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HEALTH FACILITIES &
SERVICES REVIEW BOARDILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR CHANGE OF OWNERSHIP EXEMPTION**SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION****This Section must be completed for all projects.****Facility/Project Identification**

Facility Name: Massac County Surgery Center, LLC		
Street Address: 1811 East 5 th Street		
City and Zip Code: Metropolis, IL 62960		
County: Massac	Health Service Area: 127	Health Planning Area: V

Legislators

State Senator Name: Dale Fowler
State Representative Name: Patrick Windhorst

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

Exact Legal Name: OIWK Holdings, LLC
Street Address: 1811 E 5 th Street
City and Zip Code: Metropolis, Illinois, 62960
Name of Registered Agent: Brian S. Kern
Registered Agent Street Address: 1811 East 5 th Street
Registered Agent City and Zip Code: Metropolis, Illinois 62960
Name of Chief Executive Officer: Brian Kern MD
CEO Street Address: 1811 E 5 th Street
CEO City and Zip Code: Metropolis, Illinois, 62960
CEO Telephone Number: 618-309-6000

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: Monica Hon
Title: Vice President
Company Name: Advis, Inc.
Address: 18670 Graphics Dr., Suite 200, Tinley Park, IL 60477
Telephone Number: 708-478-7030
E-mail Address: mhon@advis.com
Fax Number: 708-478-7094

APPLICATION FOR CHANGE OF OWNERSHIP EXEMPTION**SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION**

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Massac County Surgery Center		
Street Address: 1811 East 5 th Street		
City and Zip Code: Metropolis, IL 62960		
County: Massac	Health Service Area: 127	Health Planning Area: V

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State Senator Name: Dale Fowler
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Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: Massac County Surgery Center, LLC
Street Address: 1811 East 5 th Street
City and Zip Code: Metropolis, IL 62960
Name of Registered Agent: Brian Kern MD
Registered Agent Street Address: 1811 E 5 th Street
Registered Agent City and Zip Code: Metropolis, Illinois
Name of Chief Executive Officer: Melanie Russell, Administrator
CEO Street Address: 1811 E 5 th Street
CEO City and Zip Code: Metropolis, Illinois
CEO Telephone Number: 618-309-6005

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.

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Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Monica Hon
Title: Vice President
Company Name: Advis, Inc.
Address: 18670 Graphics Dr., Suite 200, Tinley Park, IL 60477
Telephone Number: 708-478-7030
E-mail Address: mhon@advis.com
Fax Number: 708-478-7094

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: Melanie Russell
Title: Administrator
Company Name: Massac County Surgery Center, LLC
Address: 1811 E 5 th Street, Metropolis, Illinois, 62960
Telephone Number: 618-309-6005
E-mail address: mrussell@orthoisc.com
Fax Number: 618-309-6001

Site Ownership after the Project is Complete

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Massac County Surgery Center, LLC
Address of Site Owner: 1811 East 5 th Street Metropolis, IL 62960
Street Address or Legal Description of the Site: 1811 East 5th Street Metropolis, IL 62960
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Current Operating Identity/Licensee

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

Exact Legal Name: Massac County Surgery Center, LLC	
Address: 1811 East 5 th Street Metropolis, IL 62960	
☐ Non-profit Corporation ☐ For-profit Corporation ☒ Limited Liability Company ☐ Other	☐ Partnership ☐ Governmental ☐ Sole Proprietorship

Operating Identity/Licensee after the Project is Complete

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

Exact Legal Name: Massac County Surgery Center, LLC	
Address: 1811 East 5 th Street Metropolis, IL 62960	
☐ 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 change of ownership. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does **NOT** have a street address, include a legal description of the site.

This Certificate of Exemption ("COE") application addresses the change in the allocation of membership interests in Massac County Surgery Center, LLC ("MCSC"), the ASTC license holder, located at 1811 East 5th Street, Metropolis, Illinois.

MCSC is currently owned by OIWK Holdings, LLC ("OIWK") and Massac Memorial LLC ("Massac Memorial") with OIWK Holdings, LLC having control by virtue of its 65.34% ownership interest in MCSC. OIWK has grown its ownership interest since 2019 from 51% to 65.34% in accordance with MCSC's operating agreement. The surgeons with membership interests in OIWK currently practice in the Paducah, Kentucky area.

Subject to approval of this COE application, BSMH-CSP SV DE, LLC ("BSMH-CSP"), a Delaware limited liability company, will acquire 30% of the membership interests in MCSC. BSMH-CSP is a joint venture between Bon Secours Mercy Health Innovations, LLC and Compass Surgical Partners of BSMH, LLC.

The ownership structure post-transaction will result in OIWK with 40% and Massac Memorial and BSMH-CSP each with 30% of the membership interests in MCSC.

Post-transaction, there will be seven managers at MCSC with OIWK appointing three managers and Massac Memorial and BSMH-CSP each with two manager appointments.

As historically handled by IHFSRB staff, there are two applicants in this application, the current and post-transaction licensee: Massac County Surgery Center, LLC and the current controlling party and post-transaction 40% owner: OIWK Holdings, LLC.

MCSC is currently licensed by IDPH as an ASTC and will maintain that designation; and the licensee will not change. The ASTC will maintain its level of quality and efficiency.

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: \$ _____

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): _____

State Agency Submittals

Are the following submittals up to date as applicable:

- ☐ Cancer Registry - NA
☐ APORS - NA
☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☐ All reports regarding outstanding permits - NA

Failure to be up to date with these requirements will result in the Application being deemed incomplete.

CERTIFICATION

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

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

This Application is filed on the behalf of MASSAC COUNTY 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.

SIGNATURE

BRIAN KERN

PRINTED NAME

Member
PRINTED TITLE

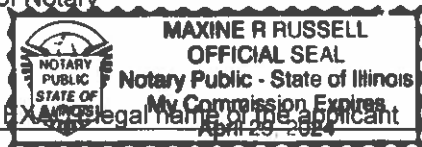
Notarization:

Subscribed and sworn to before me
this 9th day of February, 2024

Signature of Notary

Seal

*Insert the legal name of the applicant



SIGNATURE

MELANIE RUSSELL

PRINTED NAME

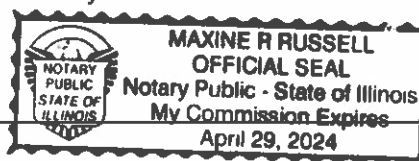
Manager
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 9th day of February, 2024

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 OIWK HOLDINGS, 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.

SIGNATURE

BRIAN KERN

PRINTED NAME

Member
PRINTED TITLE

SIGNATURE

WILLIAM ADAMS

PRINTED NAME

Member
PRINTED TITLE

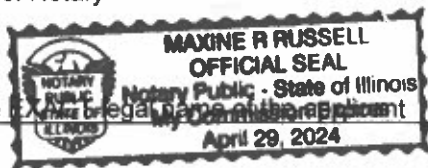
Notarization:

Subscribed and sworn to before me
this 9th day of February, 2024

Maxine R Russell
Signature of Notary

Seal

*Insert the

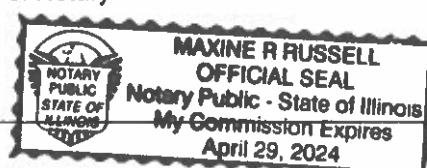


Notarization:

Subscribed and sworn to before me
this 9th day of February 2024

Maxine R Russell
Signature of Notary

Seal



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

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

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

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

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

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

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

APPLICABLE REVIEW CRITERIA	CHOW
1130.520(b)(1)(A) - Names of the parties	X
1130.520(b)(1)(B) - Background of the parties, which shall include proof that the applicant is fit, willing, able, and has the qualifications, background and character to adequately provide a proper standard of health service for the community by certifying that no adverse action has been taken against the applicant by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application.	X
1130.520(b)(1)(C) - Structure of the transaction	X
1130.520(b)(1)(D) - Name of the person who will be licensed or certified entity after the transaction	
1130.520(b)(1)(E) - List of the ownership or membership interests in such licensed or certified entity both prior to and after the transaction, including a description of the applicant's organizational structure with a listing of controlling or subsidiary persons.	X
1130.520(b)(1)(F) - Fair market value of assets to be transferred.	X
1130.520(b)(1)(G) - The purchase price or other forms of consideration to be provided for those assets. [20 ILCS 3960/8.5(a)]	X
1130.520(b)(2) - Affirmation that any projects for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of this Section	X
1130.520(b)(3) - If the ownership change is for a hospital, affirmation that the facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction. The hospital must provide affirmation that the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction	X
1130.520(b)(4) - A statement as to the anticipated benefits of the proposed changes in ownership to the community	X

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

SECTION IV.CHARITY CARE INFORMATION

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

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

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

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

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

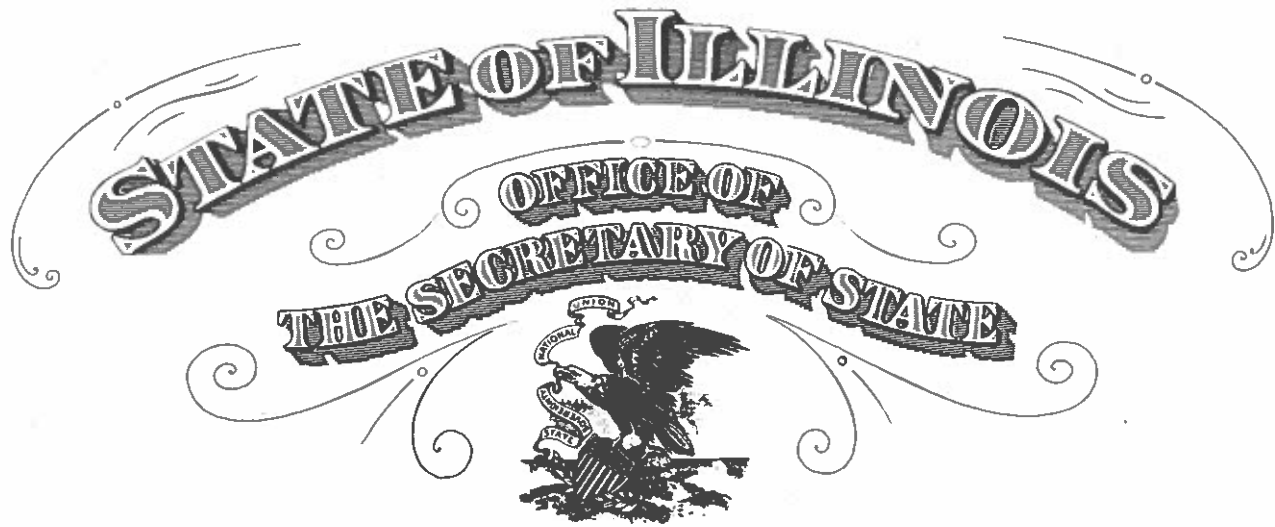
ATTACHMENT 1

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

1. OIWK Holdings, LLC;
2. Massac County Surgery Center, LLC

File Number

0435580-6



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

OIWK HOLDINGS, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON APRIL 23, 2013, 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.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 8TH day of FEBRUARY A.D. 2024 .

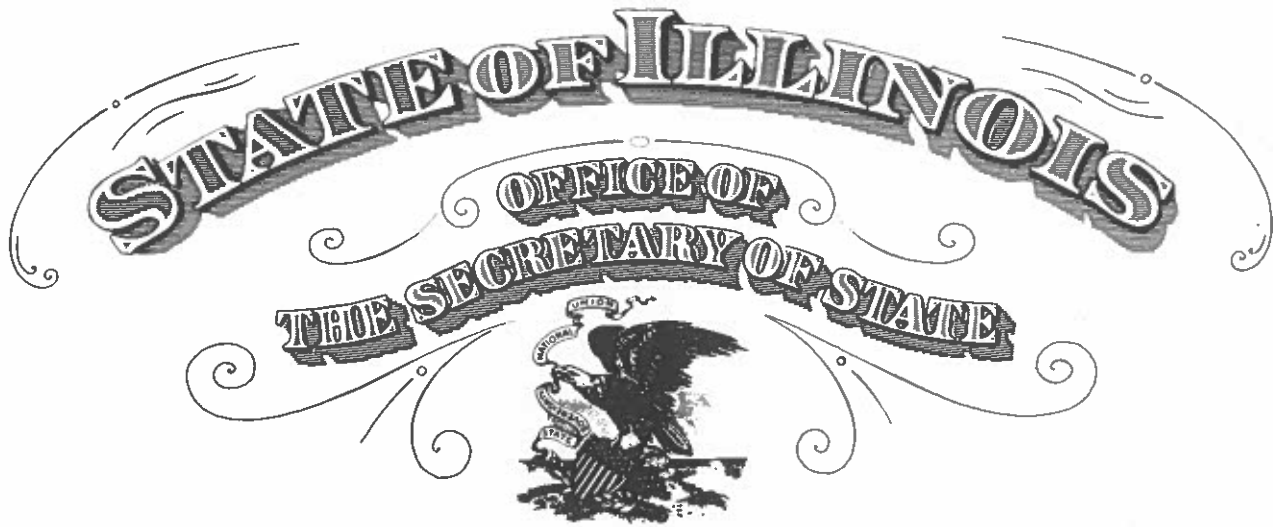
Authentication #: 2403901462 verifiable until 02/08/2025

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

Alexi Giannoulas
SECRETARY OF STATE

File Number

0434415-4



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

MASSAC COUNTY SURGERY CENTER, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON APRIL 05, 2013, 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.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 8TH day of FEBRUARY A.D. 2024 .

Authentication #: 2403901392 verifiable until 02/08/2025

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

Alexi Giannoulas

SECRETARY OF STATE

ATTACHMENT 2

Site Ownership

By signing the certification pages within this application, the Applicants attest that Massac County Surgery Center, LLC owns the property 1811 East 5th Street Metropolis, IL 62960.

ATTACHMENT 3

Operating Identity/Licensee

Massac County Surgery Center, LLC ("MCSC") is the licensee and operator of the Ambulatory Surgical Treatment Center ("ASTC"). Copies of the ASTC's license and accreditation are attached in the following pages.

After the close of the transaction, MCSC will continue to hold the license and operate the ASTC.



ILLINOIS DEPARTMENT OF
PUBLIC HEALTH

HF129887

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	CATEGORY	ID NUMBER
02/15/2025		7003200
Ambulatory Surgery Treatment Center		
Effective: 02/16/2024		

Massac County Surgery Center LLC
dba The Orthopaedic Institute Surgery Center
1811 E 5th St

Metropolis, IL 62960

The face of this license has a colored background. • Printed by Authority of the State of Illinois • P.O. #4422001 10M 322

← DISPLAY THIS PART IN A
CONSPICUOUS PLACE

Exp. Date 02/15/2025

Lic Number 7003200

Date Printed 01/25/2024

Massac County Surgery Center LLC
dba The Orthopaedic Institute Surgery
1811 E 5th St
Metropolis, IL 62960-3107

20
FEE RECEIPT NO.

#E-005-24



ACCREDITATION ASSOCIATION
for AMBULATORY HEALTH CARE, INC.

#E-005-24

ACCREDITATION NOTIFICATION

October 17, 2022

Organization #	113387	Program Type	Ambulatory Surgery Center
Decision Recipient	Ms. Melanie Russell, BSN,RN	CCN	14C0001166
Organization Name	Massac County Surgery Center LLC DBA The Orthopaedic Institute Surgery Center		
Address	1811 E 5th St		
City	State	Zip	
Metropolis	IL	62960	

Dear Massac County Surgery Center LLC DBA The Orthopaedic Institute Surgery Center.

As an ambulatory surgery center (ASC) that has undergone the AAAHC/Medicare Deemed Status Survey, your ASC has demonstrated its compliance with the AAAHC Standards and all Medicare Conditions for Coverage (CfC).

Survey Date	8/29/2022-8/30/2022	Deficiency Level	Standard
Type of Survey	Re-accreditation/Medicare Deemed Status		
Acceptable PoC Received	10/6/2022	Correction Method	Self Attestation, Plan of Action, Document Review

Congratulations!

The AAAHC Accreditation Committee recommends your ASC for participation in the Medicare Deemed Status program. The Centers for Medicare and Medicaid Services (CMS) has the final authority to determine participation and effective dates in Medicare Deemed Status in accordance with the regulations at 42 CFR 489.13.

Accreditation Type	Full Accreditation	Recommend Medicare Deemed Status	Yes
Accreditation Term Begins	10/28/2022	Accreditation Term Expires	10/27/2025

Special
CC: CMS CO - Baltimore
CMS RO 5 - Chicago

Accreditation Renewal Code: 86056740113387

Next Steps

- Leadership and staff of your ASC should take time to thoroughly review your Survey Report and Plan of Correction (PoC).
 - Subsequent surveys by AAAHC will seek evidence that deficiencies from this survey were addressed within the timeframes of your PoC.
 - The Summary Table provides an overview of compliance for each chapter applicable to your organization.

Organization # 113387 Organization: Massac County Surgery Center LLC DBA The Orthopaedic Institute
Surgery Center
October 17, 2022

Page 2

2. AAAHC requires **notification of any changes** within your organization in accordance with policies and procedures in the front section of the *Accreditation Handbook*. Visit the AAAHC website "I want to" section and select "Notify AAAHC of a change in my organization" and follow instructions.
3. AAAHC Standards, policies and procedures are reviewed and revised on an ongoing basis. You are invited to participate in the review through the periodic public comment process. Your organization will be notified when the proposed changes are available for review. You may also check the AAAHC website for details.
4. Accredited ASCs are required to maintain operations in compliance with the current AAAHC policies and Standards, which include the CMS Conditions for Coverage. Updates are published in the AAAHC *Handbooks*. Any mid-year updates are announced and posted to the AAAHC website, www.aaahc.org.
5. In order to ensure uninterrupted accreditation, your ASC should submit the *Application for Survey* approximately five months prior to the expiration of your term of accreditation. In states for which accreditation is mandated by law, the *Application* should be submitted six months in advance to ensure adequate time for review and scheduling the survey.

NOTE: You will need the Accreditation Renewal Code found above to submit your renewal application.

Additional Information

Throughout your term of accreditation, AAAHC will communicate announcements via e-mail to the primary contact for your organization. Please be sure to notify us (notifyeast@aaahc.org) should this individual or his/her contact information change.

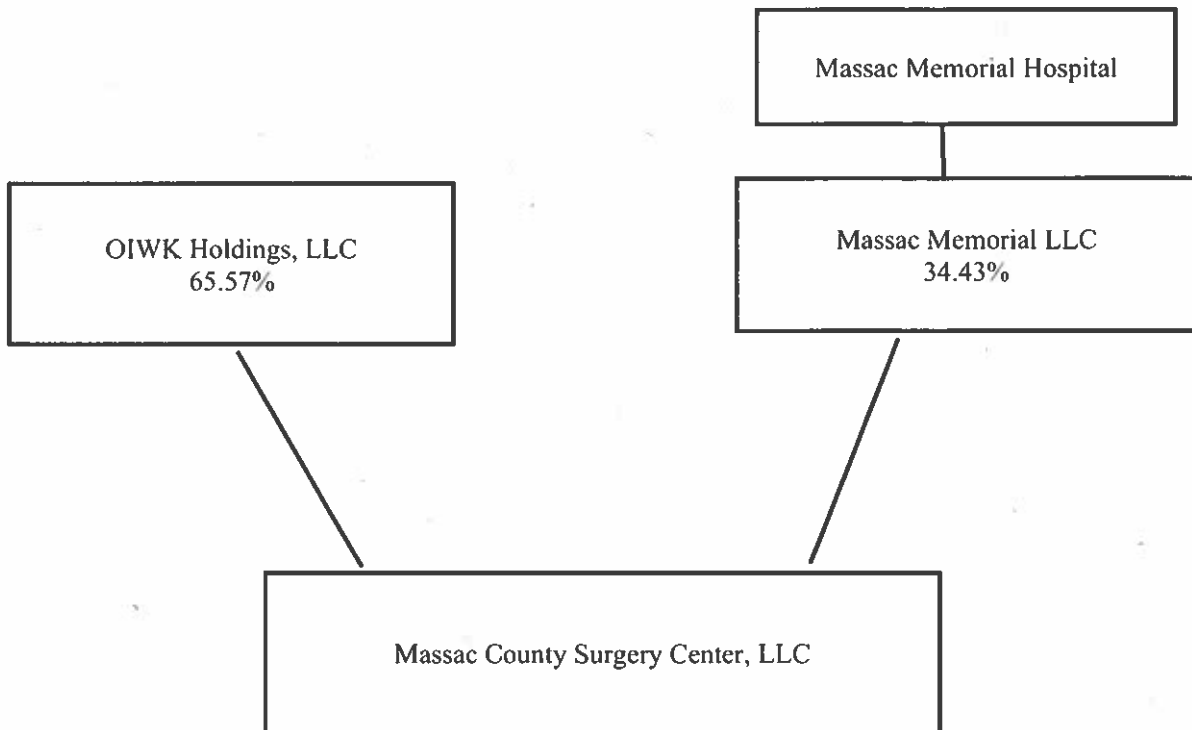
If you have questions or comments about the accreditation process, please contact AAAHC Accreditation Services at 847.853.6060. We look forward to continuing to partner with you to deliver safe, high-quality health care.

ATTACHMENT 4

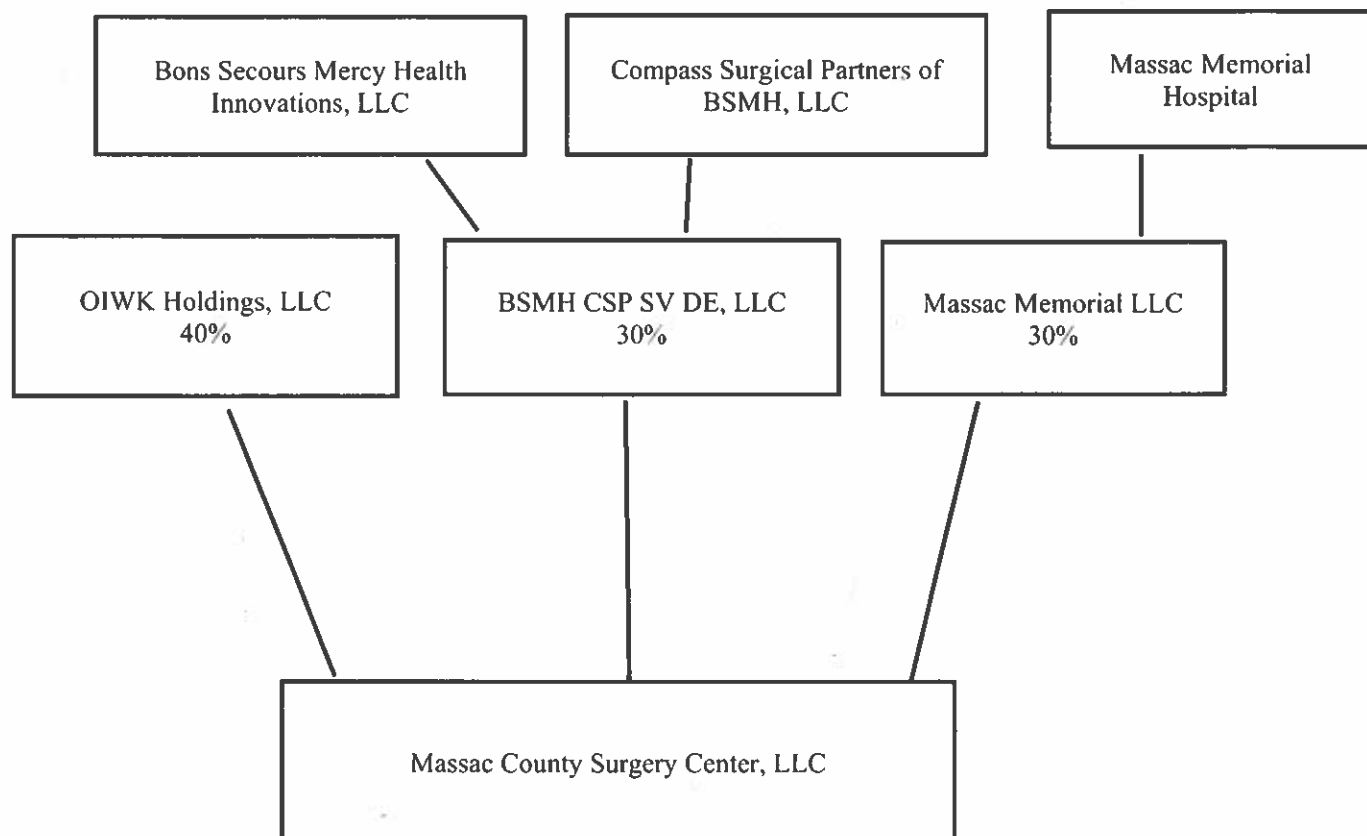
Organizational Relationships

The pre-closing and post-closing organizational charts for Massac County Surgery Center, LLC are attached hereto.

Pre-Closing Organizational Chart



Post-Closing Organizational Chart



ATTACHMENT 5**Background of Applicants****A. OIWK Holdings, LLC (“OIWK”)****1. A listing of all healthcare facilities owned or operated by OIWK, including licensing and certification.**

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

- Massac County Surgery Center
 - License No: 7003200
 - Accreditation No: 1313387

2. A listing of all health care facilities currently owned and/or operated in Illinois by any corporate officers, LLC Members, partners, or owners of at least 5% of OIWK.

By signing the certification pages within this application, the Applicants attest that no corporate officers or directors, LLC members, partners, or owners of at least 5% of OIWK own or operate any healthcare facilities in the State of Illinois.

3. Attestation

OIWK 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 OIWK and subject to HFSRB jurisdiction.

4. Authorization

The Illinois Health Facilities and Services Review Board (“HFSRB”) and the Illinois Department of Public Health (“IDPH”) are hereby authorized by OIWK Holdings, LLC to access any documents necessary to verify the information submitted within this application relating to Massac County Surgery Center, 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.

B. Massac County Surgery Center, LLC (“MCSC”)**1. A listing of all healthcare facilities owned or operated by MCSC, including licensing, and certification.**

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

- Massac County Surgery Center
 - License No: 7003200
 - Accreditation No: 1313387

2. A listing of all health care facilities currently owned and/or operated in Illinois by any corporate officers, LLC Members, partners, or owners of at least 5% of MCSC.

By signing the certification pages within this application, the Applicants attest that no corporate officers or directors, LLC members, partners, or owners of at least 5% of MCSC own or operate any healthcare facilities in the state of Illinois.

3. Attestation

MCSC 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 MCSC and subject to HFSRB jurisdiction.

4. Authorization

The Illinois Health Facilities and Services Review Board (“HFSRB”) and the Illinois Department of Public Health (“IDPH”) are hereby authorized by Massac County Surgery Center, LLC to access any documents necessary to verify the information submitted within this application relating to Massac County Surgery Center, 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.

ATTACHMENT 6**1130.520. Requirements for Exemptions Involving the Change of Ownership of a Health Care Facility****Names of Parties, Post-Closing Licensee and Structure of the Transaction -
(1130.520 (b)(1)(A), (b)(1)(B) and (b)(1)(C))**

This Certificate of Exemption ("COE") application addresses the change in the allocation of membership interests in Massac County Surgery Center, LLC ("MCSC"), the ASTC license holder, located at 1811 East 5th Street, Metropolis, Illinois.

MCSC is currently owned by OIWK Holdings, LLC ("OIWK") and Massac Memorial LLC ("Massac Memorial") with OIWK Holdings, LLC having control by virtue of its 65.34% ownership interest in MCSC. OIWK has grown its ownership interest since 2019 from 51% to 65.34% in accordance with MCSC's operating agreement. The surgeons with membership interests in OIWK currently practice in the Paducah County area.

Subject to approval of this COE application, BSMH-CSP SV DE, LLC ("BSMH-CSP"), a Delaware limited liability company, will acquire 30% of the membership interests in MCSC. BSMH-CSP is a joint venture between Bons Secours Mercy Health Innovations, LLC and Compass Surgical Partners of BSMH, LLC.

The ownership structure post-transaction will result in OIWK with 40% and Massac Memorial and BSMH-CSP each with 30% of the membership interests in MCSC.

Post-transaction, there will be seven managers at MCSC with OIWK appointing three managers and Massac Memorial and BSMH-CSP each with two manager appointments.

As historically handled by IHFSRB staff, there are two applicants in this application, the current and post-transaction licensee: Massac County Surgery Center, LLC and the current controlling party and post-transaction 40% owner: OIWK Holdings, LLC.

MCSC is currently licensed by IDPH as an ASTC and will maintain that designation; and the **licensee will not change**. The ASTC will maintain its level of quality and efficiency.

Fair Market Value of the Membership Interest Being Purchased -1130.520(b)(1)(F)

\$6,800,000

Affirmation regarding Outstanding CON Permits -1130.520(b)(2)

No outstanding CON.Permits at this time.

Hospital Financial Assistance Policy Affirmation

Not applicable.

Anticipated Benefits and Cost Savings -1130.520(b)(4) and (b)(5)

The proposed ownership structure will provide better purchasing power to the Ambulatory Surgical Center ("ASC") by increasing eligibility in commercial insurance networks and opening access to additional resources and expertise. The addition of BSMH CSP SV DE, LLC, a joint venture between Bon Secours Mercy Health and Compass Surgical Partners, to this dynamic surgery center will further support the mission and expand its reach to ensure more services are eligible for optimized coverage for the community at large. It is anticipated that growth of the ASC will manifest in more jobs created for members of the community as well as providing viable surgical health care options for the surrounding counties.

Quality Improvement Program to be Utilized - 1130.520(b)(7)

Massac County Surgery Center, LLC ("MCSC") has a longstanding commitment to a culture of quality, safety, service and evidence-based practices. By aspiring to consistently engage in process improvement and improve consistency to meet the highest standards for quality and patient satisfaction, MCSC will continue to advance its commitment to delivering care that is of the highest quality and eliminates preventable harm. It is anticipated that MCSC will maintain its current clinical structure and retain key staff, allowing seamless continuity of its current Quality Improvement Program.

Governing Body Composition/Selection Process -1130.520(b)(7)

After the proposed transaction, the Board of Managers of Massac County Surgery Center, LLC will consist of seven (7) managers. OIWK Holdings, LLC will appoint three (3) managers and BSMH-CSP SV DE, LLC and Massac Memorial LLC will each appoint four (2) managers.

Scope of Services – 1130.520(b)(9)

There will be no changes in the Categories of Service(s) provided by Massac County Surgery Center, LLC within 24 months following the closing of the planned transaction unless Massac County Surgery Center, LLC applies for and obtains approval from the HFSRB to make any adjustments necessary to best address the healthcare needs of the community it serves.

ATTACHMENT 7: CHARITY CARE

MASSAC COUNTY SURGERY CENTER			
	2021	2022	2023
Net Patient Revenue	\$ 8,592,911	\$10,288,949	\$10,630,870
Amount of Charity Care (charges)	\$1,548.57	\$5,999.04	\$10,162.17
Cost of Charity Care	\$1,007.92	\$3,878.57	\$6,849.87
Ratio of Charity Cost to Net Patient Revenue	0.01%	0.04%	0.06%

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

INDEX OF ATTACHMENTS			
ATTACHMENT NO.			PAGES
1	Applicant Identification including Certificate of Good Standing		15-17
2	Site Ownership		18
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.		19-22
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.		23-25
5	Background of the Applicant		26-27
6	Change of Ownership		28-29
7	Charity Care Information		30