

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
DISCONTINUATION APPLICATION FOR EXEMPTION

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

Facility/Project Identification

Facility Name: Carle Richland Memorial Hospital		
Street Address: 800 E. Locust		
City and Zip Code: Olney 62450		
County: Richland	Health Service Area: HSA-5	Health Planning Area: F-03

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

Exact Legal Name: The Carle Foundation d/b/a Carle Health		
Street Address: 611 West Park Street		
City and Zip Code: Urbana 61801		
Name of Registered Agent: James Leonard		
Registered Agent Street Address: 611 West Park Street		
Registered Agent City and Zip Code: Urbana 61801		
Name of Chief Executive Officer: James Leonard		
CEO Street Address: 611 West Park Street		
CEO City and Zip Code: Urbana 61801		
CEO Telephone Number: (217) 383-3311		

Type of Ownership of Applicants

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

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

APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact [Person to receive ALL correspondence or inquiries]

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

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

Name: Kara Friedman
Title: Attorney
Company Name: Polsinelli PC
Address: 150 North Riverside Plaza, Suite 3000, Chicago, IL 60606
Telephone Number: (312) 873-3639
E-mail Address: Kfriedman@polsinelli.com

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
DISCONTINUATION APPLICATION FOR EXEMPTION

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

Facility/Project Identification

Facility Name: Carle Richland Memorial Hospital		
Street Address: 800 E. Locust		
City and Zip Code: Olney 62450		
County: Richland	Health Service Area: HSA-5	Health Planning Area: F-03

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

Exact Legal Name: Richland Memorial Hospital, Inc. d/b/a Carle Richland Memorial Hospital		
Street Address: 800 E. Locust St.		
City and Zip Code: Olney, IL 62450		
Name of Registered Agent: James C. Leonard, MD		
Registered Agent Street Address: 611 West Park Street		
Registered Agent City and Zip Code: Urbana IL, 61801		
Name of Chief Executive Officer: Gina Thomas		
CEO Street Address: 800 E. Locust St.		
CEO City and Zip Code: Olney, IL 62450		
CEO Telephone Number: 618-395-2131		

Type of Ownership of Applicants

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

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

APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact [Person to receive ALL correspondence or inquiries]

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

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

Name: Kara Friedman
Title: Attorney
Company Name: Polsinelli PC
Address: 150 North Riverside Plaza, Suite 3000, Chicago, IL 60606
Telephone Number: (312) 873-3639
E-mail Address: Kfriedman@polsinelli.com

Post Exemption Contact

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

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

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: The Carle Foundation
Address of Site Owner: 611 West Park Street, Urbana IL, 61801
Street Address or Legal Description of the Site: 800 E. Locust St. Olney, IL 62450
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: Richland Memorial Hospital, Inc. d/b/a Carle Richland Memorial Hospital	
Address: 800 E. Locust St. Olney, IL 62450	
☒ Non-profit Corporation ☐ For-profit Corporation ☐ Limited Liability Company ☐ Other	☐ Partnership ☐ Governmental ☐ Sole Proprietorship
- 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.

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.

Carle Richland Memorial Hospital ("CRMH") will discontinue its Pediatric category of service. CRMH is currently authorized to operate five Pediatric beds at its hospital located at 800 E. Locust St. Olney, IL 62450. The Applicants are coordinating with IDPH to ensure the Hospital can continue to admit patients from infancy to age 18 on its medical-surgical unit. Following the closure of the Pediatric Category of Service, children will continue to be seen in the same rooms that are currently designated for Pediatric care.

The discontinuation will be effective at the latter of HFSRB approval or Illinois Department of Public Health approval.

There are no project costs associated with this project.

Project Status and Completion Schedules

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

Anticipated exemption completion date (refer to Part 1130.570): Upon IDPH & HFSRB approval

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 being deemed incomplete.

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
DISCONTINUATION APPLICATION FOR EXEMPTION- 09/2022 Edition

CERTIFICATION

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

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

This Application is filed on the behalf of The Carle Foundation, an Illinois not-for-profit corporation.

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


SIGNATURE

James Leonard, M.D.
PRINTED NAME

President and CEO
PRINTED TITLE

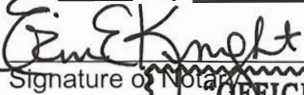

SIGNATURE

Matthew Kolb
PRINTED NAME

Executive Vice President and COO
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 5th day of October, 2023


Signature of Notary

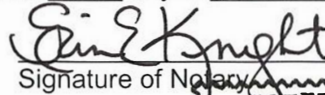
Seal

*Insert the EXACT legal name of the applicant



Notarization:

Subscribed and sworn to before me
this 5th day of October, 2023


Signature of Notary

Seal



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 Richland Memorial Hospital, Inc.

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

SIGNATURE

James Leonard, M.D.

PRINTED NAME

President and CEO

PRINTED TITLE

SIGNATURE

Matthew Kolb

PRINTED NAME

Executive Vice President and COO

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 5th day of October, 2023

Signature of Notary

"OFFICIAL SEAL"
Erin E. Knight

Seal NOTARY PUBLIC, STATE OF ILLINOIS

*Insert the EXACT legal name of the applicant
My Commission Expires 11/30/2024

Notarization:

Subscribed and sworn to before me
this 5th day of October, 2023

Signature of Notary

"OFFICIAL SEAL"
Erin E. Knight

Seal NOTARY PUBLIC, STATE OF ILLINOIS

My Commission Expires 11/30/2024

SECTION II. DISCONTINUATION**Type of Discontinuation**☒ Discontinuation of a single category of service**Criterion 1130.525 and 1110.290 - Discontinuation**

READ THE REVIEW CRITERION and provide the following information:

GENERAL INFORMATION REQUIREMENTS

1. Identify the category of service and the number of beds, if any, that are to be discontinued.
2. Identify all of the other clinical services that are to be discontinued.
3. Provide the anticipated date of discontinuation for each identified service.
4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
5. Provide attestation that the facility provided the required notice of the category of service closure to local media that the health care facility would routinely notify about facility events. The supporting documentation shall include a copy of the notice, the name of the local media outlet, the date the notice was given, and the result of the notice, e.g., number of times broadcasted, written, or published. Only notice that is given to a local television station, local radio station, or local newspaper will be accepted.

APPEND DOCUMENTATION AS ATTACHMENT 5, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

REASONS FOR DISCONTINUATION

The applicant shall state the reasons for the discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.130(b) for examples.

APPEND DOCUMENTATION AS ATTACHMENT 6, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

IMPACT ON ACCESS

1. Document whether or not the discontinuation will have an adverse effect upon access to care for residents of the facility's market area.
2. Provide copies of notification letters sent to other resources or health care facilities that provide the same services as those proposed for discontinuation. The notification letter must include at least the anticipated date of discontinuation and the total number of patients that received care or the number of treatments provided during the latest 24 months.

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

SECTION III. BACKGROUND

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 certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. 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.**
4. If, during a given calendar year, an applicant submits more than one application for permit or exemption, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 8.

SECTION IV. SAFETY NET IMPACT STATEMENT

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL PROJECTS TO DISCONTINUE A CATEGORY OF SERVICE [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 service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of 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 9.

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)				
	Inpatient				
	Outpatient				
	Total				

APPEND DOCUMENTATION AS ATTACHMENT 9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION V. CHARITY CARE INFORMATION

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

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

A table in the following format must be provided for all facilities as part of Attachment 10.

CHARITY CARE			
	Year	Year	Year
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

APPEND DOCUMENTATION AS ATTACHMENT 10, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

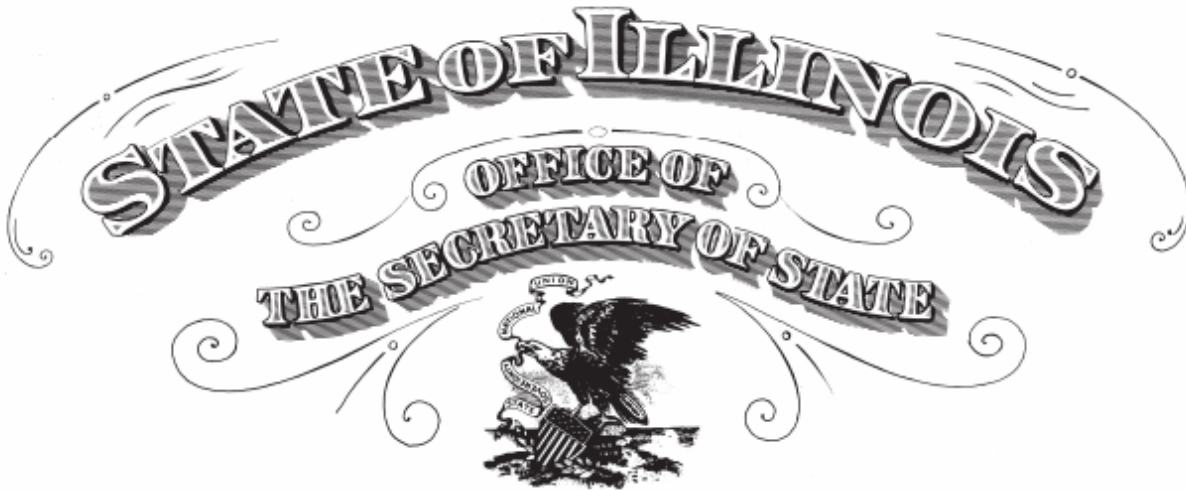
ATTACHMENT 1

Attached hereto as Attachment 1 are Good Standing Certificates issued by the Illinois Secretary of State for:

1. The Carle Foundation;
2. Richland Memorial Hospital, Inc.

File Number

2932-580-4



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

THE CARLE FOUNDATION, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON NOVEMBER 06, 1946, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 13TH day of JULY A.D. 2023 .

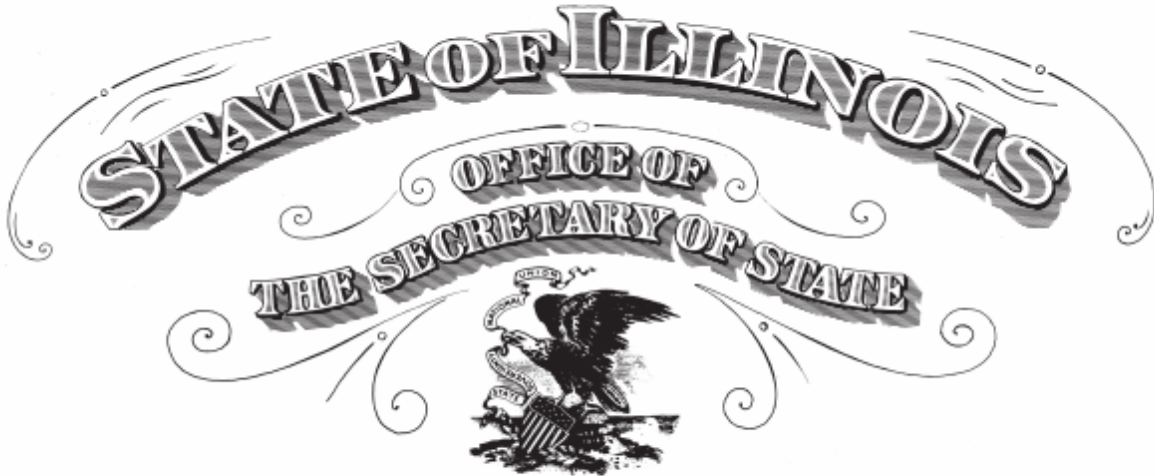
Authentication #: 2319402864 verifiable until 07/13/2024
Authenticate at: <https://www.ilsos.gov>

Alexi Giannoulas
SECRETARY OF STATE

Attachment 1

File Number

5905-802-9



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

RICHLAND MEMORIAL HOSPITAL, INC., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON SEPTEMBER 30, 1996, 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 #: 2234601768 verifiable until 12/12/2023

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 12TH
day of DECEMBER A.D. 2022 .***

SECRETARY OF STATE

Attachment 1

ATTACHMENT 2

Site Ownership

By signing the certification pages within this application, the Applicants attest that The Carle Foundation owns the property at 800 E. Locust St., Olney, IL 62450.

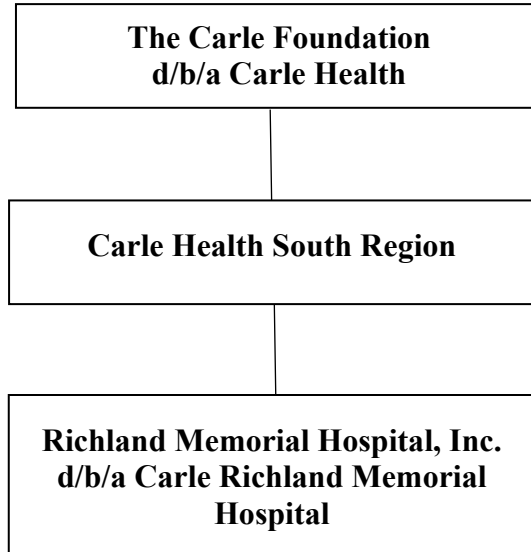
ATTACHMENT 3

Operating Entity/Licensee

Richland Memorial Hospital, Inc. is the licensee and operator of Carle Richland Memorial Hospital. A certificate of good standing for Richland Memorial Hospital, Inc. is attached at Attachment-1.

ATTACHMENT 4

Organizational Relationships



ATTACHMENT 5**Section 1110.290 Discontinuation – Review Criteria**

Identify the category of service and the number of beds, if any, that are to be discontinued.

Carle Richland Memorial Hospital (“CRMH”) located at 800 E. Locust St., Olney, IL 62450 proposes to discontinue its Pediatric category of service, which consists of five beds.

Identify all of the other clinical services that are to be discontinued.

n/a

Provide the anticipated date of discontinuation for each identified service.

- Pediatric: Upon IDPH & HFSRB approval. Currently estimated to be on or before March 31, 2024.

Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.

Following the closure of the Pediatric Category of Service, children will continue to be seen in the same rooms that are currently designated for Pediatric care. These rooms will be converted to licensed medical-surgical rooms and will retain the existing equipment and furniture.

Provide attestation that the facility provided the required notice of the category of service closure to local media that the health care facility would routinely notify about facility events. The supporting documentation shall include a copy of the notice, the name of the local media outlet, the date the notice was given, and the result of the notice, e.g., number of times broadcasted, written, or published. Only notice that is given to a local television station, local radio station, or local newspaper will be accepted.

Documentation that the facility provided the required notice of the category of service discontinuation to local media is attached at Attachment- 5A. The notice ran in the Hometown Register newspaper on October 6, 2023.

ATTACHMENT 5A

Pending approval from the Illinois Health Facilities and Services Review Board, Carle Richland Memorial Hospital (CRMH) will change its hospital license to care for pediatric patients in beds that are designated as general medical/surgical beds. CRMH has coordinated with the Illinois Department of Public Health to ensure there will be no disruption in care for patients aged zero to 18. CRMH will continue to admit and treat pediatric patients in the medical surgical unit. Staffing for pediatric patients will also remain the same.

This adjustment will, with other changes, allow CRMH to participate in a special Critical Access Hospital program which is designed to ensure healthcare services in communities like Olney are available for years to come.

ATTACHMENT 6
REASONS FOR DISCONTINUATION

Based on an assessment of the needs of the community and surrounding areas within the geographic service area, the Applicants decided to take advantage of recent law changes, which will allow the Hospital to obtain a Critical Access Hospital (“CAH”) designation from CMS (Centers for Medicare & Medicaid Services). Doing so will address the Hospital’s financial challenges and ensure its financial solvency for years to come. In order to convert to CAH status, the Hospital must comply with all applicable criteria, including a 25-bed limit on inpatient capacity. To do so, it is necessary to discontinue the Pediatric Category of Service while continuing to treat children in a medical-surgical unit.

Due to the Hospital’s low Pediatric census (11 admissions and 16 inpatient days in 2022), it has been most efficient to care for pediatric patients on a combined floor on which Pediatric beds are located adjacent to medical-surgical beds. The Applicants are coordinating with IDPH to ensure the Hospital can continue to admit patients from infancy to the age of 18 on its medical-surgical unit while continuing to comply with Life Safety Code and ensuring the safety and security of the children. Following the closure of the Pediatric Category of Service, children will continue to be seen in the same rooms that are currently designated for Pediatric care.

ATTACHMENT 7
IMPACT ON ACCESS

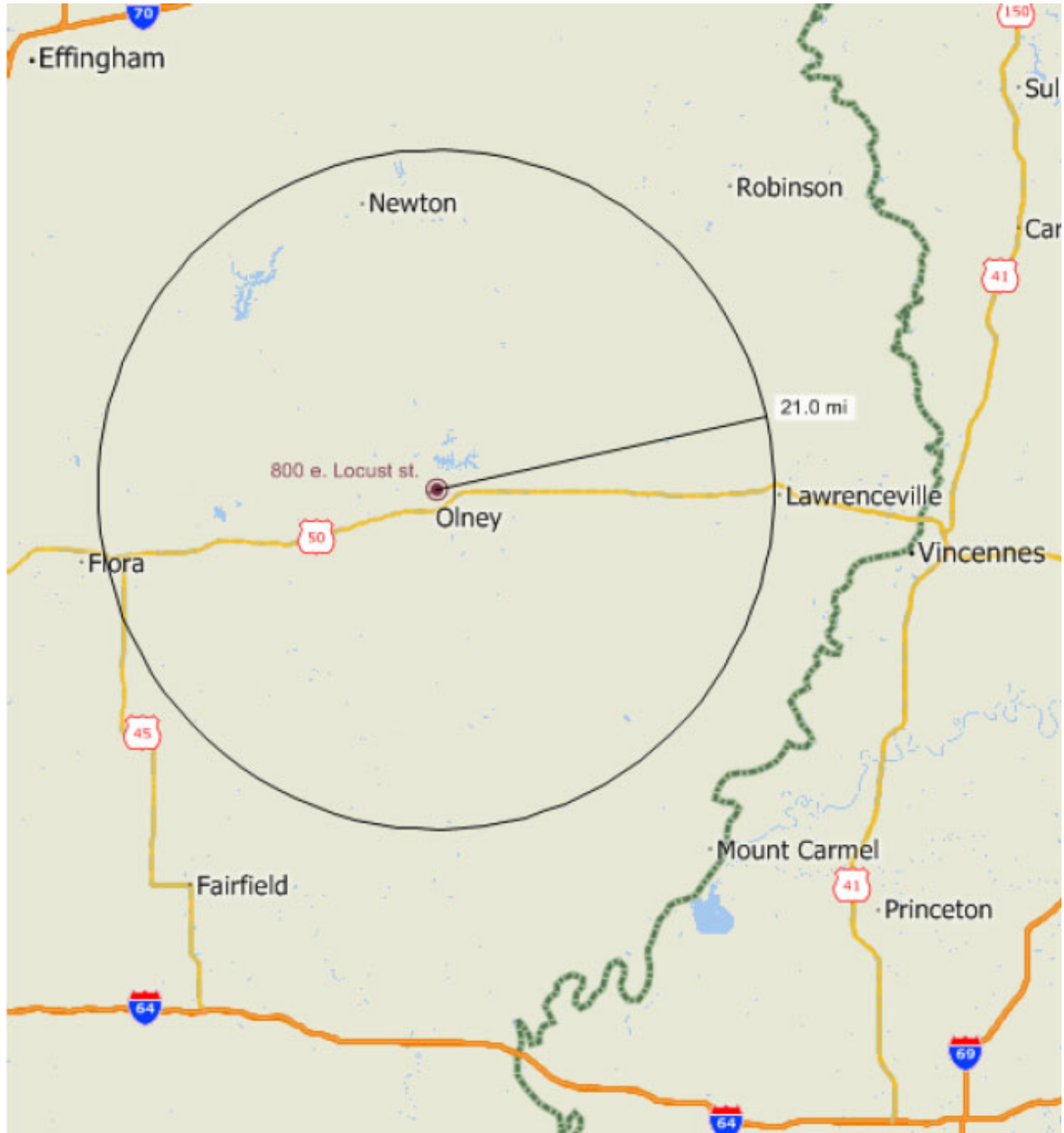
- 1. Document whether or not the discontinuation will have an adverse effect upon access to care for residents of the facility's market area.**

The discontinuation of the Pediatric unit will not negatively impact access to care. This is particularly true given the very small number of pediatric admissions that CRMH has in any given year. As discussed above, the Applicants are coordinating with IDPH to ensure the Hospital can continue to admit patients from infancy to the age of 18 on its medical-surgical unit while continuing to comply with Life Safety Code and ensuring the safety and security of the children. Following the closure of the Pediatric Category of Service, children will continue to be seen in the same rooms that are currently designated for Pediatric care.

- 2. Provide copies of notification letters sent to other resources or health care facilities that provide the same services as those proposed for discontinuation. The notification letter must include at least the anticipated date of discontinuation and the total number of patients that received care or the number of treatments provided during the latest 24 months.**

This section is not applicable since there are not any healthcare facilities within 21 miles of CRMH that offer inpatient pediatric services. Attached at Attachment- 7A is a map showing a 21-mile radius around CRMH.

ATTACHMENT 7A
21-Mile Radius around CRMH



ATTACHMENT 8

Background of Applicants

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

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

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

- The Center for Orthopedic Medicine, LLC d/b/a BroMenn Care and Comfort Suites
 - License Number: 4000025
 - Accreditation Identification Number: AAAHC #109077
- The Methodist Medical Center of Illinois
 - License Number: 001834
 - Accreditation Identification Number: Joint Commission ID # 7407
- Proctor Hospital
 - License Number: 001925
 - Accreditation Identification Number: Joint Commission ID # 7409
- Pekin Memorial Hospital
 - License Number: 001594
 - Accreditation Identification Number: Joint Commission ID # 7408

2. A listing of all health care facilities owned (at least 5%) and/or operated in Illinois by Carle Health.

Carle Health also has non-controlling interests in the following health facilities.

- Central Illinois Endoscopy Center, LLC
 - License Number: 7003155
 - Accreditation Number: AAAHC Accreditation # 876E592A86339
- Renal Intervention Center
 - License Number: 371387622
 - Accreditation Number: AAAHC Accreditation # 24085

3. Attestation.

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

4. Authorization.

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

 Illinois Department of HF 126741 PUBLIC HEALTH		
LICENSE, PERMIT, CERTIFICATION, REGISTRATION		
The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.		
Sameer Vohra, MD,JD,MA Director		Issued under the authority of the Illinois Department of Public Health
EXPIRATION DATE 1/31/2024	CATEGORY General Hospital	L.D. NUMBER 0004788
Effective: 02/01/2023		
Richland Memorial Hospital Inc dba Carle Richland Memorial Hospital 800 East Locust Street Olney, IL 62450		
The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #19-493-001 10M 9/18		

← **DISPLAY THIS PART IN A CONSPICUOUS PLACE**

Exp. Date 1/31/2024

Lic Number 0004788

Date Printed 11/17/2022

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

FEE RECEIPT NO.

Attachment 8



HEALTHCARE CERTIFICATE

Certificate no.:
10000449947-MSC-CMS-USA

Initial certification date:
22 March, 2022

Valid:
22 March, 2022 – 22 March, 2025

This is to certify that the management system of

Carle Richland Memorial Hospital

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

has been found to comply with the requirements of the:

NIAHO® Hospital Accreditation Program

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

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



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

Patrick Horine
Management Representative



Lack of fulfillment of conditions as set out in the Certification Agreement may render this Certificate invalid.
ACCREDITED UNIT: DNV Healthcare USA Inc., 400 Techne Center Drive, Suite 100, Milford, OH, 45150, USA - TEL: +1 513-647-8343. www.dnvhealthcare.com

Attachment 8

ATTACHMENT 9

Safety Net Impact Statement

The discontinuation of CRMH's Pediatric unit will not have any adverse impact on safety net services in the area or on the ability of any other healthcare providers to cross-subsidize safety net services.

This Safety Net Impact Statement addresses the following requirements:

1. The project's material impact, if any, on essential safety net services in the community *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.

Of the six hospitals in the F-03 Planning area, Carle Richland Memorial Hospital (the "Hospital") serves the most Medicaid and charity care patients. Consequently, the Hospital is an integral provider of safety net services to residents in the Geographic Service Area. Further, Richland County is one of only two counties in Illinois that does not have a health department. As a result, the Hospital not only provides medical services, it also holds health education programs and plays a critical role in emergency response planning and execution. Consequently, it is critical the Hospital remains accessible to patients. The planned conversion to Critical Access Hospital ("CAH") designation from CMS (Centers for Medicare & Medicaid Services) will address the Hospital's financial challenges and ensure its financial solvency for years to come. In order to convert to CAH status, the Hospital must comply with all applicable criteria, including a 25-bed limit on inpatient capacity. To do so, it is necessary to discontinue the Pediatric Category of Service while continuing to treat children in a medical-surgical unit. Finally, because pediatric patients will continue to be admitted to the Hospital, there will be no change in patient referral patterns.

2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.

As the Project entails a reduction in the Hospital's bed complement and will effectively result in no change in patient care, it will not have any adverse impact on the ability of other providers or healthcare systems to serve patients seeking safety net services or to cross-subsidize safety net services.

3. How the discontinuation of a service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

The discontinuation of the Pediatric unit will not negatively impact access to care. As discussed above, the Applicants have coordinated with IDPH to ensure the Hospital can continue to admit patients from infancy to the age of 18 on its medical-surgical unit while continuing to comply with Life Safety Code and ensuring the

safety and security of the children. Following the closure of the Pediatric Category of Service, children will continue to be seen in the same rooms that are currently designated for Pediatric care.

Safety Net Impact Statements shall also include all of 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.**

Charity Care Information- Carle Richland Memorial Hospital

Charity Care (# of patients)	FY 20	FY 21	FY 22
Inpatient	50	63	72
Outpatient	2,824	4,413	4,016
Total	2,874	4,476	4,088
Charity Care (cost in dollars)	FY 20	FY 21	FY 22
Inpatient	\$581,175	\$298,163	-\$2,019
Outpatient	\$991,264	\$755,012	\$1,091,863
Total	\$1,572,439	\$1,053,175	\$1,089,843

Medicaid Information- Carle Richland Memorial Hospital

Medicaid (# of patients)	FY 20	FY 21	FY 22
Inpatient	273	308	296
Outpatient	15,362	31,068	33,701
Total	15,635	31,376	33,997
Medicaid (Revenue)	FY 20	FY 21	FY 22
Inpatient	\$929,400	\$770,541	\$678,723
Outpatient	\$5,622,400	\$4,398,106	\$3,507,229

Medicaid (# of patients)	FY 20	FY 21	FY 22
Total	\$6,551,800	\$5,168,557	\$4,185,952

Additional Information Relevant to Safety Net Services

N/A

ATTACHMENT 10
Charity Care

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

Carle Richland Memorial Hospital

	2020	2021	2022
Net Patient Revenue	\$46,572,750	\$53,261,988	\$58,827,522
Amount of Charity Care (charges)	\$5,523,143	\$3,488,490	\$3,789,651
Cost of Charity Care	\$1,572,439	\$1,053,175	\$1,089,843

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

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