AN ANGLE POINT IN SAID EAST LINE; THENCE SOUTH 03 DEGREES 33 MINUTES 41 SECONDS EAST ALONG SAID EAST LINE, 39.61 FEET; THENCE SOUTH 89 DEGREES 16 MINUTES 41 SECONDS WEST, 89.47 FEET; THENCE NORTH 00 DEGREES 43 MINUTES 19 SECONDS WEST, 158.83 FEET; THENCE SOUTH 89 DEGREES 16 MINUTES 41 SECONDS WEST, 130.36 FEET; THENCE NORTH 00 DEGREES 05 MINUTES 29 SECONDS WEST, 79.66 FEET TO THE SOUTH LINE OF BLOCK 1 IN SAID BROM SUBDIVISION; THENCE SOUTH 84 DEGREES 46 MINUTES 26 SECONDS WEST ALONG SAID SOUTH LINE, 184.57 FEET TO A LINE PARALLEL WITH AND 58.53 FEET EAST OF, AS MEASURED AT RIGHT ANGLES TO THE WEST LINE OF THE EAST 90 FEET OF LOT 3 IN BLOCK 1 OF SAID BROM SUBDIVISION; THENCE NORTH 00 DEGREES 43 MINUTES 51 SECONDS WEST ALONG SAID PARALLEL LINE, 228.90 FEET TO THE NORTH LINE OF SAID BLOCK 1; THENCE NORTH 89 DEGREES 16 MINUTES 41 SECONDS EAST ALONG SAID NORTH LINE, 400.22 FEET TO A POINT OF CURVATURE IN SAID NORTH LINE; THENCE SOUTHEASTERLY ALONG SAID NORTH LINE BEING A CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 15.00 FEET, A CHORD BEARING OF SOUTH 43 DEGREES 59 MINUTES 43 SECONDS EAST, A CHORD DISTANCE OF 21.84 FEET, AN ARC LENGTH OF 24.47 FEET TO A POINT OF TANGENCY, SAID POINT BEING ON THE EASTERLY LINE OF LOT 1 IN BLOCK 1 OF SAID BROM SUBDIVISION; THENCE SOUTH 02 DEGREES 43 MINUTES 53 SECONDS WEST ALONG SAID EASTERLY LINE, 181.49 FEET TO THE POINT OF BEGINNING, IN DUPAGE COUNTY, ILLINOIS.

**TRUSTEE'S DEED**

This Indenture made this 26th day of June, 2020, between CHICAGO TITLE LAND TRUST COMPANY, a corporation of Illinois, as Successor Trustee to Bank of Naperville as Trustee under the provisions of a deed or deeds in trust, duly recorded and delivered to said company in pursuance of a trust agreement dated the 31st day of August, 1971, and known as Trust Number 1338, party of the first part, and

10 WEST MARTIN, LLC
A Delaware limited liability company

Whose address is:
 533 S Third St., Suite 100
 Minneapolis MN 55415
 party of the second part.

FRED BUCHOLZ, RECORDER
 DUPAGE COUNTY ILLINOIS
 07/10/2020 04:15 PM
 RHSP
 COUNTY TAX STAMP FEE 2,600.00
 STATE TAX STAMP FEE 5,200.00

DOCUMENT # R2020-073308

Reserved for Recorder's Office

WITNESSETH, that said party of the first part, in consideration of the sum of TEN and no/100 DOLLARS (\$10.00) AND OTHER GOOD AND VALUABLE considerations in hand paid, does hereby CONVEY AND QUITCLAIM unto said party of the second part, the following described real estate, situated in DUPAGE County, Illinois, to wit:

PARCEL 1:

LOTS 1 AND 2 IN BLOCK 1 IN BROM SUBDIVISION OF PART OF THE EAST 1/2 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 14, 1961 AS DOCUMENT R61-18064 IN DUPAGE COUNTY, ILLINOIS.

PARCEL 2:

THE EAST 90 FEET OF LOT 3 IN BLOCK 1 IN BROM SUBDIVISION OF PART OF THE EAST 1/2 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 14, 1961 AS DOCUMENT R61-18064 IN DUPAGE COUNTY, ILLINOIS.

Property Address: 10 W MARTIN AVENUE, NAPERVILLE, IL 60540
 Permanent Tax Number: 07-24-209-004-0000, and 07-24-209-005-0000

together with the tenements and appurtenances thereunto belonging

TO HAVE AND TO HOLD the same unto said party of the second part, and to the proper use, benefit and behoof forever of said party of the second part.

This deed is executed pursuant to and in the exercise of the power and authority granted to and vested in said trustee by the terms of said deed or deeds in trust delivered to said trustee in pursuance of the trust agreement above mentioned. This deed is made subject to the lien of every trust deed or mortgage (if any there be) of record in said county given to secure the payment of money, and remaining unreleased at the date of the delivery hereof.

IN WITNESS WHEREOF, said party of the first part has caused its corporate seal to be hereto affixed, and has caused its name to be signed to these presents by its Assistant Vice President, the day and year first above written.



CHICAGO TITLE LAND TRUST COMPANY,
as Trustee as Aforesaid

By: Linda Lee Lutz
Linda Lee Lutz, Assistant Vice President

State of Illinois
County of Cook

SS.

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that the above named Linda Lee Lutz, Assistant Vice President of CHICAGO TITLE LAND TRUST COMPANY, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Assistant Vice President appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of the Company, and the said Assistant Vice President then and there caused the corporate seal of said Company to be affixed to said instrument as his/her own free and voluntary act and as the free and voluntary act of the Company.

Given under my hand and Notarial Seal this 26TH day of June, 2020



[Signature]
NOTARY PUBLIC

This instrument was prepared by:
Linda Lee Lutz, AVP/LTO
CHICAGO TITLE LAND TRUST COMPANY
15255 S 94th Ave., Suite 604
Orland Park, IL 60462

AFTER RECORDING, PLEASE MAIL TO:

Old Republic Title
Attn: Rick Zilka
400 Second Avenue South
Minneapolis, MN 55401

SEND TAX BILLS TO:

10 West Martin, LLC
c/o Ryan Companies US, Inc. Attn: Marie Jindra
533 South Third Street Suite 100
Minneapolis, MN 55415

PROPERTY ADDRESS: 10 W MARTIN AVENUE, NAPERVILLE, IL



City of Naperville, IL
Miscellaneous - TAXRET - 2020
003375-0039 Rodrigo : 07/10/2020 03:37PM
REAL ESTATE TRANSFER TAX (TAXRET)
10 W MAR
TIN AV#111
Payment Amount: 15,600.00
Finance CC: *****6371
Transaction Amount: 15,600.00

QUIT CLAIM DEED
Statutory (Illinois)



J.P. "RICK" CARNEY
DUPAGE COUNTY RECORDER
NOV 02 2000 9:49 AM
DEED 07-24-400-007
005 PAGES R2000-171372

THE GRANTOR, EDWARD
HOSPITAL DISTRICT, a
hospital district created and
existing under and by virtue of the
laws of the State of Illinois and

(The Above Space for Recorder's Use Only)

duly authorized to transact business in the State of Illinois, for the consideration of Ten and no/100 (\$10.00) Dollars, and other good and valuable consideration in hand paid, and pursuant to authority given by the Board of Directors of said corporation, CONVEYS and QUIT CLAIMS to EDWARD HOSPITAL, an Illinois not-for-profit corporation organized and existing under and by virtue of the laws of the State of Illinois having its principal office at the following address: 801 Washington Street, Naperville, Illinois, all interest in the following described Real Estate situated in the County of DuPage and State of Illinois, to wit:

SEE EXHIBIT A ATTACHED HERETO AND BY
THIS REFERENCE MADE A PART HEREOF

Permanent Real Estate Index Numbers: 07-24-400-007; 07-24-400-008;
07-24-400-011; 07-24-400-12

Addresses of Real Estate: 852 West Street; Naperville, IL 60540;
775 Brom Drive, Naperville, IL 60540;
100-120 Spaulding Drive, Naperville, IL 60540
801 Washington Street, Naperville, IL 60566

J. P. "Rick" Carney

R2000171372

DuPage County Recorder

In Witness Whereof, said Grantor has caused its name to be signed to these presents by
its Chairman this 25th day of October, 2000.

EDWARD HOSPITAL DISTRICT

By: *Michael J. McManis*

Its: Chairman of the Board

Assessor per the provisions of Paragraph E, Section 4,
Real Estate Transfer Tax Act
Date: 10/25/00 By: *Michael J. McManis*

CITY OF NAPERVILLE		REAL ESTATE TRANSFER TAX	
CITY TAX		# 000300917	00000000
	OCT 26 00		FP326850
NAPERVILLE, IL			

-2-

J. P. "Rick" Carney

R2000171372

DuPage County Recorder

State of Illinois)
) SS.
 County of Cook)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that Michael Minnaugh is personally known to me to be the Chairman of Edward Hospital District, an Illinois hospital district, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such Chairman, he signed and delivered the said instrument, pursuant to authority given by the Board of said Directors of said corporation, for the uses and purposes therein set forth.

Given under my hand and official seal, this 25th day of October, 2000.



Mary Helen Crespo
 Notary Public

Commission expires March 20, 2002

This Instrument Was Prepared By:

Jennifer R. Breuer, Esq.
 Osttner, Cartou & Douglas
 321 North Clark Street
 Suite 3400
 Chicago, IL 60610-4795

MAIL TO: { Edward Hospital	}	SEND SUBSEQUENT TAX BILLS TO:
{ Attn: Nanette Bufalino	}	Edward Hospital
{ 801 Washington Street	}	Attention: President
{ P. O. Box 3060	}	801 Washington Street
{ Naperville, IL 60566	}	P. O. Box 3060
		Naperville, IL 60566

OR RECORDER'S OFFICE BOX NO. _____

CH01/12110924.1

-3-

J. P. "Rick" Carney

R2000171372

DuPage County Recorder

EXHIBIT ALEGAL DESCRIPTION**PARCEL 1:**

That part of the Southeast quarter of Section 24, Township 38 North, Range 9, East of the Third Principal Meridian, described by beginning at the Northeast corner of the Southeast quarter of the Southwest quarter of said Section 24, Township 38 North, Range 9, East of the Third Principal Meridian and running thence North 69° East 37.12 chains to stake and stones in center of road; thence South 18° East 4.98 chains along the road to H. Knickerbocker's line; thence South 70° West 38.15 chains along Knickerbocker's line to stake and stones; thence North 1° East 4.70 chains to the place of beginning; also Lot 11 as platted and described in Book 3 on pages 240 and 242 of Circuit Court records described by commencing at stake and stones at Northeast corner of Southeast quarter of Southwest quarter of said Section 24 and running thence North 25° West 4.65 chains to stake and stones; thence North 69 and one-half ° East 39.44 chains to stake and stones in center of road; thence South 4° West 4.61 chains to angle in road; thence South 18° East 1.45 chains to stake and stones; thence South 69 and one-half ° West 37.12 chains to place of beginning, in DuPage County, Illinois.

ALSO

PARCEL 2:

That part of the Southeast quarter of Section 24, Township 38 North, Range 9, East of the Third Principal Meridian, described by commencing at the Northeast corner of said Southeast quarter; thence West along the North line of said Southeast quarter 500.3 feet to the center line of Washington Street; thence South 0° 51' West along the center line of said Washington Street 34.9 feet to a place of beginning; thence South 0° 51' West along said center line of Washington Street 100.0 feet; thence South 66° 08' West 1802.2 feet to the West line of the Naperville Cemetery extended South; thence North 1° 03' East along the West line of said Cemetery extended South 642.4 feet; thence North 83° 29' East 1648.4 feet to the place of beginning, in DuPage County, Illinois.

C901/111115141

J. P. "Rick" Carney

R2000171372

DuPage County Recorder

AFFIDAVIT — METES AND BOUNDS

STATE OF ILLINOIS)
COUNTY OF DU PAGE) 55.

AFFIDAVIT — METES AND BOUNDS

Peter M. Klee, being duly sworn on oath,
states that he/she resides at 1724 S. Appleton St., Wheaton
That the attached deed is not in violation of Section 205/1 of Chapter 765 of the Illinois Compiled Statutes for one of the following reasons:

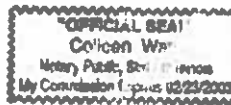
1. The division or subdivision of land is into parcels or tracts of five acres or more in size which does not involve any new streets or easements of access.
2. The division is of lots or blocks of less than one acre in any recorded subdivision which does not involve any new streets or easements of access.
3. The sale or exchange of parcels of land is between owners of adjoining and contiguous land.
4. The conveyance is of parcels of land or interests therein for use as right of way for railroads or other public utility facilities, which does not involve any new streets or easements of access.
5. The conveyance is of land owned by a railroad or other public utility which does not involve any new streets or easements of access.
6. The conveyance is of land for highway or other public purposes or grants of conveyances relating to the dedication of land for public use or instruments relating to the vacation of land impressed with a public use.
7. The conveyance is made to correct descriptions in prior conveyances.
8. The sale or exchange is of parcels or tracts of land following the division into no more than two parts of a particular parcel or tract of land existing on July 17, 1959 and not involving any new streets or easements of access.
9. The sale is of a single lot of less than five acres from a larger tract, the dimensions and configurations of said larger tract having been determined by the dimensions and configuration of said larger tract on October 1, 1973, and no sale, prior to this sale, or any lot or lots from said larger tract having taken place since October 1, 1973 and a survey of said single lot having been made by a registered land surveyor.
10. The conveyance is of land described in the same manner as title was taken by grantor(s).

THE APPLICABLE STATEMENT OR STATEMENTS ABOVE ARE CIRCLED.

AFFIANT further states that he/she makes this affidavit for the purpose of inducing the Recorder of DuPage County, State of Illinois, to accept the attached deed for recording.

SUBSCRIBED AND SWORN TO before me

this 2nd day of November, 2000
Colleen Ward
Notary Public



J. P. "RICK" CARNEY, DU PAGE COUNTY RECORDER
421 N. COUNTY FARM ROAD, BOX 936, WHEATON, ILLINOIS 60189

(Rev. 12/94)

J. P. "Rick" Carney

R2000171372

DuPage County Recorder

Attachment #3
Operating Identity/Licensee

File Number 1342977-4



To all to whom these Presents Shall Come, Greeting:

I, Alexi Giannoulas, 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

CARDIOVASCULAR INSTITUTE AMBULATORY SURGERY CENTER, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON AUGUST 17, 2023, 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.

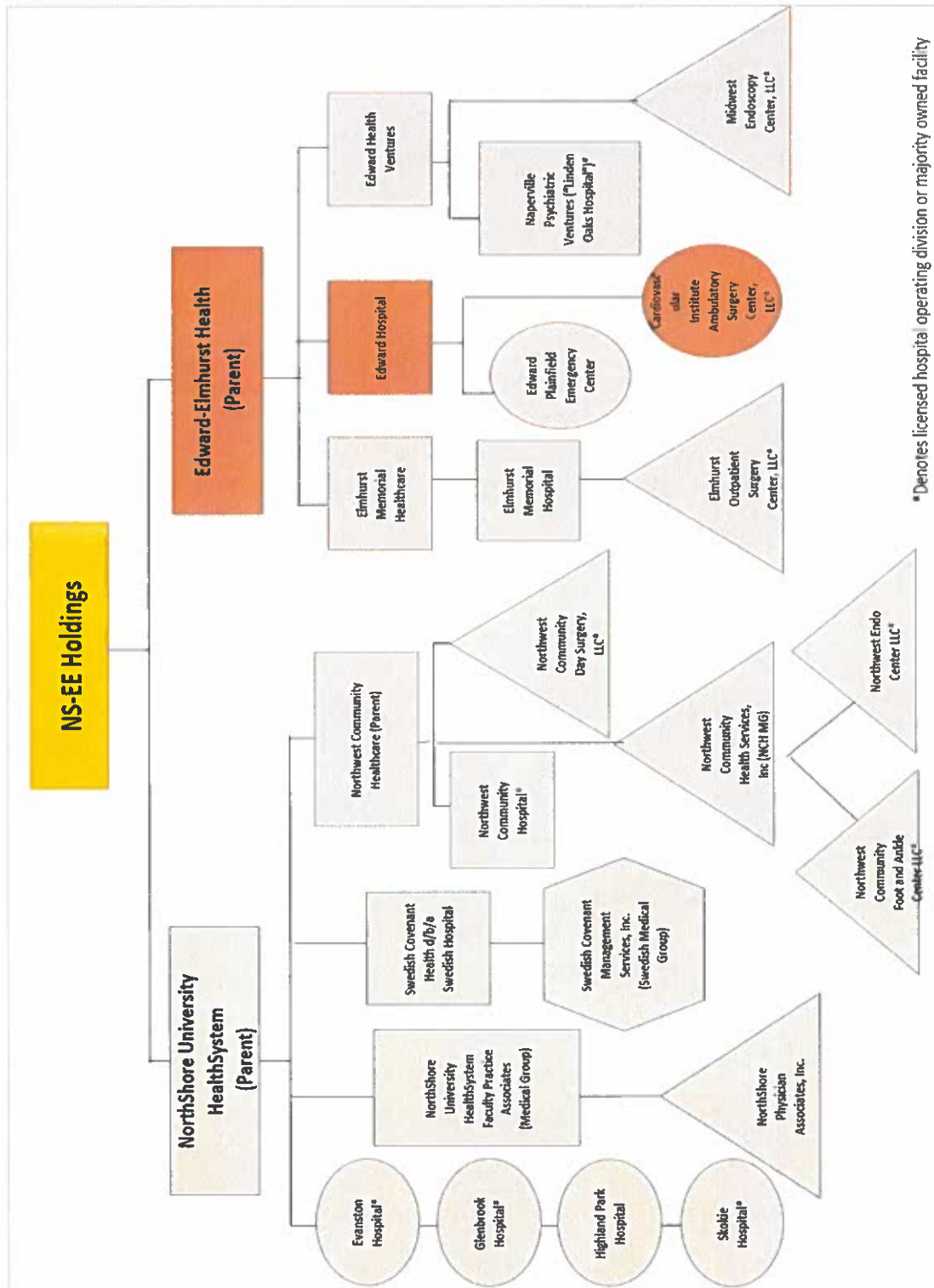


Authentication #: 2323004406 verifiable until 08/18/2024
Authenticate at: <https://www.sos.gov>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 18TH day of AUGUST A.D. 2023 .

Alexi Giannoulas
SECRETARY OF STATE

Attachment #4
Organizational Relationships



**Attachment #5
Flood Plain Requirements**

The location of the proposed project is 10 Martin Avenue, Naperville, Illinois.

By their signatures on the certification page of this application, the applicant attests that the project is not located on a flood plain and compiles with the Flood Plain Rule under Illinois Executive Order #2006-5 according to the FEMA floodplain map on the following page.



**Attachment #6
Historic Resources Preservation Act Requirements**

The location of the proposed project is 10 Martin Avenue, Naperville, Illinois. The letter on the following page from the Illinois Department of Natural Resources indicates that the project is not considered a historic, architectural, or archeological site.



**Illinois Department of
Natural Resources**

One Natural Resources Way Springfield, Illinois 62702-1271
www.dnr.illinois.gov

J.B. Pritzker, Governor
Colleen Callahan, Director

**DuPage County
Naperville
Demolition and New Construction of a Medical Office Building
10 W. Martin Ave.
KHA-168018017
SHPO Log #008051222**

June 3, 2022

**Scott Willson
Kimley-Horn and Associates, Inc.
4201 Winfield Road, #600
Warrenville, IL 60555**

Dear Mr. Willson:

This letter is to inform you that we have reviewed the information provided concerning the referenced project.

Our review of the records indicates that no historic, architectural or archaeological sites exist within the project area.

Please retain this letter in your files as evidence of compliance with Section 4 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et. seq.). This clearance remains in effect for two years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the Illinois Human Skeletal Remains Protection Act (20 ILCS 3440).

If you have any further questions, please contact Rita Baker, Cultural Resources Manager, at 217/785-4998 or at Rita.E.Baker@illinois.gov.

Sincerely,

A handwritten signature in black ink that reads "Carey L. Mayer".

**Carey L. Mayer, AIA
Deputy State Historic
Preservation Officer**

**Attachment #7
Project Costs and Sources of Funds**

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning	In Lease	In Lease	In Lease
Site Survey and Soil Investigation	In Lease	In Lease	In Lease
Site Preparation	In Lease	In Lease	In Lease
Off Site Work	In Lease	In Lease	In Lease
New Construction Contracts	\$ 1,952,891.25	\$ 945,922.07	\$ 2,898,813.32
Modernization Contracts			
Contingencies	\$ 191,793.99	\$ 107,463.01	\$ 299,257.00
Architectural and Engineering Fees	\$ 226,845.23	\$ 222,419.77	\$ 449,265.00
Consulting and Other Fees	\$ 358,125.93	\$ 64,895.07	\$ 423,021.00
Movable or Other Equipment	\$ 3,796,682.00	\$ 113,877.00	\$ 3,910,559.00
Bond Issuance Expense			
Net Interest Expense During Construction			
Fair Market Value of Leased Space	\$ 10,905,750.21	\$ 5,356,475.79	\$ 16,262,226.01
Other Costs to be Capitalized	\$ 1,420,979.08	\$ 53,294.90	\$ 1,474,273.98
Acquisition of Building or Other Property	\$ 783,510.75	\$ 384,829.68	\$ 1,168,340.43
TOTAL USES OF FUNDS	\$ 19,636,578.44	\$ 7,249,177.29	\$ 26,885,755.73
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$ 8,730,828.22	\$ 1,892,701.50	\$ 10,623,529.72
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)	\$ 10,905,750.21	\$ 5,356,475.79	\$ 16,262,226.01
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$ 19,636,578.44	\$ 7,249,177.29	\$ 26,885,755.73

**Attachment #8
Project Status and Completion Schedules**

The IHFSRB has approved the following active CON/COE applications. These projects are expected to be completed on time and within budget without any changes to scope.

Skokie Hospital (Project # 20-008)

CON permit approved 4/7/2020

Permit completion date: 12/15/2023

Glenbrook Hospital (Project # 21-016)

CON permit approved 9/13/2021

Permit completion date: 12/31/2024

Northwest Community Hospital Outpatient Care Facility (Project # 22-010)

CON permit approved 5/20/2022

Permit completion date: 3/31/2024

Cardiovascular Institute Outpatient Center (Project # 23-029)

CON permit approved 8/24/2023

Permit completion date: 3/31/2025

**Attachment #9
Cost Space Requirements**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
CLINICAL							
Operating Rooms	\$ 10,648,204.84		3,932	3,932			
Prep and Recovery Spaces	\$ 3,199,355.30		1,569	1,569			
Nursing Station	\$ 1,105,194.76		542	542			
Building Gross	\$ 4,683,823.54		2,297	2,297			
Total Clinical	\$ 19,636,578.44		8,340	8,340			
NON-CLINICAL							
Reception/Registration	\$ 135,784.62		142	142			
Storage/Supplies/Equipment	\$ 787,933.27		2,114	2,114			-
Patient Toilet	\$ 269,656.77		282	282			
Staff Lockers/Lounge	\$ 2,117,092.54		2,214	2,214			
MEP/Housekeeping	\$ 611,987.00		640	640			
Decontamination/Sterilization	\$ 320,336.95		335	335			
Building Gross	\$ 3,006,386.15		3,144	3,144			
Total Non-Clinical	\$ 7,249,177.29		8,871	8,871			
TOTAL	\$ 26,885,755.73		17,211	17,211			

**Attachment #11
Background of Applicant**

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

NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health			
Name	Address	License No.	Accreditation Identification No
NorthShore Evanston Hospital	2650 Ridge Avenue Evanston, Illinois 60201	0000646	7343
NorthShore Glenbrook Hospital	2100 Pfingsten Road Glenview, Illinois 60225	0003483	7343
NorthShore Highland Park Hospital	777 Park Avenue West Highland Park, Illinois 60035	0005066	7343
NorthShore Skokie Hospital	9600 Gross Point Road Skokie, Illinois 60076	0005587	7343
Swedish Covenant Health d/b/a Swedish Hospital	5145 North California Avenue Chicago, Illinois	0002717	7343
Northwest Community Hospital	800 West Central Road Arlington Heights, Illinois 60005	0001701	4656
Edward Hospital	801 South Washington Street Naperville, Illinois 60540	0003905	7394
Elmhurst Memorial Hospital	155 East Brush Hill Road Elmhurst, Illinois 60126	000575(1)	7341
Naperville Psychiatric Ventures d/b/a Linden Oaks Hospital	852 South West Street Naperville, Illinois 60540	0005058	4973
Edward Plainfield Emergency Center	24600 West 127 th Street Plainfield, Illinois 60585	22003	257710
Northwest Community Day Surgery Center II	675 West Kirchoff Road Arlington Heights, Illinois 60005	7001209	558537
Northwest Endo Center	1415 South Arlington Heights Road Arlington Heights, Illinois 60005	7003210	117454
Northwest Community Foot and Ankle Center	1455 East Golf Road Des Plaines, Illinois 60016	7003213	120139

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.

NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health Health Care Facilities with 5% or Greater Ownership		
Name	Address	License No.
Ravine Way Surgery Center	2350 Ravine Way #500 Glenview, Illinois 60025	7003080
River North Same Day Surgery Center	1 East Street #300 Chicago, Illinois 60611	7002090
North Shore Same Day Surgery, LLC	3725 W. Touhy Avenue Lincolnwood, Illinois 60712	7003130
Elmhurst Outpatient Surgery Center	1200 South York Road, Suite 1400 Elmhurst, Illinois 60126	7002330

Midwest Endoscopy	3811 Highland Avenue Downers Grove, Illinois 60515	7001076
DMG Surgical Center	2725 Technology Drive Lombard, Illinois 60148	7003023
Plainfield Surgery Center	24600 West 127 th Street, Building C Plainfield, Illinois 60585	7003135

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 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.
- 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.
- A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude.
- A certified listing of each applicant with one or more unsatisfied judgements against him or her.
- 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.

By signature on the Certification page of this application, the Applicants attest that no adverse action has been taken against any facility owned and/or operated by the Applicants during the three years prior to the filing of this application. For purpose of this certification, the term "adverse action" is defined in the Illinois Administrative Code, Title 77, Section 1130.140.

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.

By signature on this application, the applicants grant the IHFSRB and IDPH access to information to verify information in this application.

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.

By signature on this application, the applicants attest that the information provided in other applications submitted during this calendar year including the proposed Cardiovascular Institute Outpatient Center (Project#23-029) is correct and has no changes from what was submitted.

Attachment #12
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.**

Cardiovascular diseases (CVDs) are the leading cause of death globally, taking an estimated 17.9 million lives each year. CVDs are a group of disorders of the heart and blood vessels and include coronary heart disease, cerebrovascular disease, rheumatic heart disease and other conditions.¹ As such, cardiology care is a core service for any community hospital. This project will allow for the expansion of cardiac catheterization services on the campus of Edward Hospital, part of the Edward-Elmhurst Health system. Edward-Elmhurst Health is the largest non-academic provider of heart care in Illinois, treating more than 45,000 heart and vascular patients annually. Edward-Elmhurst cardiovascular programs have been nationally recognized for quality care and clinical outcomes. Edward Hospital currently operates six highly utilized cardiac catheterization labs within the hospital. Nationally, market and regulatory changes in the cardiovascular space are leading to the migration of lower risk cardiovascular procedures to the surgery center setting. The migration of these procedures has accelerated with the Centers for Medicare and Medicaid Services (CMS) addition of diagnostic heart catheterizations and percutaneous coronary intervention (PCI) to the ASC-covered procedure list (CPL) in 2020. Edward Hospital plans to expand access to these procedures by developing the planned cardiac catheterization Surgery Center which is now supported by provider clinical practices and state and federal regulatory support, patient volume demand, improvements in medical technology, as well as financial and operational benefits.

The procedures expected to be performed at the planned Surgery Center have historically been performed at the affiliated hospital, Edward Hospital, a co-applicant to this project. The Edward Hospital program is highly utilized. In 2022, Edward Hospital performed 4,825 cardiac catheterization procedures in its 6 specialized labs. Moreover, cardiac catheterization utilization at Edward Hospital has increased approximately 6% annually from 2020 to 2022.² Based on this historical utilization, Edward Hospital is projected to perform approximately 5,700 cardiac catheterization procedures by 2025. Due to this high utilization, physicians and staff need to work longer days to ensure all patients are promptly treated while care is never compromised, it is suboptimal for all, particularly physicians and staff. The planned Surgery Center will alleviate overutilization at Edward Hospital and ensure cardiac catheterization procedures are accessible at all hours of the day without as much stress on hospital operations to ensure they can be promptly performed for urgent and emergency cases. Finally, performing the procedures in a lower cost setting meets the objective of population health management and assists patients by providing lower copayments

Cardiac catheterization is a procedure in which a thin, flexible tube (catheter) is guided through a blood vessel to the heart to diagnose or treat certain heart conditions, such as occluded arteries or irregular heartbeats. Cardiac catheterization gives doctors important information about the heart muscle, heart valves and blood vessels in the heart. During cardiac catheterization, doctors can do different heart tests, deliver treatments, or remove a piece of heart tissue for examination. Some heart disease treatments — such as coronary angioplasty and coronary stenting — are done using cardiac catheterization. These procedures are referred to as interventional cardiac catheterization and can often be done when a diagnostic catheterization identifies a problem that can be corrected with the placement of a stent.

The cardiac catheterization lab will be located in a new medical office building, adjacent to the hospital and will house cardiac physician medical offices to allow for continuity of care. More

¹ https://www.who.int/health-topics/cardiovascular-diseases#tab=tab_1.

² Illinois Health Facilities and Services Review Board, 2020 – 2022 Annual Hospital Questionnaire.

seriously ill patients requiring emergent hospital services will be transported via ambulance to the adjacent hospital on campus.

Clinical Need

Nationally. Cardiovascular diseases (CVDs) are the leading cause of global mortality and a major contributor to disability and are increasing world-wide. Heart disease is the leading cause of death for men, women, and people of most racial and ethnic groups in the United States, accounting for nearly 1 in 5 deaths (or about 697,000 people) in 2020.³ From 2017 to 2018, heart disease cost the United States about \$229 billion each year, due to health care services, medications, and lost productivity due to death.⁴ Coronary artery disease (CAD) is the most common type of heart disease, leading to the death of at least 382,820 people in 2020. About 20.1 million adults aged 20 and older have CAD (about 7.2%). In 2020, approximately 2 in 10 deaths from CAD occurred in adults under 65.⁵

Illinois. In the state of Illinois, ischemic heart disease and hypertensive heart disease are the first and tenth leading cause of death in 2019 and a major cause of disability.⁶ Between 2009 and 2019, there was a 4.4% increase in ischemic heart disease and a 23.7% increase in hypertensive heart disease as causes of death.⁷ In 2017, there were 25,393 deaths in Illinois due to heart disease representing 23 percent of all deaths in Illinois in 2017 (107,726).⁸

Edward Hospital Service Area. According to the 2021 EEHealth Community Health Needs Assessment and Implementation (CHNA), the age-adjusted death rate for coronary heart disease is 68.3/100,000 in DuPage County and the coronary heart disease mortality rate is 107.7/100,000 in Will County.⁹

EEHealth is invested in the prevention of heart disease in our community. EEHealth provides a free online Heart Aware assessment that can give a quick analysis of a patient's risk for heart disease. This information can then be used by the patient and physician to discuss ways to stay heart healthy. EEHealth also offers a comprehensive heart scan package that includes cholesterol drawing, blood pressure check, and a one-on-one conversation with a nurse to discuss preliminary results, review risk factors and answer questions.

EEHealth offers additional community programs that support heart health and prevention of heart disease. These programs include Delicious Meets Nutritious, where individuals learn how to focus on maintaining a well-balanced diet, best choices for snacking and restaurant eating, as well as recipe demonstration with a registered dietician. Jump Start Your Health is a year-long lifestyle change program to help people lose weight, increase activity, and prevent disease utilizing Group Lifestyle Balance, a curriculum that helps people make lasting lifelong changes to prevent heart disease. EEHealth's Prevention & Education team of nurses also attend various events throughout the community providing education to various companies whether its for their

³ Centers for Disease Control and Prevention, Heart Disease Facts (Oct. 14, 2022) available at <https://www.cdc.gov/heartdisease/facts.htm#print> (last visited May 17, 2023).

⁴ Id.

⁵ Id.

⁶ Institute for Health Metrics and Evaluation, United States of America – Illinois available at <https://www.healthdata.org/united-states-illinois> (last visited May 18, 2023).

⁷ Id.

⁸ Illinois Department of Public Health, "Diseases of the Heart and Stroke: Illinois' Leading Killers" available at <https://dph.illinois.gov/topics-services/diseases-and-conditions/heart-stroke.html> (last visited May 18, 2023).

⁹ Edward-Elmhurst Health, 2021 EEH Community Health Needs Assessment and Implementation 16 available at <https://www.eehealth.org/-/media/files/edward-elmhurst/community/eeh-2022-chna-and-fy23-fy25-implementation-strategy-final-for-website.pdf> (last visited May 18, 2023).

employees to have screenings or learn about heart health. EEHealth also participates each year in the annual American Heart Association Heart Walk, raising more than \$20,000 each year to support heart disease research and prevention efforts.

Lastly, heart disease might be inevitable for some patients, and should they require coronary revascularization or coronary artery bypass surgery, EEHealth's patients are visited by a team from the EEHealth cardiac rehab program to provide education on preventing any future cardiac events and encouraging them to attend outpatient cardiac rehab. When a patient attends cardiac rehab, the multi-disciplinary team focuses on monitoring their outcomes, which include optimizing their blood pressure, improving their functional capacity, provide smoking cessation information, and improving their depression scoring if applicable.

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

The table below shows the zip codes and primary service area for the planned cardiac catheterization program. The service area consists of communities located in DuPage, Will, Kendall, and Cook counties. In 2021, this region had over 969,000 residents according to demographic analyses conducted by Claritas, LLC and is projected to grow 1.0% by 2026 with disproportionate growth expected in the population over 65 years old (+17% growth by 2026), the age group that has the highest demand for cardiac services.

Zip	City	County
60101	Addison	DuPage
60104	Bellwood	Cook
60106	Bensenville	DuPage
60126	Elmhurst	DuPage
60131	Franklin Park	Cook
60137	Glen Ellyn	DuPage
60148	Lombard	DuPage
60154	Westchester	Cook
60160	Melrose Park	Cook
60162	Hillside	Cook
60163	Berkeley	Cook
60164	Northlake	Cook
60165	Stone Park	Cook
60181	Villa Park	DuPage
60191	Wood Dale	DuPage
60440	Bolingbrook	Will
60446	Romeoville	Will
60490	Bolingbrook	Will

Zip	City	County
60502	Aurora	DuPage
60503	Aurora	Will
60504	Aurora	DuPage
60517	Woodridge	DuPage
60523	Oak Brook	DuPage
60532	Lisle	DuPage
60540	Naperville	DuPage
60543	Oswego	Kendall
60544	Plainfield	Will
60555	Warrenville	DuPage
60560	Yorkville	Kendall
60563	Naperville	DuPage
60564	Naperville	Will
60565	Naperville	DuPage
60566	Naperville	DuPage
60567	Naperville	DuPage
60585	Naperville	Will
60586	Naperville	Will

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

Demand for physician and other clinical services has increased on the Edward Hospital campus. In particular, cardiovascular services have experienced significant growth, due in part to the impact of COVID-19 on cardiovascular health, as the virus frequently attacks the body's circulatory system, causing new clotting and inflammation.¹⁰ Further, the aging population within

¹⁰ American Heart Association News, Cardiovascular Deaths Saw Steep Rise in U.S. During First Year of COVID-19 Pandemic (Jan. 25, 2023) available at <https://www.heart.org/en/news/2023/01/25/cardiovascular-deaths-saw-steep-rise-in-us-during-first-year-of-the-covid-19-pandemic>.

Edward Hospital's primary service area¹¹ is anticipated to increase the need for cardiovascular services, as well as the growth in the incidence of cardiovascular disease and related comorbidities.

EEH's current cardiovascular program is designed to foster a high level of collaboration between cardiologists and cardiac surgeons, ancillary departments, patients and families to optimize engagement around inpatient and outpatient cardiovascular treatment, thus space on the hospital campus is integral. Currently, all existing space on the hospital campus is occupied, both at the hospital and at the medical office buildings on the campus. Keeping these services on campus, particularly in a building that will also provide clinic space for these specialists, will maintain the patient care advantages including improved outcomes of a tightly integrated network of providers by accommodating space on the hospital campus

4. Cite the sources of the documentation

Centers for Disease Control and Prevention, Heart Disease Facts (Oct. 14, 2022) *available at* <https://www.cdc.gov/heartdisease/facts.htm#print> (last visited May 17, 2023).

Institute for Health Metrics and Evaluation, United States of America – Illinois *available at* <https://www.healthdata.org/united-states-illinois> (last visited May 18, 2023).

Illinois Department of Public Health, "Diseases of the Heart and Stroke: Illinois' Leading Killers" *available at* <https://dph.illinois.gov/topics-services/diseases-and-conditions/heart-stroke.html> (last visited May 18, 2023).

Edward-Elmhurst Health, 2021 EEH Community Health Needs Assessment and Implementation 16 *available at* <https://www.eehealth.org/-/media/files/edward-elmhurst/community/eeh-2022-chna-and-fy23-fy25-implementation-strategy-final-for-website.pdf> (last visited May 18, 2023).

Keith C. Ferdinand, M.D., Samar A. Nasser, PhD, MPH, PA-C, *African-American COVID-19 Mortality: A Sentinel Event*, 76 *Journal of the American College of Cardiology*, 2746, 2747 (2020) *available at* <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7173826/pdf/main.pdf> (last visited May 19, 2023).

Claritas LLC

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

The planned project will provide the necessary space to accommodate cardiologists, cardiac surgeons, and additional cardiac catheterization labs on the Edward Hospital campus, which will improve access and reduce wait times.

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

The goal of this project is to enhance access to cardiac catheterization services. Quantifiable and measurable objectives of the project include:

- Open new cardiac catheterization lab by June 2025
- Accommodate 1,090 cardiac catheterization procedures by 2027, two years after project completion

¹¹ Per Claritas, LLC, the 65+ age cohort is expected to grow by over 17% by 2026.

**Attachment #13
Alternatives**

The Applicants seek to expand cardiac catheterization services on the main campus of Edward Hospital. After a thoughtful deliberation process, the Applicants determined the planned project to establish an ambulatory surgical treatment center specializing in cardiac catheterization procedures on the campus of Edward Hospital is, in balance, the most effective and least costly alternative to the other alternatives considered when balancing access and quality with costs. The following narrative compares the planned Project to alternative options.

1. Do Nothing

Project Cost: \$0. As described in Attachment 12, Edward Hospital operates six cardiac catheterization labs with average utilization of approximately 4,500 procedures annually, which is sufficient to justify 11 cardiac catheterization labs. Moreover, cardiac catheterization utilization at Edward Hospital has increased approximately 6% annually from 2020 to 2022.¹ Based on this historical utilization, the hospital is projected to perform approximately 5,700 cardiac catheterization procedures by 2025. Accordingly, additional capacity is needed to meet the growing demand for cardiac catheterization procedures.

Further, cardiac catheterization labs of the hospitals within the Edward Hospital's 10-mile geographic service area, averaged approximately 600 procedures per cardiac catheterization lab, which is significantly above the State standard of 400 procedures per cardiac catheterization lab. Therefore, a need exists to increase timely access to care via increased capacity.

Electing to do nothing would negatively impact the ability to improve access and address the communities' needs. Due to the high utilization of the Edward Hospital catheterization labs, physicians and staff need to work longer days to ensure all patients are promptly treated, which is suboptimal for patients, physicians and staff. It is imperative that a cardiac catheterization lab is accessible at all hours of the day to ensure cardiac catheterization procedures can be promptly performed for urgent and emergency cases. Doing nothing will not alleviate the high utilization or accommodate future growth. For these reasons, this option was rejected.

2. Increase Capacity at Edward Hospital

Increasing cardiac catheterization labs at Edward Hospital is complex, more costly, and will increase the operational timeline to add capacity. There is no available space adjacent to the existing cardiac catheterization labs at Edward Hospital. To build additional labs adjacent to the existing cardiac catheterization labs, existing areas/departments would need to be relocated to other areas of the Hospital, which would extend the timeframe of operationalization of the additional cardiac catheterization labs as well as adding extra costs. Given the high utilization of the existing cardiac catheterization labs and need to expand capacity, this option is not feasible at this time. Further, existing medical office space on the hospital campus is 100% occupied. Cost estimates were not developed for this option since it is not realistic for the planned Project.

3. Lease/Buy an Existing Building in the Same General Location

Edward Hospital's real estate broker reviewed the possibility of placing this ASTC into an existing building near Edward Hospital. No other sites met the criteria for the Project, specifically close proximity to the hospital, to allow for safe and easy transfer of more seriously ill patients requiring advanced treatment and for continuity of care. Moreover, the proximity of the on-campus site to the hospital will create efficiencies and eliminate unnecessary duplication of services, as the Surgery Center will utilize the hospital for support services, such as pharmacy and clinical pathology services.

¹ Illinois Health Facilities and Services Review Board, 2020 – 2022 Annual Hospital Questionnaire.

Additionally, proximity to Edward Hospital is critical for physician efficiencies and convenience as well as provider and staff collaboration. If a site had been available, the cost of developing an ASTC in an off-campus building would be comparable to the planned Project.

4. Establish Cardiac Catheterization Services at the New Medical Office Building

To best serve the needs of the residents of Edward Hospital's market area, the Applicants ultimately decided to establish a new cardiac catheterization laboratory at the new medical office building to be constructed on the Edward Hospital campus. This is optimal from a patient care perspective and also allows for much of the upfront financing of the Project to be provided by the site developer funding core & shell and tenant improvements. Additionally, physicians will have the benefit of keeping these services on campus, particularly in a building that will also provide clinic space for these specialists. This will maintain the patient care advantages including improved outcomes of a tightly integrated network of providers by accommodating space on the hospital campus

**Attachment #14
Size of Project**

The proposed project is a 17,200 square foot ambulatory surgery center with 2 cardia catheterization labs. The distribution of the space is shown in the table below.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
CLINICAL				
Operating Rooms (2 rooms)	3,932	2075-2750 DGSF/Operating Room = 4150-5500 sf	1,568	Yes
Prep/Recovery (9 rooms)	1,569		N/A	
Nursing Station	542		N/A	
Building Gross	2,297			
Total Clinical	8,340			
NON-CLINICAL				
Reception/Registration	142		N/A	
Storage/Supplies/Equipment	2,114		N/A	
Patient Toilet	282		N/A	
Staff Lockers/Lounge	2,214		N/A	
MEP/Housekeeping	640		N/A	
Decontamination/Sterilization	335		N/A	
Building Gross	3,144		N/A	
Total Non-Clinical	8,871		N/A	
TOTAL	17,211			

**Attachment #15
Project Services Utilization**

Cardiac Catheterization

By the second year of operation, annual utilization of the planned cardiac catheterization laboratories, shall exceed the HFSRB standard of 200 cardiac catheterization procedures annually. The planned Surgery Center will include two cardiac catheterization laboratories. In 2022, Midwest Cardiovascular Institute physicians performed 4,567 cardiac catheterizations and anticipate performing 1,090 procedures by the second year after project completion. As shown in the Table 1110.120(b) below, cardiac catheterization utilization will exceed the State Standard.

Table 1110.120(b)(1) Cardiac Catheterization Projected Utilization				
Dept/Service	Historic Utilization (Procedures)	2027	State Standard	Standard Met
Cardiac Catheterization	N/A	1,090	400	Yes

Unfinished or Shell Space

The proposed project does not include unfinished or shell space.

Attachment #23
Cardiac Catheterization Review Criteria

1. Peer Review

NorthShore – Edward-Elmhurst Health, including Edward Hospital, has a robust multi-disciplinary peer review process in place. This process includes peer review processes associated with the existing cardiac catheterization program at Edward Hospital. The Applicants seek to expand access to cardiac catheterization in a planned surgery center to be located adjacent to Edward Hospital (the "Surgery Center"). The Surgery Center will establish a program that evaluates whether cardiac catheterization patient outcomes are consistent with quality standards established by professional organizations for cardiovascular services. If outcomes do not meet or exceed those standards, a quality improvement plan will be initiated.

The Qualified Consulting Committee (the "Committee") will be chaired by the Surgery Center Medical Director. Additional Committee membership will be made up of clinical, interventional cardiologists and quality improvement personnel. Additionally, representatives on the Committee without voting privileges may include personnel from Risk Management, Quality and Nursing.

Unbiased reviewers will evaluate each case and present salient summaries to the Committee for discussion and voting on the final event classification assigned. All potentially avoidable cases attributable to patient care factors are forwarded to the Medical Director for review after which a meeting will be held between the Medical Director and treating physicians and/or nurses to review the case and make recommendations for future care and similar circumstances.

Individual cases for review will be identified from the following list of indicators and any other referrals received since the previous meeting date:

- Bleeding – Access Site
- Bleeding - Gastrointestinal
- Bleeding – Hematoma at Access Site
- Bleeding – Other
- Bleeding – Retroperitoneal
- Cardiac Arrest
- Cardiac Tamponade
- Cardiogenic Shock
- Death
- Heart Failure
- Myocardial Infarction
- New Requirement for Dialysis
- Other Vascular Complications Requiring Treatment
- Stroke – Hemorrhagic
- Stroke – Ischemic
- Stroke - Undetermined
- Patient Grievance Regarding Medical Care

The Surgery Center Committee and Professional Staff Office will maintain provider-specific peer review and other quality information concerning practitioners in a secure file. Physician performance profiles will be utilized by the Medical Director at time of reappointment. Peer review data, performance data, and physician correspondence regarding cases reviewed or evaluations of the Committee will be available only to authorized individuals.

2. Establishment of Cardiac Catheterization Services

The proposed project complies with the multi-institutional variance criteria and thus this criterion is not applicable.

3. Unnecessary Duplication of Services

- a. The primary purpose of this project is to alleviate overutilization at Edward Hospital, which averaged 804 cardiac catheterization procedures per lab in 2022. As such, some of the cases historically performed at Edward Hospital will be transferred to the planned Surgery Center to improve access to cardiac catheterization to patients in the Edward Hospital service area and to better ensure hospital cardiac catheterization labs are accessible for urgent and emergency cases at all hours of the day. Based on the current utilization of the Edward Hospital labs and the planned number of cases to be transferred, the planned cardiac catheterization labs will not reduce volume of existing facilities below 200 catheterizations.
- b. Attached at Attachment – 23B are copies of the request for impact statement sent to all cardiac catheterization programs in the applicable planning area, HSA 7.

4. Support Services

As noted throughout this application, the planned Surgery Center will be located on the campus of Edward Hospital. To eliminate unnecessary duplication of services and improve efficiencies, cardiac catheterization support services will be provided by Edward Hospital or Midwest Cardiovascular Institute ("MCI").

- Nuclear medicine laboratory (Edward Hospital and MCI)
- Echocardiography service (Edward Hospital and MCI)
- Electrocardiography laboratory and services, including stress testing and continuous cardiogram monitoring (Edward Hospital and MCI)
- Pulmonary function unit (Edward Hospital)
- Blood bank (Edward Hospital)
- Hematology laboratory-coagulation laboratory (Edward Hospital)
- Microbiology laboratory (Edward Hospital)
- Blood gas laboratory (Edward Hospital)
- Clinical pathology laboratory with facilities for blood chemistry (Edward Hospital)

5. Laboratory Location

The planned Surgery Center will include two cardiac catheterization labs that will be located adjacent to one another.

6. Staffing

The planned Surgery Center will have the following a cardiac catheterization team in place.

- Lab director board-certified in internal medicine, pediatrics or radiology with subspecialty training in cardiology or cardiovascular radiology.
- All physicians performing cardiac catheterization procedures will have appropriate training in cardiology and/or radiology.
- Nurses are responsible for rendering professional nursing care, for routine and/or complex patient conditions. They provide clinical assistance to other personnel in patient care planning, provision of care, and patient discharge planning, collaborate with Physicians to enhance patient care, assess patients' conditions, administer prescribed

drugs per Physician orders, provide treatments, observe patients' progress, record pertinent observations and report reactions to drugs and treatments. They assist physicians with cases, procedures and/or examinations and identify problems and take appropriate actions based on data collected. All nurses will have a Minimum one year of previous procedural nursing in Cardiac Catheterization Lab, Interventional Radiology or Interventional Neurology experience and/or critical care/Telemetry nursing background, depending on hiring department within the catheterization labs; current State of Illinois Registered Nurse license; current CPR Certification issued by either American Heart Association or American Red Cross; and Advanced Cardiovascular Life Support (ACLS) certification within six months of hire. Other preferred but not required certification may include: Certified Vascular Nurse (CVN), Progressive Care Certified Nurse (PCCN), Ambulatory Care Nurse (ACN), Critical Care Nurse (CCRN).

- All radiologic technologists will be certified by the State and will participate in a 9 – 12 month in-house orientation where they will be trained in conventional radiographic techniques and angiographic principles, knowledge in every aspect of catheterization instrumentation, and thorough knowledge of the anatomy and physiology of the cardiovascular system.
- Cardiac catheterization special procedure technicians will assist physicians in conducting diagnostics and/or invasive procedures by preparing equipment and patients for procedures, and attending to patients' needs according to established policies and procedures. They will clean and prepare a variety of sterile and non-sterile equipment, catheters and the like, and troubleshoot equipment to ensure the same is working properly. Cardiac catheterization special procedure technicians will have at least one year of procedural experience in catheterization lab or special procedures. The following certifications and registrations are required upon hire: IEMA (Illinois Emergency Management Agency) licensure, ARRT (R) (American Registry of Radiological Technology) (Radiology) certification, Advanced Cardiac Life Support (ACLS) certification required or must attain ACLS certification with twelve months of hire, and current CPR certification issued either by American Heart Association or Red Cross.
- Nursing staff are responsible for monitoring physiologic data and alerting physician to any changes.
- Philips' technicians are under contract to perform systematic tests and routine maintenance on cardiac catheterization equipment.
- All imaging is digital, so darkroom technicians are not required.

7. Continuity of Care

The Surgery Center has a written transfer agreement with Edward Hospital for the transfer of seriously ill patients from the Surgery Center who require acute care including open heart surgery to ensure continuity of care. This agreement can be found in Attachment 23C.

8. Multi-Institutional Variance

- a. The planned Surgery Center will be affiliated with the existing Edward Hospital cardiac program, which consists of highly utilized open heart and cardiac catheterization programs. See Table 1110.225(i). All the physicians on staff at the Surgery Center will also be on staff at Edward Hospital. Edward Hospital will have a controlling interest in

the planned Surgery Center, which will be located in a new medical office building on the Edward Hospital campus and will house cardiac physician offices to allow for continuity of care. Further, its proximity to Edward Hospital will permit more seriously ill patients requiring emergent hospital services including open heart surgery to be transported promptly to the hospital. Finally, as discussed throughout this application, the purpose of the planned Surgery Center is to alleviate overutilization at Edward Hospital, improve access and reduce wait times.

Table 1110.225(i)				
	State Standard	2020	2021	2022
Open Heart Surgery	200 procedures annually	699	802	834
Cardiac Catheterization	200 procedures annually	3,906	4,381	4,825

Source: Illinois Health Facilities and Services Review Board 2020 – 2021 Annual Hospital Profile Reports and 2022 Annual Hospital Questionnaires

- b. As noted in above, Edward Hospital operates a well-established open heart surgery program.
- c. Expanding the existing cardiac catheterization program at Edward Hospital is complex, more costly, and will increase the operational timeline to add capacity. Importantly, there is no available space adjacent to the existing cardiac catheterization labs at Edward Hospital. As a result, existing areas/departments would need shift to other areas of the Hospital, which would extend the timeframe of operationalization of the additional cardiac catheterization labs. Given the high utilization of the existing cardiac catheterization labs and need to expand capacity, expanding the existing cardiac catheterization program at Edward Hospital is not feasible at this time and the planned Surgery Center is an optimal plan given the lower cost offered by a surgery center.
- d. As noted in Table 1110.225(i) above, the Edward Hospital cardiac catheterization program is operating above 750 procedures annually, and utilization is expected to continue to increase due, in part, to the aging population in the Edward Hospital service area. The planned Surgery Center will not bring utilization of the Edward Hospital program below 750 procedures.
- e. The planned Surgery Center will operate at the minimum utilization target occupancy and will not reduce utilization of existing programs below target utilization. The primary purpose of this project is to alleviate overutilization at Edward Hospital, which averaged 804 cardiac catheterization procedures per lab in 2022. Certain cardiac catheterization procedures historically performed at Edward Hospital will be transferred to the planned Surgery Center to improve access to cardiac catheterization to patients in the Edward Hospital service area and will alleviate high utilization of Edward Hospital's program. Based on the planned transfer of procedures and the limited capacity of the Surgery Center, the planned cardiac catheterization labs will not reduce volume of existing facilities below 200 catheterizations.

Attachment #23A
Planning Area 7 Hospitals with Cardiac Catheterization



**Attachment #23B
Impact to Area Providers**



**Edward-Elmhurst
HEALTH**

August 14, 2023

Via Certified Mail

Mr. Adam Maycock
UChicago Medicine AdventHealth Hinsdale
120 North Oak Street
Hinsdale, Illinois 60521

RE: Request for Impact Statement

Dear Mr. Maycock:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

Edward Hospital currently operates 6 cardiac catheterization labs at the main hospital. Utilization for the most recent two years is provided in the table below.

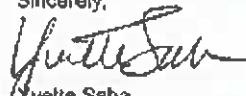
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Pursuant to Section 1110.225 of the HFSRB rules, we advise you of this plan and if you anticipate any impact on your program, please let us know. If you elect to respond to our request, identify the impact the planned project will have on utilization at your hospital. Given our historical utilization, we believe the project will not adversely impact your operations.

Please send your response or questions about this letter by email to me at Yvette.Saba@eehealth.org.

Sincerely,


Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Mr. Adam Maycock
UChicago Medicine AdventHealth LaGrange
5101 Willow Springs Road
LaGrange, Illinois 60525

RE: Request for Impact Statement

Dear Mr. Maycock:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Sincerely,

Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Ms. Allison Wyler
Advocate Good Samaritan Hospital
3815 Highland Avenue
Downers Grove, Illinois 60515

RE: Request for Impact Statement

Dear Ms. Wyler:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Sincerely,

Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Mr. Bruce Christian
UChicago Medicine AdventHealth Bolingbrook
500 Remington Boulevard
Bolingbrook, Illinois 60440

RE: Request for Impact Statement

Dear Mr. Christian:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Sincerely,

Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Mr. Dan Doherty
Ascension Alexian Brothers
800 Biesterfeld Road
Elk Grove Village, Illinois 60007

RE: Request for Impact Statement

Dear Mr. Doherty:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Sincerely,

Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Ms. Dia Nichols
Advocate Lutheran General Hospital
1775 Dempster Street
Park Ridge, Illinois 60068

RE: Request for Impact Statement

Dear Ms. Nichols:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board (“HFSRB”) to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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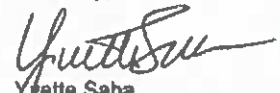
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Sincerely,


Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Dino P. Rumoro, D.O.
Rush Oak Park Hospital
520 South Maple Avenue
Oak Park, Illinois 60304

RE: Request for Impact Statement

Dear Dr. Rumoro:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Sincerely,

Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Mr. Douglas Silverstein
Evanston Hospital
2650 Ridge Avenue
Evanston, Illinois 60201

RE: Request for Impact Statement

Dear Mr. Silverstein:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Sincerely,

Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Kimberley Darey, M.D.
Elmhurst Memorial Hospital
155 East Brush Hill Road
Elmhurst, Illinois 60126

RE: Request for Impact Statement

Dear Dr. Darey:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Sincerely,

Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Ms. Elizabeth E. Early
Gottlieb Memorial Hospital
701 West North Avenue
Melrose Park, Illinois 60160

RE: Request for Impact Statement

Dear Ms. Early:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Sincerely,

Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Mr. Eric Rhodes
Ascension Saint Francis
355 Ridge Avenue
Evanston, Illinois 60202

RE: Request for Impact Statement

Dear Mr. Rhodes:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Sincerely,

Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Mr. Jeff Good
Northwestern Medicine Palos Hospital
12251 South 80th Avenue
Palos Heights, Illinois 60463

RE: Request for Impact Statement

Dear Mr. Good:

I am writing on behalf of NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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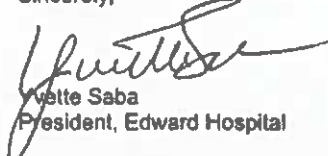
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Sincerely,



Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Mr. Jesse Peterson Hall
NorthShore Glenbrook Hospital
2100 Pfingsten Road
Glenview, Illinois 60026

RE: Request for Impact Statement

Dear Mr. Peterson Hall:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Sincerely,


Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Ms. Kathleen Kinsella
OSF Little Company of Mary
2800 West 95th Street
Evergreen Park, Illinois 60805

RE: Request for Impact Statement

Dear Ms. Kinsella:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Sincerely,


Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Mr. Kevin Poorten
Northwestern Central DuPage Hospital
25 North Winfield Road
Winfield, Illinois 60190

RE: Request for Impact Statement

Dear Mr. Poorten:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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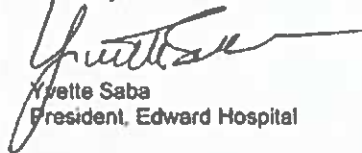
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Sincerely,



Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Mr. Manoj Prasad
West Suburban Medical Center
3 Erie Street
Oak Park, Illinois 60302

RE: Request for Impact Statement

Dear Mr. Prasad:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Mr. Michael Antoniadis
UChicago Medicine Ingalls Memorial – Harvey
1 Ingalls Drive
Harvey, Illinois 60426

RE: Request for Impact Statement

Dear Mr. Antoniadis:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

Edward Hospital currently operates 6 cardiac catheterization labs at the main hospital. Utilization for the most recent two years is provided in the table below.

Year	Cardiac Catheterizations
2021	4,381
2022	4,825

Due to the high utilization of the cardiac catheterization labs, physicians and other staff need to work longer days to ensure all patients are promptly treated. The establishment of the cardiac catheterization labs will not affect other programs in the geographic service area, as approximately 1,090 cases historically performed at Edward Hospital will be performed as the planned ASTC.

Pursuant to Section 1110.225 of the HFSRB rules, we advise you of this plan and if you anticipate any impact on your program, please let us know. If you elect to respond to our request, identify the impact the planned project will have on utilization at your hospital. Given our historical utilization, we believe the project will not adversely impact your operations.

Please send your response or questions about this letter by email to me at Yvette.Saba@eehealth.org.

Sincerely,

Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Mr. Michael Hartke
Northwest Community Hospital
800 West Central Road
Arlington Heights, Illinois 60005

RE: Request for Impact Statement

Dear Mr. Hartke:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Sincerely,

Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Mr. Mike Farrell
Advocate Christ Medical Center
4440 West 95th Street
Oak Lawn, Illinois 60453

RE: Request for Impact Statement

Dear Mr. Farrell:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Sincerely,

Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Mr. Pierre Monice
MacNeal Hospital
3249 South Oak Park Avenue
Berwyn, Illinois 60402

RE: Request for Impact Statement

Dear Mr. Monice:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Sincerely,

Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Mr. Rashard Johnson
Advocate South Suburban Hospital
17800 South Kedzie Avenue
Hazel Crest, Illinois 60429

RE: Request for Impact Statement

Dear Mr. Johnson:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Sincerely,

Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Mr. Raymond Grady
Franciscan Health – Olympia Fields
20201 South Crawford
Olympia Fields, Illinois 60461

RE: Request for Impact Statement

Dear Mr. Grady:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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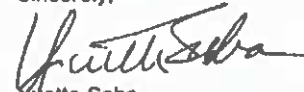
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Please send your response or questions about this letter by email to me at Yvette.Saba@eehealth.org.

Sincerely,


Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Ms. Roxann Barber
Ascension Saint Alexius
1555 Barrington Road
Hoffman Estates, Illinois 60169

RE: Request for Impact Statement

Dear Ms. Barber:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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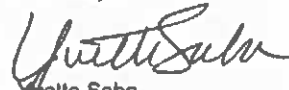
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Sincerely,


Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Mr. Tad Gomez
Loyola University Medical Center
2160 South First Avenue
Maywood, Illinois 60153

RE: Request for Impact Statement

Dear Mr. Gomez:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Please send your response or questions about this letter by email to me at Yvette.Saba@eehealth.org.

Sincerely,

Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540



Edward-Elmhurst
HEALTH

August 14, 2023

Via Certified Mail

Mr. Vladimir Radivojevic
UChicago Medicine AdventHealth Glen Oaks
701 Winthrop Avenue
Glendale Heights, Illinois 60139

RE: Request for Impact Statement

Dear Mr. Radivojevic:

I am writing on behalf NS-EE Holdings d/b/a NorthShore – Edward-Elmhurst Health, Edward-Elmhurst Healthcare and Cardiovascular Institute Ambulatory Surgery Center to inform you of our intent to file a certificate of need application with the Illinois Health Facilities and Services Board ("HFSRB") to establish two cardiac catheterization labs as part of an ambulatory surgical treatment center to be located in a newly constructed medical office building on the campus of Edward Hospital.

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Please send your response or questions about this letter by email to me at Yvette.Saba@eehealth.org.

Sincerely,

Yvette Saba
President, Edward Hospital

Edward Hospital
801 S. Washington Street
Naperville, Illinois 60540

**Attachment #23C
Transfer Agreement**

DocuSign Envelope ID: 297CB958-674F-4168-86F6-1775F722103A

HOSPITAL TRANSFER AGREEMENT

THIS HOSPITAL TRANSFER AGREEMENT ("Agreement") is made this 21st day of August, 2023 ("Effective Date") by and between **Cardiovascular Institute Ambulatory Surgery Center, LLC**, an Illinois limited liability company ("Transferring Facility"), and **Edward Hospital**, an Illinois not-for-profit corporation ("Receiving Hospital"). (Transferring Facility and Receiving Hospital may each be referred to herein as a "Party" and collectively as the "Parties").

RECITALS

WHEREAS, Transferring Facility provides health care services to the community;

WHEREAS, patients of Transferring Facility ("Patients") may require transfer to a Hospital for acute-inpatient or other emergency health care services;

WHEREAS, Receiving Hospital owns and operates a licensed and Medicare certified acute care Hospital, which has a twenty-four (24) hour emergency room and provides emergency health care services, and is located in reasonable proximity to Transferring Facility; and

WHEREAS, the Parties desire to enter into this Agreement in order to specify the rights and duties of each of the Parties and to specify the procedure for ensuring the timely transfer of patients to Receiving Hospital.

NOW, THEREFORE, to facilitate the timely transfer of patients to Receiving Hospital, the Parties hereto agree as follows:

**ARTICLE I
TRANSFER OF PATIENTS**

Section 1.1 In the event that any Patient needs acute inpatient or emergency care and has either requested to be taken to Receiving Hospital, or is unable to communicate a preference for Hospital services at a different Hospital, and a timely transfer to Receiving Hospital would best serve the immediate medical needs of Patient, a designated staff member of Transferring Facility shall contact the admitting office or emergency department of Receiving Hospital (the "Emergency Department") to facilitate admission. Receiving Hospital shall receive Patient in accordance with applicable federal and state laws and regulations, the standards of The Joint Commission ("TJC") and any other applicable accrediting bodies, and reasonable policies and procedures of Receiving Hospital. Responsibility for patient care shall begin when Patient arrives upon Receiving Hospital's property.

ARTICLE II
RESPONSIBILITIES OF TRANSFERRING FACILITY

Section 2.1 Transferring Facility shall be responsible for performing or ensuring the performance of the following:

- (a) Arranging for ambulance service to Receiving Hospital; and
- (b) Designating a person who has authority to represent Transferring Facility and coordinate the transfer of Patient to Receiving Hospital; and
- (c) Notifying Receiving Hospital's designated representative prior to transfer to alert him or her of the impending arrival of Patient and provide information on Patient to the extent allowed pursuant to Article IV; and
- (d) Notifying Receiving Hospital of the estimated time of arrival of the Patient; and
- (e) Recognizing and complying with the requirements of any federal and state laws and regulations or local ordinances that apply to the care and transfer of individuals to Receiving Hospital for emergency care.

ARTICLE III
RESPONSIBILITIES OF RECEIVING HOSPITAL

Section 3.1 Receiving Hospital shall be responsible for performing or ensuring performance of the following:

- (a) Designating a person who has authority to represent and coordinate the transfer and receipt of Patients into the Emergency Department; and
- (b) Admission of Patient to Receiving Hospital when transfer of Patient is medically appropriate as determined by Receiving Hospital attending physician subject to Hospital capacity and patient census issues; and
- (c) Recognizing and complying with the requirements of any federal and state laws and regulations or local ordinances that apply to Patients who present at Emergency Departments.

ARTICLE IV
PATIENT INFORMATION

Section 4.1 In order to meet the needs of Patients with respect to timely access to emergency care, Transferring Facility shall provide information on Patients to Receiving Hospital, to the extent approved in advance or authorized by law and to the extent Transferring Facility has such information available. Such information may include: Patient Name, Date of Birth, insurance coverage and/or Medicare beneficiary information (if applicable), known allergies or medical conditions, treating physician, contact person in case of emergency and any

other relevant information Patient has provided Transferring Facility in advance, to be given in connection with seeking emergency care. Transferring Facility shall maintain the confidentiality of medical/insurance information provided by Patient and received from Patient, in connection with Patient's provision of such information, Patient's authorization to disclose such information to Emergency Department personnel, in accordance with applicable state and federal rules and regulations governing the confidentiality of patient information.

ARTICLE V NON EXCLUSIVITY

Section 5.1 This Agreement shall in no way give Receiving Hospital an exclusive right of transfer of Patients of Transferring Facility. Transferring Facility may enter into similar agreements with other receiving hospitals, and Patients will continue to have complete autonomy with respect to choice of receiving hospital service providers, as further described in Article VI.

ARTICLE VI FREEDOM OF CHOICE

Section 6.1 In entering into this Agreement, Transferring Facility in no way is acting to endorse or promote the services of Receiving Hospital. Rather, Transferring Facility intends to coordinate the timely transfer of Patients for emergency care. Patients are in no way restricted in their choice of emergency care providers.

ARTICLE VII BILLING AND COLLECTIONS

Section 7.1 Receiving Hospital shall be responsible for the billing and collection of all charges for professional services rendered at Receiving Hospital. Transferring Facility shall in no way share in the revenue generated by professional services delivered to Patients at Receiving Hospital.

ARTICLE VIII INDEPENDENT RELATIONSHIP

Section 8.1 In performing services pursuant to this Agreement, Receiving Hospital and all employees, agents or representatives of Receiving Hospital are, at all times, acting and performing as independent contractors and nothing in this Agreement is intended and nothing shall be construed to create an employer/employee, principal/agent, partnership or joint venture relationship. Transferring Facility shall neither have nor exercise any direction or control over the methods, techniques, or procedures by which Receiving Hospital or its employees, agents or representatives perform their professional responsibilities and functions. The sole interest of Transferring Facility is to coordinate the timely transfer of Patients to Receiving Hospital for emergency care.

Section 8.2 Receiving Hospital shall be solely responsible for the payment of compensation and benefits to its personnel and for compliance with any and all payments of all taxes, social security, unemployment compensation and worker's compensation.

Section 8.3 Notwithstanding the terms of this Agreement, in no event shall Receiving Hospital or any Receiving Hospital personnel be responsible for the acts or omissions of non-Receiving Hospital personnel.

ARTICLE IX INSURANCE

Section 9.1 Each Party shall maintain during the term of this Agreement, at its sole cost and expense, general liability and professional liability insurance coverage in such amounts as are reasonable and customary for its business practices in the industry. Evidence of such coverage shall be provided upon request to each Party together with a certification that such coverage may not be canceled without written notice to the other Party.

ARTICLE X INDEMNIFICATION

Section 10.1 Each Party shall indemnify, defend and hold harmless the other Party from and against any and all liability, loss, claim, lawsuit, injury, cost, damage or expense whatsoever (including reasonable attorneys' fees and court costs), imposed by a third party and arising out of, incident to or in any manner occasioned by the performance or nonperformance of any duty or responsibility under this Agreement by such indemnifying Party, or any of its employees, agents, contractors or subcontractors.

ARTICLE XI TERM AND TERMINATION

Section 11.1 Term. The term of this Agreement shall commence on the Effective Date and shall continue in effect for one (1) year ("Initial Term") and shall renew on an annual basis ("Renewal Term") absent written notice by either Party of non-renewal to the other Party thirty (30) calendar days prior to the expiration of the Initial Term or any subsequent renewal term of this Agreement.

Section 11.2 Events of Termination. Notwithstanding the foregoing, this Agreement may be terminated upon the occurrence of any one (1) of the following events:

(a) Either Party may terminate this Agreement at any time upon sixty (60) days' prior written notice to the other Party.

(b) If either Party shall apply for or consent to the appointment of a receiver, trustee or liquidator of itself or of all or a substantial part of its assets, file a voluntary petition in bankruptcy, or admit in writing its inability to pay its debts as they become due, make a general assignment for the benefit of creditors, file a petition or an answer seeking reorganization or arrangement with creditors or take advantage of any insolvency law, or if an order, judgment, or decree shall be entered by a court of competent jurisdiction or an application of a creditor, adjudicating such Party to be bankrupt or insolvent, or approving a petition seeking reorganization of such Party or appointing a receiver, trustee or liquidator of such Party or of all or a substantial part of its assets, and

such order, judgment, or decree shall continue in effect and unstayed for a period of thirty (30) consecutive calendar days, then the other Party may terminate this Agreement upon ten (10) business days' prior written notice to such Party.

Section 11.3 Immediate Termination. Notwithstanding anything to the contrary herein, this Agreement will be terminated immediately upon the following events: (a) the suspension or revocation of the license, certificate or other legal credential authorizing either Party to provide health care services; (b) termination of a Party's participation in or exclusion from any federal or state health care program for any reason; (c) the cancellation or termination of a Party's professional liability insurance required under this Agreement without replacement coverage having been obtained.

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 12.1 Entire Agreement. This Agreement constitutes the entire understanding between the Parties with respect to the subject matter hereof. This Agreement supersedes any and all other prior agreements either written or oral, between the Parties with respect to the subject matter hereof.

Section 12.2 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute one and the same instrument.

Section 12.3 Waiver. Any waiver of any terms and conditions hereof must be in writing, and signed by the Parties, a waiver of any of the terms and conditions hereof shall not be construed as a waiver of any other terms and conditions hereof.

Section 12.4 Severability. The provisions of this Agreement shall be deemed severable, and, if any portion shall be held invalid, illegal, or unenforceable for any reason, the remainder of this Agreement shall be effective and binding upon the Parties.

Section 12.5 Headings. All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

Section 12.6 Assignment. This Agreement shall not be assigned, delegated, or subcontracted by a Party without prior written consent of the other Party.

Section 12.7 Governing Law. This Agreement shall be construed under the laws of the State of Illinois, without giving affect to choice of law provisions.

Section 12.8 Notices. Any notice herein required or permitted to be given shall be in writing and shall be deemed received when delivered personally or when deposited in the U.S. mail, postage prepaid, sent registered or certified mail, return receipt requested or sent via a nationally recognized and receipted overnight courier service, and addressed to the Parties as follows:

To Transferring Facility

Cardiovascular Institute
 Ambulatory Surgery Center
 4201 Winfield Road
 Warrenville, IL 60555

To Receiving Hospital

Edward Hospital
 801 S. Washington Street
 Naperville, IL 60540
 Attn: Chief Medical Officer

Copy to:**Copy to:**

NorthShore – Edward-Elmhurst Health
 4201 Winfield Road
 Warrenville, IL 60555
 Attn: Chief Legal Officer

or such other place or places as either Party may designate by written notice to the other.

Section 12.9 Amendment. This Agreement may be amended upon mutual, written agreement of the Parties.

Section 12.10 Regulatory Compliance. The Parties agree that nothing contained in this Agreement shall require Transferring Facility to refer patients to Receiving Hospital for emergency care services or to purchase goods and services. Notwithstanding any unanticipated effect of any provision of this Agreement, neither Party will knowingly and intentionally conduct its behavior in such a manner as to violate the prohibition against fraud and abuse in connection with the Medicare and Medicaid programs.

Section 12.11 Access to Books and Records. If applicable, upon written request of the Secretary of Health and Human Services or the Comptroller General of the United States, or any of their duly authorized representatives, Receiving Hospital shall make available to the Secretary or to the Comptroller General those contracts, books, documents, and records necessary to verify the nature and extent of the costs of providing its services under this Agreement. Such inspection shall be available for up to four (4) years after the rendering of such service. This Section is included pursuant to and is governed by the requirements of Public Law 96-499 and Regulations promulgated thereunder. The Parties agree that any attorney-client, accountant-client, or other legal privileges shall not be deemed waived by virtue of this Agreement.

[Signatures on Following Page]

DocuSign Envelope ID: 287C8858-674F-4168-86F6-1775F722103A

IN WITNESS THEREOF, the Parties have caused this Agreement to be executed as of the date first written above.

TRANSFERRING FACILITY

**CARDIOVASCULAR INSTITUTE
AMBULATORY SURGERY CENTER**
An Illinois Limited Liability Company

DocuSigned by:
By: Joseph C. Dant
Joseph C. Dant

Title: President, South Region

RECEIVING HOSPITAL

EDWARD HOSPITAL
An Illinois Not-for-Profit Corporation

DocuSigned by:
By: Yvette Saba
Yvette Saba

Its: President

Attachment #25
Non-Hospital Based Ambulatory Surgery Review Criteria

Service to GSA Residents

1. A map of the planned Surgery Center's market area is attached at Attachment – 25A. As set forth in Criterion 1110.230, the planned Surgery Center will serve residents of Naperville and surrounding communities within 10 miles of the planned Surgery Center. Accordingly, the intended GSA consists of those areas within the planned Surgery Center.
2. Table 1110.235(c)(2)(B)(i) below lists the zip code areas that comprise the GSA of the planned Surgery Center.

Table 1110.235(c)(2)(B)(i)		
Geographic Service Area Population		
Zip Code	City	Population
60137	Glen Ellyn	38,648
60185	West Chicago	34,471
60187	Wheaton	30,465
60189	Wheaton	30,550
60190	Winfield	11,448
60439	Lemont	24,589
60440	Bolingbrook	51,310
60490	Bolingbrook	22,497
60502	Aurora	23,066
60503	Aurora	16,752
60504	Aurora	39,454
60505	Aurora	61,702
60515	Downers Grove	29,144
60516	Downers Grove	29,163
60517	Woodridge	33,318
60519	Eola	40
60532	Lisle	29,144
60540	Naperville	42,911
60555	Warrenville	13,924
60561	Darien	23,444
60563	Naperville	38,704
60564	Naperville	46,390
60565	Naperville	39,200
60585	Plainfield	24,471
Total		734,805

United States Census Bureau, American Community Survey, 2021 5-Year Estimate Data Profiles available at <https://data.census.gov/table?tid=ACSDP1Y2021.DP05> (last visited Jun. 21, 2023)

3. Table 1110.235(c)(2)(B)(i) lists the patient origin by zip code for all patients treated by Midwest Cardiovascular Institute physicians for the last 12-month period.

Table 1110.235(c)(2)(B)(i) Historical Patients by Zip Code							
Zip Code	Cases		Zip Code	Cases		Zip Code	Cases
00000	2		60153	25		60544	100
14859	1		60154	56		60545	18
17929	1		60155	17		60546	6
20037	1		60157	5		60548	33
23120	1		60160	40		60549	2
32137	1		60162	45		60551	9
32163	1		60163	40		60552	6
32550	1		60164	81		60554	11
33602	2		60165	7		60555	18
33919	1		60169	2		60556	2
34103	1		60171	20		60558	4
34108	1		60172	7		60559	13
34113	1		60173	3		60560	52
34211	1		60174	10		60561	30
34292	1		60175	7		60563	148
34476	1		60176	5		60564	139
34608	1		60177	2		60565	181
34698	1		60178	2		60566	3
34983	1		60181	185		60585	83
38555	1		60184	4		60586	88
39323	1		60185	15		60601	2
45040	1		60187	20		60605	1
46307	2		60188	26		60608	5
46321	1		60189	24		60609	2
46323	1		60190	10		60610	2
46373	1		60191	53		60611	3
46375	1		60193	7		60612	2
46391	1		60194	4		60614	1
46410	1		60301	3		60617	4
46511	2		60302	19		60619	1
47906	1		60304	8		60620	2
48124	1		60305	15		60622	1
49022	1		60402	14		60623	4
49047	1		60403	26		60624	5
49635	1		60404	38		60625	1
49665	1		60406	1		60626	1

Table 1110.235(c)(2)(B)(I) Historical Patients by Zip Code						
Zip Code	Cases		Zip Code	Cases		
49728	1		60407	1	60628	3
49913	1		60408	2	60629	2
52003	2		60409	1	60630	3
52225	1		60410	10	60631	2
52732	2		60411	1	60632	1
52807	1		60415	1	60634	8
53089	1		60416	2	60638	1
53115	2		60420	2	60639	6
53147	1		60421	2	60641	4
53154	1		60423	1	60642	1
53189	1		60430	4	60643	5
54166	1		60431	18	60644	7
54169	1		60432	1	60645	2
54234	2		60433	2	60646	2
54460	1		60435	17	60647	3
54902	1		60436	2	60651	6
54923	1		60438	3	60655	2
54986	1		60439	16	60656	3
55395	1		60440	126	60657	1
57719	1		60441	10	60660	1
60002	1		60442	1	60661	1
60004	1		60443	2	60706	9
60005	2		60446	69	60707	28
60007	11		60447	14	60714	2
60010	2		60450	5	60803	1
60014	1		60451	1	60804	7
60015	2		60452	5	60914	3
60016	5		60455	1	61036	1
60018	3		60456	3	61065	1
60025	2		60457	3	61072	1
60026	1		60459	3	61080	1
60030	1		60462	4	61103	1
60045	1		60463	6	61107	1
60047	2		60464	4	61108	1
60051	1		60467	5	61109	1
60056	9		60471	2	61114	1
60060	2		60472	1	61115	1
60062	2		60477	4	61244	1
60067	4		60478	2	61261	1

Table 1110.235(c)(2)(B)(i) Historical Patients by Zip Code					
Zip Code	Cases		Zip Code	Cases	
60068	3		60479	1	61301
60076	1		60480	1	61316
60077	1		60481	1	61318
60089	2		60482	2	61330
60090	3		60487	3	61341
60101	170		60490	73	61342
60102	1		60491	10	61348
60103	14		60502	32	61349
60104	54		60503	14	61350
60106	120		60504	52	61353
60107	11		60505	15	61354
60108	33		60506	24	61356
60110	3		60510	18	61364
60115	1		60512	3	61705
60118	1		60513	6	61761
60119	3		60514	7	61764
60120	2		60515	25	61778
60123	5		60516	28	61821
60126	383		60517	64	62052
60129	1		60518	1	62812
60130	8		60520	3	62959
60131	48		60521	6	62972
60133	10		60523	38	63044
60134	11		60525	7	63129
60135	5		60526	7	65757
60136	1		60527	25	75052
60137	48		60531	2	77399
60139	31		60532	75	78041
60140	1		60534	4	80528
60141	2		60538	14	85020
60142	6		60540	235	85373
60143	19		60541	7	85374
60148	223		60542	13	85742
60152	2		60543	48	98056

Service Demand

The physician referral letter providing the name and number of patients referred to health care facilities within the past 12 months and the projected number of referrals to the proposed ASTC is attached at Attachment 25B. A summary of the physician referral letter is provided in Table 1110.235(c)(3) below.

Hospital	Current Volume	Projected Referrals to Surgery Center after Project Completion
Edward Hospital	2,379	634
Elmhurst Memorial Hospital	2,188	456
Total	4,567	1,090

Treatment Room Need

1. As stated throughout this application, the Applicants plans to establish a Surgery Center with two cardiac catheterization labs. The State Board standard is 1,500 hours per procedure room. As documented in Attachment 25B, the referring physicians project to perform 1,090 cardiac catheterization procedures by the second year after project completion. The Applicant estimates the average length of time per procedure will be 1.5 hours, or 1,635 surgical hours. Accordingly, the proposed number of procedure rooms is necessary to service the projected patient volume.
2. As documented in Attachment 25B, the referring physicians project to perform 1,090 cardiac catheterization procedures by the second year after project completion. Based upon historical caseload data, the Applicant estimates the average length of time per procedure will be 1.5 hours. This estimate includes 30 minutes for prep and clean up.

Service Accessibility

The planned Surgery Center will improve access to cardiovascular services to residents of the geographic service area. Cardiology care is a core service for any community hospital, and this project will allow for the expansion of cardiac catheterization services on the campus of Edward Hospital. The hospital currently operates six highly utilized cardiac catheterization labs. More procedures are moving from a hospital setting due to provider and state regulation support, patient demand, improvements in medical technology, as well as financial and operational benefits.

Currently, there are no ambulatory surgical treatment centers and only five hospitals within the 10-mile geographic service area of the planned Surgery Center approved for cardiac catheterization. As shown in the table below, the hospitals in the geographic service area are highly utilized. As a result, service accessibility issues exist in the geographic service area.

Facility Name	Straight-Line Distance (Miles)	Cath Labs	Procedures
Edward Hospital	0.0	6	4,825
AdventHealth Bolingbrook	6.5	1	349
Northwestern Medicine Central DuPage Hospital	7.8	4	2,791
Good Samaritan Hospital - Advocate	8.2	4	2,157
Presence Mercy Medical Center	9.5	2	1,400

Source: Illinois Health Facilities and Services Review Board, 2021 Annual Hospital Profile Reports.

Unnecessary Duplication/Maldistribution

A map of the planned Surgery Center's market area is attached at Attachment – 25A. A list of all zip codes located in, whole or in part, within a 10-mile radius as well as the 2021 U.S. Census estimate figures for each zip code is provided in Table 1110.235(c)(7)(A)(i).

Table 1110.235(c)(7)(A)(i) Geographic Service Area Population		
Zip Code	City	Population
60137	Glen Ellyn	38,648
60185	West Chicago	34,471
60187	Wheaton	30,465
60189	Wheaton	30,550
60190	Winfield	11,448
60439	Lemont	24,589
60440	Bolingbrook	51,310
60490	Bolingbrook	22,497
60502	Aurora	23,066
60503	Aurora	16,752
60504	Aurora	39,454
60505	Aurora	61,702
60515	Downers Grove	29,144
60516	Downers Grove	29,163
60517	Woodridge	33,318
60519	Eola	40
60532	Lisle	29,144
60540	Naperville	42,911
60555	Warrenville	13,924
60561	Darien	23,444
60563	Naperville	38,704
60564	Naperville	46,390
60565	Naperville	39,200
60585	Plainfield	24,471
Total		734,805

United States Census Bureau, American Community Survey, 2021 5-Year Estimate Data Profiles available at <https://data.census.gov/table?tid=ACSDP1Y2021.DP05> (last visited Jun. 21, 2023)

A list of all existing and approved hospitals and surgery centers located within the planned Surgery Center's geographic service area are provided in Table 1110.235(c)(7)(A)(ii).

Table 1110.235(c)(7)(A)(ii) Hospitals and Surgery Centers within Geographic Service Area			
Facility Name	Address	City	Straight-Line Distance (Miles)
Edward Hospital	801 S Washington St	Naperville	0.0
Naperville Fertility Center, Inc	3 N Washington St	Naperville	1.0
Naperville Surgical Centre, LLC	1263 Rickert Dr	Naperville	1.3
Midwest Endoscopy Center, LLC	1243 Rickert Drive	Naperville	1.4
Northwestern Medicine Surgery Center	27650 Ferry Rd	Warrenville	3.6
DMG Pain Management Surgery Center, LLC	2940 Rollingridge Rd	Naperville	5.2
AdventHealth Bolingbrook	500 Remington Blvd	Bolingbrook	6.5
Castle Surgicenter	2111 Ogden Avenue	Aurora	6.5
Rush Copley Medical Center	2000 Ogden Ave	Aurora	6.6
Northwestern Medicine Central DuPage Hospital	25 N Winfield Rd	Winfield	7.8
Ambulatory Surgicenter of Downers Grove, Ltd.	4333 Main Street	Downers Grove	7.8
Good Samaritan Hospital - Advocate	3815 Highland Ave	Downers Grove	8.2
Midwest Center for Day Surgery	3811 Highland Ave	Downers Grove	8.2
Plainfield Surgery Center, LLC	24600 W 127th St	Plainfield	8.4
Dupage Eye Surgery Center, LLC	2015 N Main St	Wheaton	8.9
Kendall Pointe Surgery Center, LLC	100 West 5th Street	Oswego	9.0
Dreyer Ambulatory Surgery Center	1221 N Highland Ave	Aurora	9.4
Presence Mercy Medical Center	1325 N Highland Ave	Aurora	9.5
Salt Creek Surgery Center	530 N Cass Avenue	Westmont	9.5
DMG Surgical Center, LLC	2725 S Technology Dr	Lombard	9.6

Maldistribution of Services

1. Ratio of Surgical/Treatment Rooms to Population

As shown in Table 1110.235(c)(7)(B)(i), the ratio of surgical/treatment rooms to population is less than one and a half times the State average.

Table 1110.235(c)(7)(B)(i) Ratio of Surgical/Treatment Rooms to Population				
	Population	Surgical/Treatment Rooms	Rooms to Population	Standard Met
Geographic Service Area	734,805	192	1: 3,827	Yes
State	12,671,469	2,626	1: 4,825	

2. Historical Utilization of Existing Health Care Providers

The proposed procedures to be performed at the planned Surgery Center have historically been performed in a hospital that is highly utilized. In 2022, Edward Hospital performed 4,825 cardiac

catheterizations in its 6 cardiac catheterization labs. Moreover, cardiac catheterization utilization at Edward Hospital has increased approximately 6% annually from 2020 to 2022.¹² Based on this historical utilization, the hospital is projected to perform approximately 5,700 cardiac catheterization procedures by 2025. Transferring cases to the Surgery Center will allow the hospital cardiac catheterization labs to operate at a more optimal level and ensure a cardiac catheterization lab is accessible at all hours of the day to ensure procedures can be promptly performed for urgent and emergent cases. Finally, performing the procedures in a lower cost setting meets the objective of population health management and assists patients by providing lower copayments.

3. Sufficient Population to Provide Necessary Volume of Caseload

As discussed throughout this application, the primary purpose of this project is to increase access to cardiovascular surgery, specifically cardiac catheterization. Edward Hospital currently operates 6 highly utilized cardiac catheterization labs. As a result, physicians and staff need to work longer days to ensure all patients are promptly treated, which is suboptimal for patients, physicians and staff. The planned Surgery Center will alleviate overutilization at Edward Hospital and ensure a cardiac catheterization lab is accessible at all hours of the day to ensure cardiac catheterization procedures can be promptly performed for urgent and emergency cases. Furthermore, performing these procedures in an ambulatory surgery center will reduce costs for payors and patients alike, a central tenet of the certificate of need program.¹³

Impact on Other Health Care Facilities

As noted above, the Applicants proposed to transfer cases from Edward Hospital, which is highly utilized, to the planned Surgery Center. Transfer of these cases will alleviate overutilization of the cardiac catheterization labs, so they operate at a more optimal level. As such, it is not anticipated that other health care facilities will be impacted.

Staffing

As more fully discussed in Attachment #23, the planned Surgery Center will be staffed in accordance with all State Board, Illinois Department of Public Health and Medicare staffing requirements. The planned Surgery Center will lease existing cardiac catheterization lab staff from Edward Hospital. Edward Hospital will employ its typical recruiting practices as necessary to ensure appropriate staffing at the hospital and Surgery Center cardiac catheterization labs.

Charge Commitment

A list of the procedures to be performed at the planned Surgery Center with the proposed charges is provided in Table 1110.235(c)(9) below.

CPT	Description	Charge
<i>Revascularization</i>		
37220	Iliac revasc	\$ 10,373
37221	Iliac revasc w/stent	\$ 22,268
37224	Fem/popl revas w/tla	\$ 10,899
37225	Fem/popl revas w/ather	\$ 23,811

¹² Illinois Health Facilities and Services Review Board, 2020 – 2022 Annual Hospital Questionnaire.

¹³ 20 Ill. Comp. Stat. 3960/2.

37226	Fem/popl revasc w/stent	\$ 23,515
37227	Fem/popl revasc stnt & ather	\$ 39,791
37228	Tib/per revasc w/tla	\$ 20,535
37229	Tib/per revasc w/ather	\$ 37,521
37230	Tib/per revasc w/stent	\$ 38,308
37231	Tib/per revasc stent & ather	\$ 38,207
37236	Open/perq place stent 1st	\$ 21,548
37238	Open/perq place stent same	\$ 21,795
<i>PCI</i>		
92920	Prq cardiac angioplast 1 art	\$ 11,048
92928	Prq card stent w/angio 1 vsi	\$ 21,391



Edward-Elmhurst
HEALTH

Debra Savage
Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Charge Commitment

Dear Chair Savage:

Pursuant to 77 Ill. Admin Code §1110.235(c)(9)(B), I hereby commit that the charge schedule included in the certification of need application, which is a non-exhaustive list of the procedures typically performed within the new surgical specialty, will not be increased, at a minimum, for the first two years after the addition of the surgical specialty at Cardiovascular Institute Ambulatory Surgery Center, unless a permit is first obtained pursuant to 77 Ill. Admin. Code §1130.310(a).

Sincerely,

Authorized Representative - Yvette Saba, President, Edward Hospital
Cardiovascular Institute Ambulatory Surgery Center

Subscribed and sworn to me
This 20th day of August,
2023

Notary Public



Edward-Elmhurst
HEALTH

Debra Savage
Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Peer Review Program & Utilization Assurances

Dear Chair Savage:

Pursuant to 77 Ill. Admin Code §1110.235(c)(10), I hereby certify that a peer review program exists or will be implemented that evaluates whether patient outcomes are consistent with quality standards established by professional organizations for the ASTC services, and if outcomes do not meet or exceed those standards, that a quality improvement plan will be initiated.

I further certify that by the second year of operation after project completion, the annual utilization of cardiac catheterization labs will meet or exceed the utilization standard specified in 77 Ill. Admin. Code §1100.

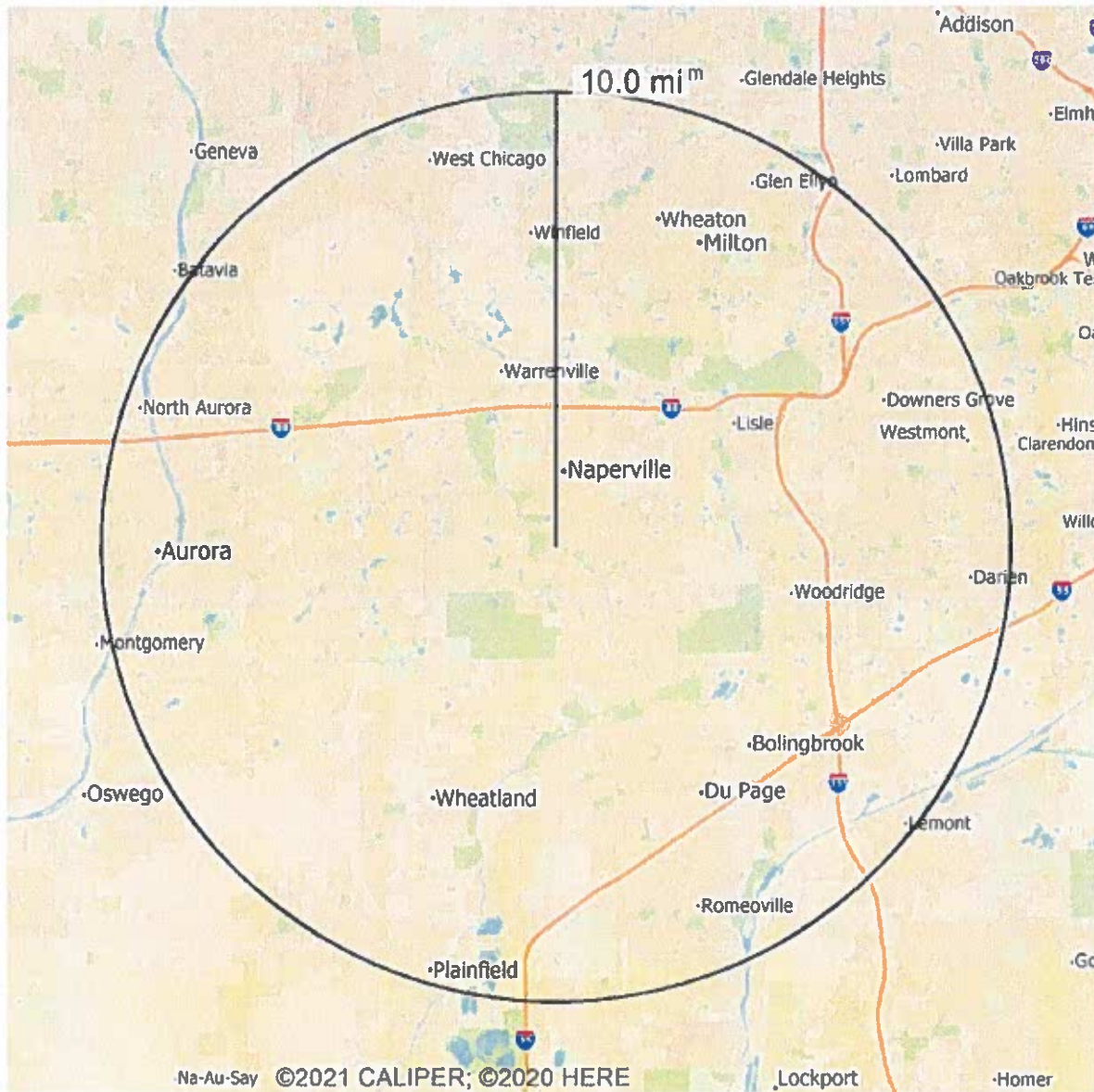
Sincerely,


Authorized Representative - Yvette Saba, President, Edward Hospital
Cardiovascular Institute Ambulatory Surgery Center

Subscribed and sworn to me
This 28th day of August,
2023


Notary Public

Attachment – 25A
Surgery Center Geographic Service Area



Attachment – 25B
Referrals

Patients First • Clinical Excellence
Communication • Compassion

July 5, 2023

Ms. Debra Savage, Chair
Illinois Health Facilities & Services Review
Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Proposed Ambulatory Surgery Center at 10 Martin Avenue, Naperville

Dear Ms. Savage:

I am the Chief Executive Officer of Midwest Cardiovascular Institute ("MCI"). Our medical group employs 23 expert cardiologists who provide world-class cardiovascular care with innovation and compassion. I am writing to provide documentation of the planned referrals of cardiac catheterization cases to the proposed ambulatory surgery center located at 10 Martin Avenue in Naperville (the "Surgery Center").

MCI's mission is to provide the highest quality cardiovascular care available. Our cardiologists perform cardiac procedures at Edward Hospital and Elmhurst Memorial Hospital. Due to the high utilization of the Edward Hospital cardiac catheterization labs, our cardiologists frequently need to work late in the day to ensure patients receive prompt diagnosis and treatment of heart disease. MCI supports the establishment of the planned Surgery Center, to be located on the campus of Edward Hospital, as it will not only alleviate overutilization at Edward Hospital, but it will allow us to accommodate future demand as the need for cardiac catheterization continues to increase.

Over the past twelve months (from January 1, 2022 to December 31, 2022) - for the zip codes listed on Exhibit 1, the cardiologists included in this letter performed a total of 4,567 cardiac procedures at the Edward Hospital and Elmhurst Memorial Hospital. With the establishment of the planned Surgery Center, we expect the referral patterns of the cases to be as noted in the table on the following page. Referrals to existing hospitals over the past 12 months by physician are attached at Exhibit 2.



Naperville
(630) 600-0700

Elmhurst
(331) 231-6200



801 S Washington Street
4th Floor
Naperville, IL 60540

133 East Bush Mill Road
Suite 202
Elmhurst, IL 60126



midwestcardio.com



Patients First • Clinical Excellence
Communication • Compassion

Hospital	Hospital (number of cases) Most recent 12 months	Projected Referrals to Surgery Center after Project Completion
Edward Hospital	2,379	634
Elmhurst Memorial Hospital	2,188	456
Total	4,567	1,090

We have checked our records and confirmed that the referrals planned to be sent to the planned surgery center in the future as described in this letter have not been used to support another pending or approved certificate of need application.

The information in this letter is true and correct to the best of my knowledge.

I support the establishment of the proposed surgery center located at 10 Martin Avenue, Naperville.

Sincerely,

Jacob Corbell, MBA
Chief Executive Officer
Midwest Cardiovascular Institute
Edward Hospital North Entrance
801 South Washington Street, 4th Floor
Naperville, Illinois 60540

Subscribed and sworn to me
This 5 day of July, 2023

Laure A Donati
Notary Public

OFFICIAL SEAL
Laure A Donati
Notary Public, State of Illinois
My Commission Expires 11/29/2025



Naperville
(630) 800-0700
Elmhurst
(331) 231-6200



801 S Washington Street
4th Floor
Naperville, IL 60540
133 East Brush Hill Road
Suite 202
Elmhurst, IL 60126



midwestcardio.com

Attachment #34, 35, 36
Availability of Funds, Financial Viability, Economic Feasibility

The applicant has a "A" Bond Rating or better from Moody's and S&P as reflected in the attached documents.

MOODY'S

INVESTORS SERVICE

CREDIT OPINION

14 March 2022

✓ Rate this Research

Contacts

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NorthShore - Edward-Elmhurst Health, IL

Update to credit analysis

Summary

NorthShore - Edward-Elmhurst Health (Aa3, stable) will see strategic and financial benefits from the recent merger of NorthShore University HealthSystem and Edward-Elmhurst Healthcare, continuation of strong cash metrics despite initial dilution from the merger, and solid proforma leverage metrics. With revenue more than doubling in two years, the system will enjoy an improved market position as the third largest health system in the Chicago region and the State of Illinois with good geographic coverage in attractive markets. A single parent board, ongoing initiatives to consolidate enterprise-wide functions, and a common electronic medical record system will help drive integration synergies over several years. While the merger will dilute days cash on hand and cash-to-debt, both metrics will remain strong since capital spending will be funded with operating cash flow versus debt. Also, NorthShore's moderate debt levels will allow the system to absorb Edward-Elmhurst's higher leverage, and still maintain favorably low debt-to-cash flow. Elevated labor costs and the lingering effect of the pandemic on volumes will partly offset synergy gains and slow the pace of improving moderate margins. While NorthShore has made progress on integrating two recent mergers, the system's pace of expansion and Edward-Elmhurst's relatively large size will elevate execution risk in the near term. Competition will continue as consolidation in the broader region will result in larger providers with greater resources.

Credit strengths

- » Newly-expanded system will enjoy a more favorable and influential market position as the third largest health system in the greater Chicago region and State of Illinois with good geographic coverage of generally attractive suburbs and large aligned physician networks
- » Consolidated governance and corporate functions and IT capabilities will help system reach integration targets, building on previous merger achievements made over the last two years
- » Despite dilution from the Edward-Elmhurst merger, days cash on hand will remain strong due in part to manageable projected capital spending
- » Moderate pre-merger debt level, including low operating lease and pension obligations, will allow system to absorb merger-related debt while still maintaining favorable balance sheet and operating leverage metrics

Credit challenges

- » Operating cash flow margins expected to remain moderate in the near-term primarily due to labor costs, the lingering impact of the pandemic on volumes, and continuing shift from commercial to governmental payers
- » Pace of expansion with three mergers in two years, with the latest merger the largest, will elevate execution risk
- » Competition from several academic medical centers and larger financially strong systems will continue amid ongoing market consolidation
- » Unrestricted investments will be comparatively less liquid with under 60% available monthly

Rating outlook

The stable outlook reflects Moody's expectations that operating cash flow margins will be relatively stable over the next two years but will begin to improve as integration benefits build. The outlook also reflects expected maintenance of strong cash metrics since capital spending will be manageable, with levels at or below projected operating cash flow. No material new debt is anticipated over the next several years.

Factors that could lead to an upgrade

- » Significant and sustained improvement in operating cash flow margin and absolute cash flow
- » Stronger balance sheet metrics, including days cash on hand and cash-to-debt
- » Further enterprise growth and diversification in multiple markets
- » Growth in market share to provide a distinct leading position

Factors that could lead to a downgrade

- » Inability to achieve forecasted operating cash flow margins
- » Further dilution of cash metrics or increase in leverage
- » Notable dilutive acquisition or merger

Key indicators

Exhibit 1

NorthShore - Edward-Elmhurst Health, IL

	2017	2018	2019	2020	2021	2020 Actual MAP	2021 Forecast MAP	Proforma Consolidated 12/31/20 Actual MAP	Proforma Consolidated 12/31/21 Forecast MAP
Operating Revenue (\$MM)	2,025,060	2,075,312	2,234,142	2,442,046	3,280,410	3,442,046	3,789,480	4,082,953	5,272,683
3-Year Operating Revenue CAGR (%)	2.5	2.6	3.6	6.2	30.5	6.2	16.6	N/A	N/A
Operating Cash Flow Margin (%)	7.7	6.7	7.4	3.5	6.5	3.5	6.5	4.2	7.6
Free Medicals (%)	43.0	44.0	46.0	47.0	47.0	47.0	49.0	N/A	N/A
Free Medicals (%)	9.0	8.0	7.0	7.0	13.0	7.0	13.0	N/A	N/A
Days Cash on Hand	35.0	37.0	34.0	43.0	46.0	55.0	48.0	32.0	35.0
Unrestricted Cash & Investments to Total Debt (%)	53.7	40.4	63.2	53.8	49.3	48.7	47.3	26.8	31.4
Total Debt to Cash Flow (x)	1.4	1.4	1.2	2.3	1.9	2.5	1.0	3.6	2.4

Based on audits for NorthShore University HealthSystem, fiscal years ended September 30, 2017-2021. Proforma consolidated represents combined legacy NorthShore and Edward-Elmhurst, 12 months.

Investment returns normalized at 5%

Source: Moody's Investors Service

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moodys.com for the most updated credit rating action information and rating history.

Profile

NorthShore - Edward-Elmhurst Health operates nine hospitals within the City of Chicago and throughout the northern, northwestern and western suburbs of the metropolitan Chicago area. NS-EE Holdings is the parent corporation of the newly created system following the affiliation of NorthShore University HealthSystem and Edward-Elmhurst Healthcare, effective January 1, 2022. This affiliation follows two other recent transactions. Effective January 1, 2020 and January 1, 2021, NorthShore became the corporate member of Swedish Covenant Health and Northwest Community Healthcare, respectively. The system employs over 1,900 physicians through its medical groups.

Detailed credit considerations

Market position: significant growth through mergers support a favorable market position in competitive market

Following three mergers in two years, NorthShore will enjoy a stronger and more influential market position as the third largest health system in the Chicago region and the State of Illinois. The system's combined revenue of \$5.2 billion will be more than double 2019's revenues after adding Swedish Covenant in 2020, Northwest Community in 2021 and Edward-Elmhurst in 2022. Edward-Elmhurst will provide good geographic coverage of the southern suburbs, which will complement legacy NorthShore's solid position in the northern suburbs. The system will benefit from a generally favorable service area with median household income well above the state and US

In addition to scale, NorthShore's large physician network and advanced IT capabilities will support its market position. The system's 1,900 employed physicians will continue to provide a steady referral source for its nine community-based hospitals. Although medical staffs will be initially separate, there will be opportunity for integration, building upon legacy NorthShore's highly integrated and aligned model. Edward-Elmhurst has a strong alignment with and mutual dependency on the relatively large, private-equity owned, Duly Health and Care (previously Dupage Medical Group). All system hospitals and physicians have a common electronic medical record vendor, which will limit the risk and cost of migrating to one instance over the next several years. This will provide a strong platform to execute system-wide strategies, including further development of standardized clinical protocols, centralized scheduling, electronic scheduling, and data analytics.

NorthShore's organization around five primary clinical institutes will also drive growth and quality initiatives, as demonstrated by the successful migration of the Skokie Hospital campus to NorthShore's Orthopaedic and Spine Institute specialty hospital in 2019. The upcoming expansion of surgical ORs will help accommodate strong demand at this campus. NorthShore will expand its cardiovascular surgical program and consolidate high acuity cases on the Glenbrook Hospital campus.

Hospital and physicians in the region will continue to consolidate and invest in inpatient and outpatient services, which will heighten competition. Legacy NorthShore had 31.3% inpatient market share in the northern region and legacy Edward-Elmhurst had 20.9% share in the southern region in 2021. Competition will stem primarily from hospitals that are part of Advocate Aurora Health and Northwestern Memorial Healthcare.

Operating performance, balance sheet and capital plans: margins will be moderate but balance sheet will still remain strong

Despite expected benefits from integration, the system's operating cash flow (OCF) margin will likely remain moderate at around 7% due to labor costs and the lingering effect of the pandemic. Legacy NorthShore met its improvement target for fiscal 2021 with a 6.5% OCF margin (including \$84 million in CARES grants), compared with 3.5% in fiscal 2020. Legacy Edward-Elmhurst reported a strong 9.5% OCF margin, including \$58 million in CARES grants. The consolidated proforma margin for the twelve months ended December 31, 2021 was 7.6%. Fiscal 2022 will benefit from continuing volume recovery, revenue cycle initiatives, strategic growth and integration benefits. The system is targeting synergies over 5 years, including the centralization of enterprise-wide corporate functions.

Several industry-related headwinds will slow margin improvement. With lower COVID cases since the latest surge, the use of agency nurses may continue to decline from peak levels but labor costs will likely remain above historical levels, also due to efforts to recruit and retain permanent staff. The system's academic affiliation with the University of Chicago will help in recruiting. While volume recovery in the north region has been strong, recovery in the south region has been slower. The system had to suspend certain procedures during the last COVID surge due to staff shortages. Finally, the system will see some constraints as demographic changes drive further shifts in revenue to government from commercial payers.

Liquidity

NorthShore will continue to maintain strong days cash on hand even after the dilutive impact of the merger and repayment of Medicare advances. Based on proforma consolidated results and excluding Medicare advances of about \$255 million, the system had 352 days cash on hand at December 31, 2021. The system will centralize the management of all investments, which will provide more control and reduce advisory fees.

Capital spending will be manageable over the next several years at around 1.6 times depreciation, which is in line with or under projected operating cash flow. The largest projects, discussed above, include \$170.5 million for the Glenbrook Hospital project and \$69.5 million for expansion at the Skokie campus, both of which will be funded with bond proceeds.

Debt structure and legal covenants: moderate debt will support good leverage metrics

Legacy NorthShore's moderate debt position will allow it to absorb Edward-Elmhurst's higher debt while maintaining good balance sheet and operating leverage metrics. Following the financing, all Edward-Elmhurst debt will be refinanced or defeased and there will be no incremental debt beyond the combined legacy systems. Pension and operating lease obligations are low. No material incremental leverage is expected in the near term. Excluding Medicare advances, proforma cash-to-debt would be 314% at December 31, 2021, compared with 471% for legacy NorthShore in fiscal 2021. On the same basis, proforma debt-to-cash flow would remain favorably low at 2.4 times despite modest cash flow and compared to 1.9 times for legacy NorthShore in fiscal 2021.

Debt structure

Debt structure risk will be manageable after the upcoming financing. Subject to market conditions, the proposed financing will include direct placements with banks and bonds supported by standby bond purchase agreements. Bank commitment periods or mandatory tenders are expected to be staggered. Covenant headroom will be adequate. The MTI has a 11 times annual debt service coverage (based on the system, including restricted affiliates); if coverage is under 1.0 times for two consecutive years, it would trigger an event of default. Favorably, covenants in bank agreements are consistent with the MTI.

Legal security

The bonds are general, unsecured joint and several obligations of the obligated group members, which include NS-EE Holdings, NorthShore University HealthSystem, and Edward-Elmhurst Healthcare only. Because certain legacy NorthShore hospitals (Evanston, Glenbrook, Highland Park, and Skokie hospitals) are divisions of the parent, they are included in the obligated group. Swedish Hospital, Northwest Community Hospital, the Edward-Elmhurst Healthcare entities and all medical groups are restricted affiliates and not directly obligated to pay bonds. While the restricted affiliates and their investments are controlled by the system, which has covenanted to cause restricted affiliates to pay obligations or transfer funds, we view this structure as weaker than if all members were directly obligated to pay bonds. Obligated group members comprise approximately 50% of proforma system revenue, obligated group and restricted affiliates comprise approximately 93% of proforma system revenue. If certain conditions are met, the MTI allows a substitution of notes without bondholder consent, which could result in a change in provisions and covenants.

Debt-related derivatives

The system will have no interest rate swaps following the expected upcoming termination of all existing swaps. Previously, Edward-Elmhurst Health had a sizable swap program.

Pensions and OPEB

NorthShore's pension liability will be modest since all legacy plans are frozen and remaining obligations are small. Legacy NorthShore and legacy Edward-Elmhurst Health had unfunded fiscal 2021 obligations of \$61 million and \$31 million, respectively.

ESG considerations**Environmental**

Environmental considerations are not a rating driver.

Social

The most significant social consideration is escalating labor costs. Like other health systems, NorthShore will continue to see elevated expenses in fiscal year 2022 related to retaining and recruiting staff. Following a spike during the recent COVID surge, costs for agency nurses have started to decline but will likely remain above historical levels for some time. NorthShore's financial resources will allow it

to continue to invest in workforce strategies. The lingering impact of the pandemic on volumes will be mixed with the northern region seeing faster recovery than the southern region. Swedish, in particular, experienced disproportionately high COVID volumes. While historically low, following merger activity, reliance on Medicaid will be higher. In addition, Medicare revenues will continue to rise due to an aging population. The system's growing reliance on government payers will constrain revenue. Prior to the merger with Edward-Elmhurst, in fiscal 2021, NorthShore derived 13% of gross revenue from Medicaid (compared with 9% in 2019) and 49% from Medicare (compared with 43% in 2019).

Governance

A single board at the parent level with full reserve powers will compensate for a more complicated post-merger corporate structure. The newly-formed parent, NS-EE Holdings, holds all reserve powers and has fiduciary responsibility for system entities. Boards for the north and south regions, Swedish, NorthWest and legacy NorthShore will be responsible for quality, credentialing, community relations, philanthropy among other roles. The consolidation of enterprise-wide functions will help centralize decision-making while maintaining some flexibility at the local level. The initial parent board will be somewhat large with 25 members and representatives from each legacy organization. However, the system has a defined path to reduce the board size over time.

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REPORT NUMBER 1321491

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8 14 March 2022

NorthShore Edward-Elmhurst Health, IL: Update to credit analysis



RatingsDirect®

Summary:

Illinois Finance Authority NorthShore-Edward-Elmhurst Health; Hospital; Joint Criteria; System

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Credit Profile

US\$595.0 mil Rev bnds (NorthShore - Edward-Elmhurst Health) ser 2022A due 09/15/2057

Long Term Rating

AA-/Stable

New

Rating Action

S&P Global Ratings assigned its 'AA-' rating to Illinois Finance Authority's \$595 million revenue bonds series 2022A issued for NorthShore-Edward-Elmhurst Health (NS-EEH), Ill. In addition, S&P Global affirmed its 'AA-' rating on debt outstanding issued for NorthShore University Health System (NorthShore), Ill. The outlook is stable.

S&P Global Ratings also affirmed its 'AA-/A-1' rating on the series 2020B and 2020C bonds issued for NorthShore. The short-term component of the rating reflects standby bond purchase agreements with JPMorgan Chase Bank N.A.

At the same time, S&P Global Ratings raised its long-term and underlying ratings (SPUR) on the Illinois Finance Authority's revenue bonds, issued for Edward-Elmhurst Healthcare (EEH), to 'AA-' from 'A'. The outlook is stable.

S&P Global Ratings also raised its dual ratings on Edward-Elmhurst Healthcare's 2008B-2 and 2008C revenue variable-rate demand bonds (VRDBs) to 'AAA/A-1+' from 'AA+/A-1+'. We base the ratings on the application of our joint criteria using the low-correlation chart. The 'AAA' long-term component of the rating on the series 2008B-2 and 2008C VRDBs is jointly based on the long-term rating on EEH and the letters of credit (LOCs) provided by TD Bank N.A.; the short-term component is based solely on TD Bank N.A. The series 2008B-2 and 2008C variable-rate demand bonds are eligible to be rated above the sovereign based on joint criteria and the fact that the rating is not constrained by the sovereign rating.

S&P Global Ratings affirmed its 'AA+/A-1' dual ratings on EEH's series 2008D revenue VRDBs. The 'AA+' long-term component of the rating on the series 2008D bonds is jointly based on the long-term rating on EEH and the LOC from Bank of America N.A., with the short-term rating component based solely on Bank of America.

In addition, S&P Global Ratings raised its dual ratings on EEH's taxable revenue bonds series 2018 to 'AA+/A-1' from 'AA/A-1'. The rating's long-term component reflects our view of the joint support provided by Barclays Bank PLC, the LOC provider; and the long-term rating on EEH. The rating's 'A-1' short-term component is based solely on the short-term issuer credit rating on the bank.

Series 2022A bond proceeds will be used to reimburse and finance the costs related to the acquisition, construction, and renovation of certain health facilities. All of EEH's debt will be refunded or defeased following this issuance, and

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Summary: Illinois Finance Authority NorthShore-Edward-Elmhurst Health; Hospital; Joint Criteria; System

NorthShore's 2016 bonds will be defeased. Upon issuance of these bonds, we will withdraw the existing ratings on EEH. We also expect the interest rate swaps outstanding will be terminated as part of this transaction.

In addition to this issuance, we expect the system will issue up to \$230 million in the form of private placements, although we are not rating these transactions. However, we have incorporated this into our analysis and classify this pro forma debt as contingent. We also expect that a portion of the 2022A bonds could be directly placed with a financial institution.

The bonds will be general, unsecured joint and several obligations of the obligated group members and will not be secured by any pledge of assets, security interest in or mortgage on obligated group members, or any restricted affiliate or system affiliate. There will be a supplemental Master Trust Indenture (MTI) whereby NS-EE Holdings and Edward-Elmhurst Healthcare will become members of NorthShore University Health System's obligated group.

Upon issuance of the series 2022A bonds, Swedish Covenant Hospital, Northwest Community Healthcare, NorthShore Medical Group, Edward Hospital, Elmhurst Memorial Healthcare, and Elmhurst Hospital will be the only restricted affiliates.

We raised our ratings on EEH after completion of the affiliation with NorthShore and based on our view that EEH is core to NorthShore under our "Group Rating Methodology" criteria, published July 1, 2019. We believe that EEH is a strategic asset in NorthShore's market, and will continue boosting the system's footprint.

Credit overview

The rating reflects NS-EEH's very strong balance sheet and our assessment of the system's integrated business model, with nine hospitals (including the EEH hospitals), a large employed physician group, and a significant outpatient presence in a demographically favorable service area that has expanded significantly following the merger of NorthShore and EEH. In addition, the system's focus on its ambulatory buildout has been successful and the system has benefited from some partnerships that have proven very successful to date. Overall market share is stable despite the highly competitive service area.

Pro forma maximum annual debt service (MADS) coverage is solid and operating margins have continued to recover at both legacy organizations following weakness driven by the COVID-19 pandemic and recent surge. In addition, management remains focused on cost containment, synergies and productivity, and patient access. Legacy NorthShore had strong operating margins before the onset of the pandemic, with healthy recovery seen in the interim period ended Dec. 31, 2021, due to management's continued focus on cost containment, productivity, and patient access. Both legacy organizations received significant CARES Act funding and NorthShore currently has \$169 million in Medicare accelerated payments that we have backed out of unrestricted reserves as per our practice.

The rating reflects a positive adjustment to reflect the system's very high unrestricted reserves.

NorthShore has embarked on a significant period of growth with numerous recent acquisitions, including Swedish Covenant Hospital and Northwest Community Hospital. This most recent merger with EEH is even more significant in terms of size, given that legacy EEH comprises 30% of total pro forma revenues. However, both management teams from NorthShore and EEH have a track record of integrating new entities and managing risk associated with

Summary: Illinois Finance Authority NorthShore-Edward-Elmhurst Health; Hospital; Joint Criteria; System

integration. The pro forma combined system is poised to benefit from scale and serves a large footprint in adjacent, demographically attractive service areas. However, as with any large merger, there is integration and execution risk. In addition, legacy EEH is expected to be slightly dilutive to the overall financial profile, so in our view, there is less cushion at the current rating level and we will continue to monitor expected synergies as well as execution during the outlook period.

Although we consider there to be some integration risk, we believe management will be able to create financial synergies and also bring about benefits at the larger system, including streamlining the health care information technology (IT) implementation efforts, as well as other cost-reduction initiatives, including revenue cycle and supply chain benefits. Management has a history of successful integration of smaller affiliates into the system. We also expect that there will be some higher capital spending during the outlook period as the system integrates the health care IT platform and focuses on building out its ambulatory footprint.

The 'AA-' rating further reflects our view of the system's:

- Very strong balance sheet, with very healthy pro forma days' cash on hand and low pro forma debt to capitalization with some modest dilution to pro forma ratios but which remain sound for the rating;
- Continued solid pro forma MADS coverage, partially as a result of low debt levels;
- Good market presence in the competitive local market;
- Presence in demographically more favorable service areas relative to the broader market; and
- Management team that continues to execute its strategic plan and has a track record of integrating new entities into the system.

Challenging industry conditions and overall competitive dynamics in the system's service area partially offset the above strengths, in our view. In addition, we note that there is near-term integration risk with the merger as well as the recent acquisitions of both Swedish Covenant Hospital and Northwest Community Hospital in a very competitive market. We expect operations will be muted over the near term given labor and inflationary pressures as well as some integration costs.

The stable outlook reflects our view that NS-EEH will maintain very strong balance sheet metrics and moderate leverage given its manageable capital plans. In addition, we expect the system will maintain its market share position and management will continue to proactively focus on cost-reduction strategies and synergies to mitigate revenue pressures. The outlook also assumes that the Swedish Covenant Hospital and Northwest Community Hospital transactions, and the EEH merger will be slightly dilutive to legacy NorthShore during the outlook period but will be absorbed given the pro forma system's healthy pro forma liquidity and our expectations of NS-EEH's operations improving during the outlook period. The outlook also assumes that the integration efforts within both entities will be successful and synergies will be realized.

Environmental, social, and governance

We view social risk as in line with the sector. The core mission of health care facilities is protecting the health and safety of communities, which is further evidenced by responsibilities to serve the potential COVID-19-related surge in patient demand. We believe the pandemic has exposed the entire sector to additional health and safety social risks

Summary: Illinois Finance Authority NorthShore-Edward-Elmhurst Health; Hospital; Joint Criteria; System

that, although improving given the widespread vaccine distribution, remain a point of uncertainty. In addition, this has been a factor in increased labor costs and temporary staffing challenges at many providers around the country. That said, for NS-EEH, we deem these health and safety risks to be in line with those of other hospitals. NS-EEH's environmental and governance risks are in line with those of industry peers.

Stable Outlook

Upside scenario

We could raise the rating or revise the outlook to positive over time if NS-EEH demonstrates successful integration and maintenance of the balance sheet strength while continuing to improve margins over the outlook period.

Downside scenario

We could revise the outlook to negative or lower the rating over the outlook period if the system fails to meet its projected operating margin, or if we see a significant decrease in liquidity. Also, we would view a decrease in cash flow metrics and debt service coverage negatively. In addition, a significant increase in debt could result in a negative rating action, given that light debt metrics support the current rating.

Related Research

- Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022

Ratings Detail (As Of March 15, 2022)		
Edward-Elmhurst Healthcare barclays taxable bnds ser 2020A dtd 04/30/2020 due 04/30/2023		
Long Term Rating	AA-/Stable	Upgraded
Illinois Finance Authority, Illinois		
Edward-Elmhurst Healthcare, Illinois		
Illinois Finance Authority rev bnds (Edward Hosp & Hlth Services Corp)		
Long Term Rating	AA-/Stable	Upgraded
Illinois Finance Authority (Edward-Elmhurst Healthcare)		
Long Term Rating	AA+/A-1	Affirmed
Unenhanced Rating	AA-(SPUR)/Stable	Upgraded
Illinois Finance Authority (Edward-Elmhurst Healthcare)		
Long Term Rating	AA-/Stable	Upgraded
Illinois Finance Authority (Edward-Elmhurst Healthcare) rev bnds (Edward Hosp & Hlth Services Corp) ser 2017A dtd 02/14/2017 due 01/01/2018-2037 2040		
Long Term Rating	AA-/Stable	Upgraded
Illinois Finance Authority (Edward-Elmhurst Healthcare) taxable var rt rev bnds (Edward-Elmhurst Healthcare) ser 2018 dtd 11/07/2017 due 01/01/2048		
Long Term Rating	AA+/A-1	Upgraded
Unenhanced Rating	AA-(SPUR)/Stable	Upgraded
Illinois Fin Auth (Edward Hosp & Hlth Services Corp) JOINTCRIT		
Long Term Rating	AAA/A-1+	Upgraded

Summary: Illinois Finance Authority NorthShore-Edward-Elmhurst Health; Hospital; Joint Criteria; System

Ratings Detail (As Of March 15, 2022) (cont.)		
<i>Unenhanced Rating</i>	AA-(SPUR)/Stable	Upgraded
Illinois Fin Auth (Edward Hosp & Hlth Services Corp) JOINTCRIT		
<i>Long Term Rating</i>	AAA/A-1+	Upgraded
<i>Unenhanced Rating</i>	AA-(SPUR)/Stable	Upgraded
Illinois Finance Authority, Illinois		
NorthShore University Health System, Illinois		
Illinois Finance Authority (NorthShore Univ Hlth Sys) SYSTEM		
<i>Long Term Rating</i>	AA-/Stable	Affirmed
Illinois Finance Authority (NorthShore Univ Hlth Sys) SYSTEM		
<i>Long Term Rating</i>	AA-/A-1/Stable	Affirmed
Illinois Finance Authority (NorthShore Univ Hlth Sys) SYSTEM		
<i>Long Term Rating</i>	AA-/A-1/Stable	Affirmed

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**Attachment #37
Economic Feasibility**

A. Reasonableness of Financing Arrangements

The applicant has a A/Stable Bond Rating or better from Moody's and S&P as reflected in the bond rating documents in the previous attachment

B. Conditions of Debt Financing

The proposed project is being paid through cash and investments; therefore, this criterion is not applicable

C. Reasonableness of Project and Related Costs

Cost and gross square footage is provided in the table below.

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department	A	B	C	D	E	F	G	H	Total Cost
(list below)	Cost/Square Foot	New	Gross Sq Ft		Gross Sq Ft		Const \$	Mod \$	(G + H)
	Mod		New	Circ.*	Mod	Circ.*	(A x C)	(B x E)	
CLINICAL									
Operating Rooms		\$ 295.77	3,932				\$ 1,162,985.08		\$ 1,162,985.08
Prep and Recovery Spaces		\$ 222.71	1,569				\$ 349,430.02		\$ 349,430.02
Nursing Station		\$ 222.71	542				\$ 120,708.14		\$ 120,708.14
Building Gross		\$ 222.71		2,297			\$ 511,561.99		\$ 511,561.99
Total Clinical			6,043	2,297			\$ 2,144,685.24		\$ 2,144,685.24
NON-CLINICAL									
Reception/Registration		\$ 138.95	142				\$ 19,731.00		\$ 19,731.00
Storage/Supplies/Equipment		\$ 54.16	2,114				\$ 114,495.36		\$ 114,495.36
Patient Toilet		\$ 138.95	282				\$ 39,184.09		\$ 39,184.09
Staff Lockers/Lounge		\$ 138.95	2,214				\$ 307,636.80		\$ 307,636.80
MEP/Housekeeping		\$ 138.95	640				\$ 88,928.43		\$ 88,928.43
Decontamination/Sterilization		\$ 138.95	335				\$ 46,548.48		\$ 46,548.48
Building Gross		\$ 138.95		3,144			\$ 436,860.93		\$ 436,860.93
Total Non-Clinical		\$ 118.74	5,727	3,144			\$ 1,053,385.08		\$ 1,053,385.08
TOTALS		\$ 185.82	11,770	5,441			\$ 3,198,070.32		\$ 3,198,070.32

* Include the percentage (%) of space for circulation

As shown in the following table, the project costs are below the State Standards except the Capitalized Equipment category. The Capitalized Equipment category State Standard is based on an Operating Room. Since the proposed project will provide cardiac catheterization services, appropriate equipment will be required to perform such procedures. This equipment costs are not included in the Capitalized Equipment State Standard. A summary of equipment costs for the proposed project can be found in Attachment 37A.

Joint Committee on Administrative Rules - Administrative Code				
Section 1120.140 Economic Reasonability - Review Criteria				
c - Reasonableness of Project and Related Costs - Review Criterion				
			State Standard	Notes
Preplanning Costs	\$ -	0.00%	1.80%	Costs associated with preplanning incorporated into the lease agreement
Total Costs for site survey, soil investigation fees and site preparation	\$ -	0.00%	5.00%	Costs associated with site survey, soil investigation fees and site preparation incorporated into the lease agreement
Construction Costs	\$ 1,952,891.25	\$ 234.16	\$453.37 per GSF	Standard met
Contingencies	\$ 191,793.99	9.82%	10%	Standard met
New Construction A&E Fees	\$ 226,845.23	10.58%	7.06% - 10.60% of Construction and Contingencies	Standard met
Consulting	\$ 358,125.93		N/A	
Capitalized Equipment not included in Construction Contracts	\$ 3,796,682.00	19.33%	\$551,211.99 per OR	Standard not met. See summarized Equipment list for additional detail
FMV Leased space/equipment	\$ 10,905,750.21		N/A	
Other costs to be capitalized	\$ 1,420,979.08		N/A	Includes Clinical FF&E outside of the ORs
Acquisition of Building or Other Property	\$ 783,510.75		N/A	
	\$ 19,636,578.44			

D. Projected Operating Costs

Salaries & Benefits	\$ 1,140,460
Medical Supplies	\$ 2,967,743
	\$ 4,108,203
Number of Cases	1,090
Annual Operating Cost per Case	\$3,768

E. Total Effect of the Project on Capital Costs

Interest Expense	\$236,027
Depreciation & Amortization	\$785,850
	\$1,021,877
Number of Cases	1,090
Capital Cost per Case	\$937.50

**Attachment #37A
Equipment List**

Room Name/Type/Classification	Equipment Name	Cost
Non-Clinical rollup (i.e. Waiting, reception, hallways, lockers, toilet rooms etc...)		\$ 113,877
Cath lab Clean Core rollup		\$ 490,312
Cath Lab Control rollup		\$ 407,624
Cardiac Cath Labs (2)	i-STAT Chemistry Analyzer	\$ 15,888
Cardiac Cath Labs (2)	Network Downloader/Recharger for i-STAT	\$ 2,882
Cardiac Cath Labs (2)	Portable Suction Unit w/o Retention Brac	\$ 896
Cardiac Cath Labs (2)	OR Supply Cabinet, 48"w	\$ 29,640
Cardiac Cath Labs (2)	Nursing Supply Cart, Six Drawer	\$ 4,348
Cardiac Cath Labs (2)	Six-Drawer Emergency Crash Cart	\$ 2,980
Cardiac Cath Labs (2)	Accessories for Crash Cart	\$ 1,656
Cardiac Cath Labs (2)	Cardio Procedure Cart w/Extension Wings	\$ 5,458
Cardiac Cath Labs (2)	Surgical Clipper, Fixed Head	\$ 220
Cardiac Cath Labs (2)	Base Stand for Surgical Clipper	\$ 218
Cardiac Cath Labs (2)	Surface-Mtd Wireless Sync Digital Clock	\$ 600
Cardiac Cath Labs (2)	Infusion Pump	\$ 9,600
Cardiac Cath Labs (2)	Defibrillator/Monitor/Pacemaker	\$ 25,424
Cardiac Cath Labs (2)	Rechargeable Lithium Ion Battery Pack	\$ 836
Cardiac Cath Labs (2)	Meds Dispenser, 2-Drawer Main	\$ 58,200
Cardiac Cath Labs (2)	Oxygen Flowmeter with 1 Power Take Off	\$ 168
Cardiac Cath Labs (2)	Folding Linen Hamper	\$ 164
Cardiac Cath Labs (2)	Covered Hamper Stand, 33"h	\$ 240
Cardiac Cath Labs (2)	Table-Mtd Cardiac/Angio Injection System	\$ 64,194
Cardiac Cath Labs (2)	Pedestal Cart for Injection System	\$ 2,000
Cardiac Cath Labs (2)	LED Flashlight	\$ 6
Cardiac Cath Labs (2)	Single LED Light with Flat Panel Arm	\$ 50,000
Cardiac Cath Labs (2)	Vendor Installation of Surgical Light	\$ 2,800
Cardiac Cath Labs (2)	Handheld Mini Doppler	\$ 2,412
Cardiac Cath Labs (2)	Procedure Room Monitor for Hemodynamic	\$ 150,000
Cardiac Cath Labs (2)	Whole Blood Oximeter	\$ 13,900
Cardiac Cath Labs (2)	Dual-Chamber External Pacemaker	\$ 12,590
Cardiac Cath Labs (2)	Radial Armboard for Patient Positioning	\$ 4,400
Cardiac Cath Labs (2)	Positioner Wedge	\$ 258
Cardiac Cath Labs (2)	Comfort Halo for Patient Positioning	\$ 1,698
Cardiac Cath Labs (2)	Peg-Style Rack for 4 Aprons	\$ 354
Cardiac Cath Labs (2)	Single-Plane Ceiling-Mtd Angiography Sys	\$ 2,500,000
Cardiac Cath Labs (2)	Medical-Grade Undercounter Refrigerator	\$ 10,684
Cardiac Cath Labs (2)	Continuous/Intermittent Vacuum Regulator	\$ 1,216
Cardiac Cath Labs (2)	Patient Transfer Board	\$ 380
Cardiac Cath Labs (2)	Wall-Mtd Storage Rack for Slider Board	\$ 80
Cardiac Cath Labs (2)	Intravascular Ultrasound System (IVUS)	\$ 360,000
Cardiac Cath Labs (2)	Mobile Radiation Shield w/ Clear Window	\$ 8,464
Cardiac Cath Labs (2)	Interventional Radiology Coding Software	\$ 45,000
Cardiac Cath Labs (2)	Cath Lab Inventory Management Software	\$ 10,000
Cardiac Cath Labs (2)	Hand Aneroid Sphygmomanometer	\$ 586
Cardiac Cath Labs (2)	Four Hook IV Stand, 5 Prong Base	\$ 1,200
Cardiac Cath Labs (2)	Mayo Stand with 16" x 21" Tray	\$ 1,110
Cardiac Cath Labs (2)	Stacking Step Stool for OR's	\$ 916
Cardiac Cath Labs (2)	Step Stool with Handrail	\$ 178

Cardiac Cath Labs (2)	Adult Stethoscope	\$ 262
Cardiac Cath Labs (2)	Exam Stool with Back	\$ 518
Cardiac Cath Labs (2)	Desktop PC - Small Form Factor	\$ 1,948
Cardiac Cath Labs (2)	24" Flat Panel Monitor	\$ 800
Cardiac Cath Labs (2)	Video Router System for OR Suite	\$ 320,000
Cardiac Cath Labs (2)	32" 4K Surgical Display Package	\$ 54,532
Cardiac Cath Labs (2)	Countertop Warming Cabinet	\$ 10,280
Cardiac Cath Labs (2)	Fire-Resistant Waste Receptacle, 10 Gal.	\$ 264
Cardiac Cath Labs (2)	Mobile Computer Workstation w/Laptop	\$ 4,074
Cardiac Cath Labs (2)	Paper Towel Dispenser	\$ 100
Cardiac Cath Labs (2)	Foam Soap Dispenser	\$ 60
Cardiac Cath Labs (2) Sub Total		\$ 3,796,682
Prep/Stage I and II Rollup		\$ 270,261
Nursing/Med Room Rollup		\$ 144,274
Total		\$ 5,223,030
Total Clinical		\$ 5,109,153
Total Nonclinical		\$ 113,877
Total		\$ 5,223,030
Clinical (Labs only)		\$ 3,796,682
Non-Clinical		\$ 113,877
Other Costs to be Capitalized		\$ 1,312,471

**Attachment #38
Safety Net Impact Statement**

The Applicants seek to establish an ambulatory surgical treatment center (ASTC) with two key rooms for cardiac catheterization procedures to be located on the campus of Edward Hospital. The existing cardiac catheterization lab in the main hospital is highly utilized requiring physicians to work longer days to accommodate the growing volumes, which is suboptimal for patients, physicians, and staff. As a program adjacent to and affiliated with Edward Hospital, the planned ASTC will not adversely impact safety net services in the community or any other health care provider to deliver services, as it will enhance the delivery and provide more efficient care to all patients. Importantly, the ASTC will be utilized by physicians whose cases have historically been performed at Edward Hospital, a co-applicant to this project.

- 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 have such knowledge.**

Edward Hospital is a primary provider of safety net services for the communities it serves and the planned ASTC will not have any negative impact on essential safety net services in the community. As documented in Attachment – 12, the proposed procedures to be performed at the ASTC are currently performed at Edward Hospital.

- 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.**

The Project will not impact the ability of other providers or other health care facilities to cross-subsidize safety net services. As noted above, no procedures will be transferred from hospitals not currently owned or operated by the Applicants, Edward Hospital and NorthShore-Edward-Elmhurst Health.

- 3. Has the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.**

The Project is for the establishment of an ambulatory surgical treatment center and cardiac catheterization category of service and not the discontinuation of a facility or service. Accordingly, this criterion is not applicable.

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.**

EDWARD HOSPITAL CHARITY CARE			
Charity (# of patients)	CY 2020	CY 2021	CY 2022
Inpatient	284	189	223
Outpatient	4,166	3,967	3,732
Total	4,450	4,156	3,955
Charity (cost in dollars)			
Inpatient	\$1,049,223	\$1,396,716	\$1,468,888
Outpatient	\$4,461,608	\$2,712,065	\$3,059,177
Total	\$5,510,831	\$4,108,781	\$4,528,065

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

EDWARD HOSPITAL MEDICAID			
Medicaid (# of patients)	CY 2020	CY 2021	CY 2022
Inpatient	1,765	1,968	2,221
Outpatient	46,234	62,741	84,972
Total	47,999	64,709	87,193
Medicaid (revenue)			
Inpatient	\$38,969,756	\$32,210,032	\$31,371,136
Outpatient	\$11,487,244	\$2,194,151	\$1,972,047
Total	\$50,457,000	\$36,404,183	\$33,343,183

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

The following document, included in this application on the subsequent pages, is relevant to safety net services in the Applicants' service area.

- 2022 Edward-Elmhurst Health Community Benefit Report

2022 Community Benefit Report (FY21 DATA)



ADVANCING THE HEALTH OF OUR COMMUNITIES

In January of 2022, Edward-Elmhurst Health (EEH) officially merged with NorthShore University HealthSystem. It was a significant milestone for both organizations. A major platform for this newly formed organization is the concept of community-connected care, which couldn't be more significant right now. NorthShore - Edward-Elmhurst Health believes that every person in every community should receive high-quality, equitable and safe care. To accomplish this, we are committed to identifying health disparities across the communities we serve and partnering with other organizations to address areas of concern.

Even prior to the merger and throughout the challenges we faced during the COVID-19 pandemic, Edward-Elmhurst Health's mission - to advance the health of the communities we serve - has always been front and center. Addressing the health needs of our community continued during Fiscal Year 2021 (July 2020-June 2021), the second year of our three-year Community Health Implementation Plan. Examples of our commitment are represented within this 2022 report.

As NorthShore - Edward-Elmhurst Health moves forward together, we have each committed \$100 million to our respective communities through a Community Investment Fund to enhance health and well-being, advance health equity and support local economic growth. In 2022, EEH will distribute \$4M to support community-based organizations through this program and will make similar contributions annually.



FY20-FY22 COMMUNITY HEALTH IMPLEMENTATION PLAN KEY PRIORITIES



CHRONIC DISEASE
(obesity/diabetes,
cancer,
heart disease/stroke)



BEHAVIORAL HEALTH
(mental health,
substance abuse,
adolescent
depression and suicide)



**ACCESS TO
PRIMARY CARE
AND COMMUNITY
RESOURCES**
(including provider
supply and availability,
financial access and
health literacy around
how we seek care)

COVID-19 Recap & Other Accomplishments



COVID-19 RECAP

As COVID-19 persisted, Edward-Elmhurst Health continued to follow the changing state and federal guidelines in all areas including PPE, social distancing, screening, testing and treatment. We worked together – caring for patients and families struggling from the devastating effects of COVID-19 and teaching our patients, communities and each other how to stay safe. Here are some highlights from FY21.

Testing and Treatment

EEH expanded its COVID-19 testing to nine EEH locations for a total volume of **306,773** tests conducted.

Edward and Elmhurst Hospitals admitted and discharged **2,070** COVID-positive patients and saw **234** deaths in FY21.

Many different types of COVID treatments, medications and interventions have been provided. To date EEH has administered a total of **5,810** doses of monoclonal antibodies.



Communication and Support

EEH built on and enhanced its community-facing COVID-19 site on EEHealth.org to communicate important updates in regard to testing, vaccines, visiting and more. Through the end of FY21, there were **728,407** unique page views specifically related to COVID-19.

To help those struggling with the loss of a loved one to COVID-19, EEH Spiritual Care Services led complimentary virtual COVID-19 Loss Support Groups.

Virtual access to care

Vaccine scheduling became easier for the community when EEH provided a way to schedule online through MyChart and other means for those without a MyChart account.

The features of Eleanor, our virtual chatbot, were expanded beyond checking COVID symptoms to include general and pediatric symptoms.

EEH also launched the Find Care Now webpage which provides access to virtual visits, walk-in care, online scheduling and more. Up to **30%** of primary care visits and **77%** of behavioral health visits were conducted virtually as access to care expanded.

The mobile app continues to grow, with added tools like health assessments, and has exceeded **180K** downloads.

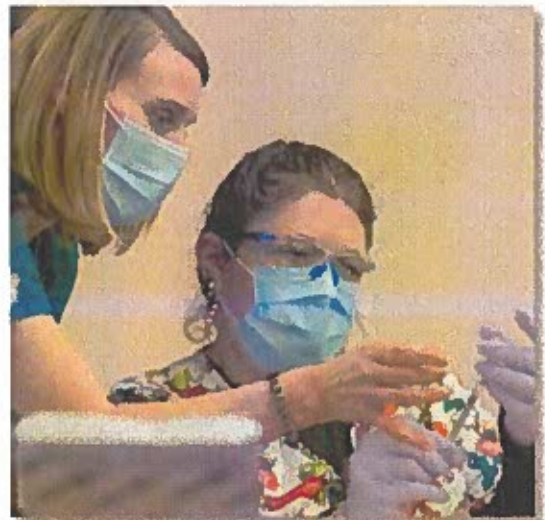
During COVID, a huge effort was made to bring virtual education programs to the community in areas like wellness education, childbirth and weight loss.

Patient experience

Throughout the pandemic, we remained committed to person-centered care, despite visitation restrictions. EEH care teams helped combat social isolation through dedicated phone calls, video-based technology and personal items to connect family members with their loved ones in isolation. We closely monitored community levels and trends and limited or expanded the visitor policy as appropriate.

Vaccines

Toward the end of 2020, we reached a significant time during the pandemic as vaccines became available and healthcare workers were among the first eligible. Early 2021 as eligibility expanded to the general population, EEH opened mass vaccination clinics at our sites in Woodridge and Downer's Grove. Within the first month of vaccines being available, DuPage County had the highest percentage of vaccinated residents compared to all counties in Illinois. In FY21, EEH administered **57,349** COVID-19 vaccines to the general population and **7,435** employees and physicians became fully vaccinated.



ACCOMPLISHMENTS IN FY21

ACCESS TO HEALTHCARE

- Over **\$800K** contributed to the DuPage Health Coalition to assist with three key programs - Access DuPage, Silver Access DuPage and DuPage Dispensary of Hope.
- Over **\$12.2M** in financial assistance given to qualified uninsured and underinsured patients.
- 43 additional physicians and advanced practice providers** recruited, increasing healthcare provider access throughout the community.
- Nearly **162K Medicaid and Medicare visits** conducted by the primary care provider network, representing 36% of total primary care visit volume.

EARLY DETECTION, PREVENTION AND WELLNESS

Obesity/Diabetes

- Over **19K visits** occurred between our five Endeavor Health Medical Weight Loss Clinic locations.
- More than **50% of participants** in Jumpstart Your Health **lost greater than 5% of their body weight** within the first six months.
- EEH launched the Healthy Driven Families electronic platform to enhance access to information and resources to support family wellness. In 2021, the platform saw **513 page visits** averaging 60 per month through September 2021.
- Healthy Driven Take a Hike Challenge saw over **1,300 participants** representing a **58% increase** from its first year in 2020.
- EEH expanded access points to its Diabetes Centers which treated over **7,500 patients**.



Cardiovascular Care

- Free peripheral arterial disease screening** held to bring awareness, education and early detection to community members.
- Raised over \$20,000** through the American Heart Association Heart Walk.
- Provided \$57,500 to Young Hearts for Life** that supported 6,089 screenings at five schools which identified 29 students with heart conditions.
- Increased both HeartAware and StrokeAware online screenings by 33%.**

Cancer Care

- Launched a dedicated Breast Cancer page** on the EEH website to help streamline patient navigation based on individual diagnosis.
- Increased Lung Aware health risk assessments by 125%.**
- Provided more than 270 lung CT scans** throughout the system, an increase of 45%.

ACCESS TO BEHAVIORAL HEALTH SERVICES

- Linden Oaks Medical Group (LOMG) **added six psychiatric providers and 14 counselors** to expand access to critical counseling and medication management services.
- LOMG counselors and psychiatrists conducted **74,000 virtual visits, a 330% increase** over 2020.
- Completed nearly 14,000 visits** through the Behavioral Health Integration (BHI) model which embeds behavioral health therapists within physician offices.
- Linden Oaks **expanded into the new Woodridge outpatient site**, offering eating disorder outpatient programming and LOMG psychiatric services.



ADDRESSING THE OPIOID INITIATIVE

- The Medication-Assisted Therapy (MAT) Clinic **expanded the use of once monthly injectable medications** for adults to support patient compliance and reduce the risk of medication misuse.
- EEH Emergency Department **partnered with DuPage County** to distribute Narcan for home use as part of an initiative to prevent overdose-related deaths.
- Piloted a successful maternal opioid reduction program** at Edward Hospital to reduce opioid use among mothers experiencing cesarean deliveries.

DIVERSITY, EQUITY AND INCLUSION

- EEH's Business Intelligence and Analytics team **developed health equity dashboards** designed to identify and prioritize areas where health-related disparities may exist - leading to targeted interventions around culturally sensitive diabetes care and navigation.
- EEH **offered and encouraged staff to take trainings** on unconscious bias and microaggressions.
- The EEH's **Voices of Diversity Blog** won two awards: eHealthcare Leadership Award in the Category of Best Digital Leadership in Health Equity, Diversity and Inclusion, and Ragan Communications Corporate Social Responsibility and Diversity award.



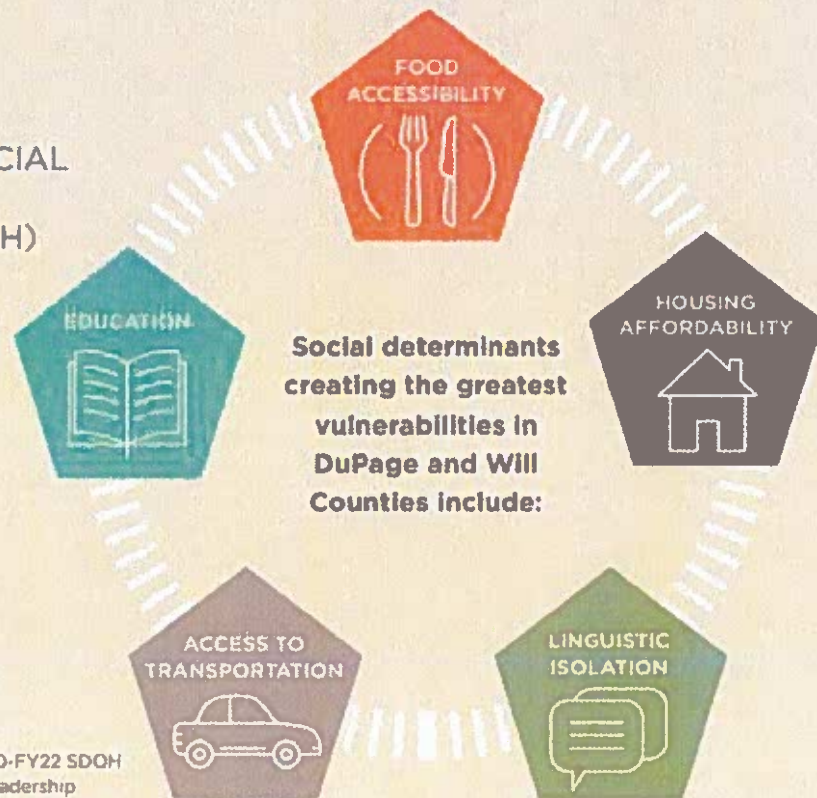
ADDRESSING SOCIAL DETERMINANTS OF HEALTH (SDOH)

Health systems traditionally focus most of their resources on providing clinical care, but evidence has shown that underlying social determinants of health (SDOH), individual health behaviors, and the physical environment all play a role in the overall health status of communities. Studies indicate that social determinants and other non-medical factors can account for up to 80% of health outcomes which is why working with our communities to address social determinants has become a top priority for EEH.

During development of the FY20-FY22 SDOH implementation strategy, EEH leadership identified an opportunity to improve the way we support patients with SDOH.

In FY21, an Epic module was implemented to identify patients in need of community resources such as food banks and other social support. In addition, EEH partnered with findhelp.org (formerly known as Aunt Bertha), a social care network that connects people with social services in their communities to ensure they receive the care they need in order to improve their overall health status. Data collected through this program, which was fully implemented in Q4 FY21, will be utilized to guide program development and community relationship opportunities in calendar year 2022 and beyond.

Social determinants creating the greatest vulnerabilities in DuPage and Will Counties include:



TO LEARN MORE ABOUT HOW EDWARD-ELMHURST HEALTH IS ADDRESSING THE HEALTH NEEDS OF OUR COMMUNITY, PLEASE VISIT [EEHEALTH.ORG/COMMUNITY](https://eehealth.org/community).

Healthy Driven
Edward-Elmhurst
HEALTH

Edward-Elmhurst Health 2022 COMMUNITY BENEFIT REPORT

**Attachment #39
Charity Care Information**

The table below provides. For the last three audited fiscal years, the amount and cost of charity care and the ratio of charity care to net patient revenue for NS-EE Holdings, Edward-Elmhurst Healthcare, and Edward Hospital.

NS-EE Holdings	CY 2020	CY 2021	CY 2022
Net Patient Revenue	3,363,211,240	4,482,006,474	4,597,195,892
Amount of Charity Care (charges)	249,621,886	220,948,433	206,661,115
Cost of Charity Care	50,584,477	48,018,319	44,708,455
Ratio of Charity Care at Cost to NPSR	1.5%	1.1%	1.0%

Edward-Elmhurst Healthcare	CY 2020	CY 2021	CY 2022
Net Patient Service Revenue	1,300,738,833	1,519,020,563	1,580,597,053
Charity Care Write-offs	64,069,624	65,511,132	58,778,157
Charity (cost in dollars)	11,090,126	11,570,110	9,602,221
Ratio of Charity Care at Cost to NPSR	0.85%	0.76%	0.61%

Edward Hospital	CY 2020	CY 2021	CY 2022
Net Patient Service Revenue	\$ 620,228,063	\$ 737,362,163	\$ 760,341,855
Charity Care Write-offs	\$ 31,218,943	\$ 25,026,110	\$ 26,435,806
Charity (cost in dollars)	\$ 5,023,112	\$ 4,032,757	\$ 4,176,540
Ratio of Charity Care at Cost to NPSR	0.81%	0.55%	0.55%

Cardiovascular Institute Ambulatory Surgery Center, LLC is a new entity and has no applicable historical charity care data. The projected patient mix by payor sources, anticipated revenue by payor are included below.

Payor Type	Estimated Mix of Patients by Payor Source	Expected Revenue % by Payor Source
Medicare	70%	60%
Managed Care	30%	40%