

ORIGINAL

RECEIVED

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

MAR 28 2024

HEALTH FACILITIES &
SERVICES REVIEW BOARD

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name:	OSF Saint Elizabeth Medical Center – Replacement Hospital		
Street Address:	No address assigned; parcel is immediately south of the current facility at 1100 E. Norris Drive		
City and Zip Code:	Ottawa, IL 61350		
County:	LaSalle	Health Service Area:	2 Health Planning Area: C-02

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

Exact Legal Name:	Ottawa Regional Hospital and Healthcare Center / dba OSF Saint Elizabeth Medical Center		
Street Address:	1100 E. Norris Drive		
City and Zip Code:	Ottawa, IL 61350		
Name of Registered Agent:	Danielle McNear		
Registered Agent Street Address:	124 S.W. Adams Street		
Registered Agent City and Zip Code:	Peoria 61602		
Name of Chief Executive Officer:	Dawn Trompeter		
CEO Street Address:	1100 E. Norris Drive		
CEO City and Zip Code:	Ottawa, IL 61350		
CEO Telephone Number:	815-431-5456		

Type of Ownership of Applicants

- | | |
|--|---|
| <input checked="" type="checkbox"/> Non-profit Corporation | <input type="checkbox"/> Partnership |
| <input type="checkbox"/> For-profit Corporation | <input type="checkbox"/> Governmental |
| <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other |
- 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:	Dawn Trompeter		
Title:	President		
Company Name:	OSF Saint Elizabeth Medical Center		
Address:	1100 E. Norris Drive Ottawa, IL 61350		
Telephone Number:	815-431-5456		
E-mail Address:	Dawn.C.Trompeter@osfhealthcare.org		
Fax Number:	815-431-5500		

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

Name:	Ralph Weber		
Title:	CON Consultant		
Company Name:	Weber Alliance		
Address:	920 Hoffman Lane Riverwoods, IL 60015		
Telephone Number:	847-791-0830		
E-mail Address:	rmweber90@gmail.com		
Fax Number:	NA		

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

Name:	Mark Hohulin
Title:	Senior Vice President, Healthcare Analytics
Company Name:	OSF Healthcare System
Address:	124 S.W. Adams Street Peoria, IL 61602
Telephone Number:	309-308-9656
E-mail Address:	mark.e.hohulin@osfhealthcare.org
Fax Number:	309-308-0530

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

Name:	Michael Henderson
Title:	Senior Corporate Counsel
Company Name:	OSF Healthcare System
Address:	124 S.W. Adams Street Peoria, IL 61602
Telephone Number:	309-655-2402
E-mail Address:	michael.b.henderson@osfhealthcare.org
Fax Number:	309-308-5098

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

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name:	OSF Saint Elizabeth Medical Center -- Replacement Hospital		
Street Address:	No address assigned; parcel is immediately south of the current facility at 1100 E. Norris Drive		
City and Zip Code:	Ottawa, IL 61350		
County:	LaSalle	Health Service Area: 2	Health Planning Area: C-02

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

Exact Legal Name:	OSF Healthcare System
Street Address:	124 S.W. Adams Street
City and Zip Code:	Peoria, IL 61602
Name of Registered Agent:	Danielle McNear
Registered Agent Street Address:	124 S.W. Adams Street
Registered Agent City and Zip Code:	Peoria 61602
Name of Chief Executive Officer:	Robert C. Sehring
CEO Street Address:	124 S.W. Adams Street
CEO City and Zip Code:	Peoria, IL 61602
CEO Telephone Number:	309-655-2850

Type of Ownership of Applicants

- | | |
|--|--|
| <input checked="" type="checkbox"/> Non-profit Corporation | <input type="checkbox"/> Partnership |
| <input type="checkbox"/> For-profit Corporation | <input type="checkbox"/> Governmental |
| <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Sole Proprietorship |
| | <input type="checkbox"/> Other |
- 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:	Dawn Trompeter
Title:	President
Company Name:	OSF Saint Elizabeth Medical Center
Address:	1100 E. Norris Drive Ottawa, IL 61350
Telephone Number:	815-431-5456
E-mail Address:	Dawn.C.Trompeter@osfhealthcare.org
Fax Number:	815-431-5500

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

Name:	Ralph Weber
Title:	CON Consultant
Company Name:	Weber Alliance
Address:	920 Hoffman Lane Riverwoods, IL 60015
Telephone Number:	847-791-0830
E-mail Address:	rmweber90@gmail.com
Fax Number:	NA

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

Name:	Mark Hohulin
Title:	Senior Vice President, Healthcare Analytics
Company Name:	OSF Healthcare System
Address:	124 S.W. Adams Street Peoria, IL 61602
Telephone Number:	309-308-9656
E-mail Address:	mark.e.hohulin@osfhealthcare.org
Fax Number:	309-308-0530

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

Name:	Michael Henderson
Title:	Senior Corporate Counsel
Company Name:	OSF Healthcare System
Address:	124 S.W. Adams Street Peoria, IL 61602
Telephone Number:	309-655-2402
E-mail Address:	michael.b.henderson@osfhealthcare.org
Fax Number:	309-308-5098

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:	Dawn Trompeter		
Title:	President		
Company Name:	OSF Saint Elizabeth Medical Center		
Address:	1100 E. Norris Drive	Ottawa, IL	61350
Telephone Number:	815-431-5456		
E-mail Address:	Dawn.C.Trompeter@osfhealthcare.org		
Fax Number:	815-431-5500		

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	OSF Healthcare System		
Address of Site Owner:	124 S.W. Adams Street	Peoria, IL	61602
Street Address or Legal Description of the Site: 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: Ottawa Regional Hospital and Healthcare Center / dba OSF Saint Elizabeth Medical Center			
Address: 1100 E. Norris Drive Ottawa, IL 61350			
<input checked="" type="checkbox"/>	Non-profit Corporation	<input type="checkbox"/>	Partnership
<input type="checkbox"/>	For-profit Corporation	<input type="checkbox"/>	Governmental
<input type="checkbox"/>	Limited Liability Company	<input type="checkbox"/>	Sole Proprietorship <input type="checkbox"/> Other
<ul style="list-style-type: none"> ○ Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. ○ Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. ○ Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership. 			
APPEND DOCUMENTATION AS 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.

The project is the replacement of the existing OSF Saint Elizabeth Medical Center in Ottawa with a smaller, downsized facility. The project includes a 12-bed medical/surgical unit, and replaces the Acute Mental Illness service at its current authorized bed count of 26 beds. Other clinical services include an emergency department with 10 treatment rooms and 2 additional rooms for trauma, a surgery department with 2 ORs and one procedure room, diagnostic imaging, outpatient services, pharmacy, lab and supporting facility services. The new hospital building will be located on property owned by OSF Healthcare System immediately south of the current hospital campus and across Route 6.

This Certificate of Need permit application is one of three related projects, each of which has a separate permit application. A second CON application covers the discontinuation of the existing OSF Saint Elizabeth Medical Center that is being replaced. A third permit application addresses the expansion of medical/surgical beds, ICU beds and the OB service being relocated from SEMC-Ottawa to the Saint Elizabeth Medical Center-Peru. OSF acquired the former St. Margaret's Health-Peru hospital in November, 2023, following its closure, and renamed it OSF Saint Elizabeth Medical Center-Peru. Saint Elizabeth Medical Center will operate as one licensed hospital at two sites – Ottawa and Peru. OSF requests that the Illinois Health Facilities and Services Review Board coordinates the reviews of these three projects at the same meeting later this year.

The project is sized at 87,285 departmental gross square feet. 48,101 is clinical space. 39,184 sq ft is non-clinical.

Total capital cost of the project is \$137,937,825. \$48,504,397 is clinical; \$89,435,428 is non-clinical.

The anticipated completion date for the project is December 31, 2027.

The project is considered Substantive because it is the establishment of a health care facility.

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

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 \$ 61,283,171.

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):

December 31, 2027

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.

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 Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)			
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs to Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS			
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities			
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS			
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

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 9**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Facility Bed Capacity and Utilization

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: OSF Saint Elizabeth Medical Center			CITY: Ottawa		
REPORTING PERIOD DATES: From: January 1, 2023 to: December 31, 2023					
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical	54	2,053	10,562	-42	12
Obstetrics	14	585	1,309	-14	0
Pediatrics					
Intensive Care	5	384	1,321	-5	0
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness	26	1,093	5,925	0	26
Neonatal Intensive Care					
General Long-Term Care					
Specialized Long-Term Care					
Long Term Acute Care					
Other ((identify))					
TOTALS:	99	4,115	19,117	-61	38

NOTES:

The changes in the categories of services and reduction of authorized beds at SEMC-Ottawa are part of a two-campus plan that includes expansion of services and beds at SEMC-Peru. The two hospitals will be operated under one license. Bed changes at Peru are covered in a separate CON permit application. At SEMC-Peru, med/surg beds will be increased from 38 to 45 beds; ICU beds will be increased from 4 to 8, and OB beds will be increased from 7 to 11. These changes are noted as relevant context for the changes reported in the above table.

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 **Ottawa Regional Hospital & Healthcare Center d/b/a OSF Saint Elizabeth Medical Center** 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.

August J. Querciagrossa
SIGNATURE

August J. Querciagrossa
PRINTED NAME

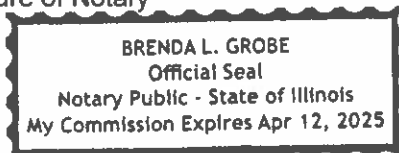
Chief Executive Officer, Western Region
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 19th day of March 2024

Brenda L. Grobe
Signature of Notary

Seal



*Insert the EXACT legal name of the applicant

Dawn Trompeter
SIGNATURE

Dawn Trompeter
PRINTED NAME

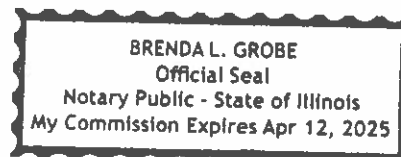
President
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 19th day of March 2024

Brenda L. Grobe
Signature of Notary

Seal



CERTIFICATION

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

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o 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);
- o 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);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of OSF Healthcare System* 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.

Robert C. Sehring
SIGNATURE

Robert C. Sehring
PRINTED NAME

Chief Executive Officer
PRINTED TITLE

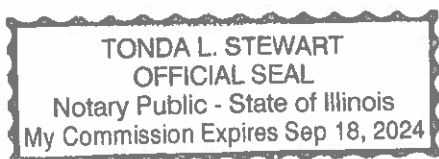
Notarization:

Subscribed and sworn to before me

this 21st day of March 2024

Tonda L. Stewart
Signature of Notary

Seal



*Insert the EXACT legal name of the applicant

Michael A. Cruz
SIGNATURE

Michael A. Cruz, MD
PRINTED NAME

Chief Operating Officer
PRINTED TITLE

Notarization:

Subscribed and sworn to before me

this 21st day of March 2024

Tonda L. Stewart
Signature of Notary

Seal



SECTION II. DISCONTINUATION

This Section is applicable to the discontinuation of a health care facility or the discontinuation of more than one category of service in a 6-month period. If the project is solely for a discontinuation of a health care facility the **Background of the Applicant(s) and Purpose of Project MUST** be addressed. **A copy of the Notices listed in Item 7 below MUST be submitted with this Application for Discontinuation** <https://www.ilga.gov/legislation/ilcs/documents/002039600K8.7.htm>

Criterion 1110.290 – Discontinuation

READ THE REVIEW CRITERION and provide the following information:

GENERAL INFORMATION REQUIREMENTS

1. Identify the categories of service and the number of beds, if any that are to be discontinued.
2. Identify all the other clinical services that are to be discontinued.
3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.
4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued and the length of time the records will be maintained.
6. Provide copies of the notices that were provided to the local media that would routinely be notified about facility events.
7. **For applications involving the discontinuation of an entire facility, provide copies of the notices that were sent to the municipality in which the facility is located, the State Representative and State Senator of the district in which the health care facility is located, the Director of Public Health, and the Director of Healthcare and Family Services. These notices shall have been made at least 30 days prior to filing of the application.**
8. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 90 days following the date of discontinuation.

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 1110.290(b) for examples.

IMPACT ON ACCESS

1. Document whether the discontinuation of each service or of the entire facility will have an adverse effect upon access to care for residents of the facility's market area.
2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within the **geographic service area**.

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

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	MEET 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.

SECTION VI. SERVICE SPECIFIC REVIEW CRITERIA

This Section is applicable to all projects proposing the establishment, expansion, or modernization of categories of service that are subject to CON review, as provided in the Illinois Health Facilities Planning Act [20 ILCS 3960]. It is comprised of information requirements for each category of service, as well as charts for each service, indicating the review criteria that must be addressed for each action (establishment, expansion, and modernization). After identifying the applicable review criteria for each category of service involved, read the criteria, and provide the required information APPLICABLE TO THE CRITERIA THAT MUST BE ADDRESSED:

A. Criterion 1110.200 - Medical/Surgical, Obstetric, Pediatric and Intensive Care

1. Applicants proposing to establish, expand and/or modernize the Medical/Surgical, Obstetric, Pediatric and/or Intensive Care categories 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
<input type="checkbox"/> Medical/Surgical		
<input type="checkbox"/> Obstetric		
<input type="checkbox"/> Pediatric		
<input type="checkbox"/> Intensive Care		

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

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.200(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (Formula calculation)	X		
1110.200(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.200(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.200(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.200(b)(5) - Planning Area Need - Service Accessibility	X		
1110.200(c)(1) - Unnecessary Duplication of Services	X		
1110.200(c)(2) - Maldistribution	X	X	
1110.200(c)(3) - Impact of Project on Other Area Providers	X		

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.200(d)(1), (2), and (3) - Deteriorated Facilities			X
1110.200(d)(4) - Occupancy			X
1110.200(e) - Staffing Availability	X	X	
1110.200(f) - Performance Requirements	X	X	X
1110.200(g) - Assurances	X	X	
APPEND DOCUMENTATION AS <u>ATTACHMENT 19</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

C. Criterion 1110.210 - Acute Mental Illness and Chronic Mental Illness

1. Applicants proposing to establish, expand and/or modernize the Acute Mental Illness and Chronic Mental Illness categories 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
<input type="checkbox"/> Acute Mental Illness		
<input type="checkbox"/> Chronic Mental Illness		

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

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.210(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (Formula calculation)	X		
1110.210(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.210(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.210(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.210(b)(5) - Planning Area Need - Service Accessibility	X		
1110.210(c)(1) - Unnecessary Duplication of Services	X		
1110.210(c)(2) - Maldistribution	X		
1110.210(c)(3) - Impact of Project on Other Area Providers	X		
1110.210(d)(1), (2), and (3) - Deteriorated Facilities			X
1110.210(d)(4) - Occupancy			X
1110.210(e)(1) - Staffing Availability	X	X	
1110.210(f) - Performance Requirements	X	X	X
1110.210(g) - Assurances	X	X	
APPEND DOCUMENTATION AS ATTACHMENT <u>21</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

M. Criterion 1110.270 - Clinical Service Areas Other than Categories of Service

1. Applicants proposing to establish, expand and/or modernize Clinical Service Areas Other than categories of service must submit the following information:

2. Indicate changes by Service: Indicate # of key room changes by action(s):

Service	# Existing Key Rooms	# Proposed Key Rooms
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		

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

Project Type	Required Review Criteria
New Services or Facility or Equipment	(b) – Need Determination – Establishment
Service Modernization	(c)(1) – Deteriorated Facilities
	AND/OR
	(c)(2) – Necessary Expansion
	PLUS
	(c)(3)(A) – Utilization – Major Medical Equipment
	OR
	(c)(3)(B) – Utilization – Service or Facility

1APPEND DOCUMENTATION AS ATTACHMENT 31, 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]:

\$12,500,000	a)	Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: <ol style="list-style-type: none"> 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.
\$125,437,825	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: <ol style="list-style-type: none"> 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.
\$137,937,825	TOTAL FUNDS AVAILABLE

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)			
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Medicaid (revenue)			
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.

SECTION XI -SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM

In accordance with Executive Order 2006-5 (EO 5), the Health Facilities & Services Review Board (HFSRB) must determine if the site of the CRITICAL FACILITY, as defined in EO 5, is in a mapped floodplain (Special Flood Hazard Area) or a 500-year floodplain. All state agencies are required to ensure that before a permit, grant or a development is planned or promoted, the proposed project meets the requirements of the Executive Order, including compliance with the National Flood Insurance Program (NFIP) and state floodplain regulation.

1. Applicant: OSF Saint Elizabeth Medical Center 1100 E. Norris Drive
 (Name) (Address)
Ottawa IL 61350
 (City) (State) (ZIP Code) (Telephone Number)
2. Project Location: No address assigned Immed S of current hospital Ottawa, IL
 (Address) (City) (State)
LaSalle
 (County) (Township) (Section)

3. You can create a small map of your site showing the FEMA floodplain mapping using the FEMA Map Service Center website (<https://msc.fema.gov/portal/home>) by entering the address for the property in the Search bar. If a map, like that shown on page 2 is shown, select the **Go to NFHL Viewer** tab above the map. You can print a

copy of the floodplain map by selecting the  icon in the top corner of the page. Select the pin tool icon  and place a pin on your site. Print a FIRMETTE size image.

If there is no digital floodplain map available select the **View/Print FIRM** icon above the aerial photo. You will then need to use the Zoom tools provided to locate the property on the map and use the **Make a FIRMette** tool to create a pdf of the floodplain map.

IS THE PROJECT SITE LOCATED IN A SPECIAL FLOOD HAZARD AREA: Yes ___ No ✓ ?

IS THE PROJECT SITE LOCATED IN THE 500-YEAR FLOOD PLAIN?

If you are unable to determine if the site is in the mapped floodplain or 500-year floodplain, contact the county or the local community building or planning department for assistance.

If the determination is being made by a local official, please complete the following:

FIRM Panel Number: _____ Effective Date: _____

Name of Official: _____ Title: _____

Business/Agency: _____ Address: _____

(City) (State) (ZIP Code) (Telephone Number)

Signature: _____ Date: _____

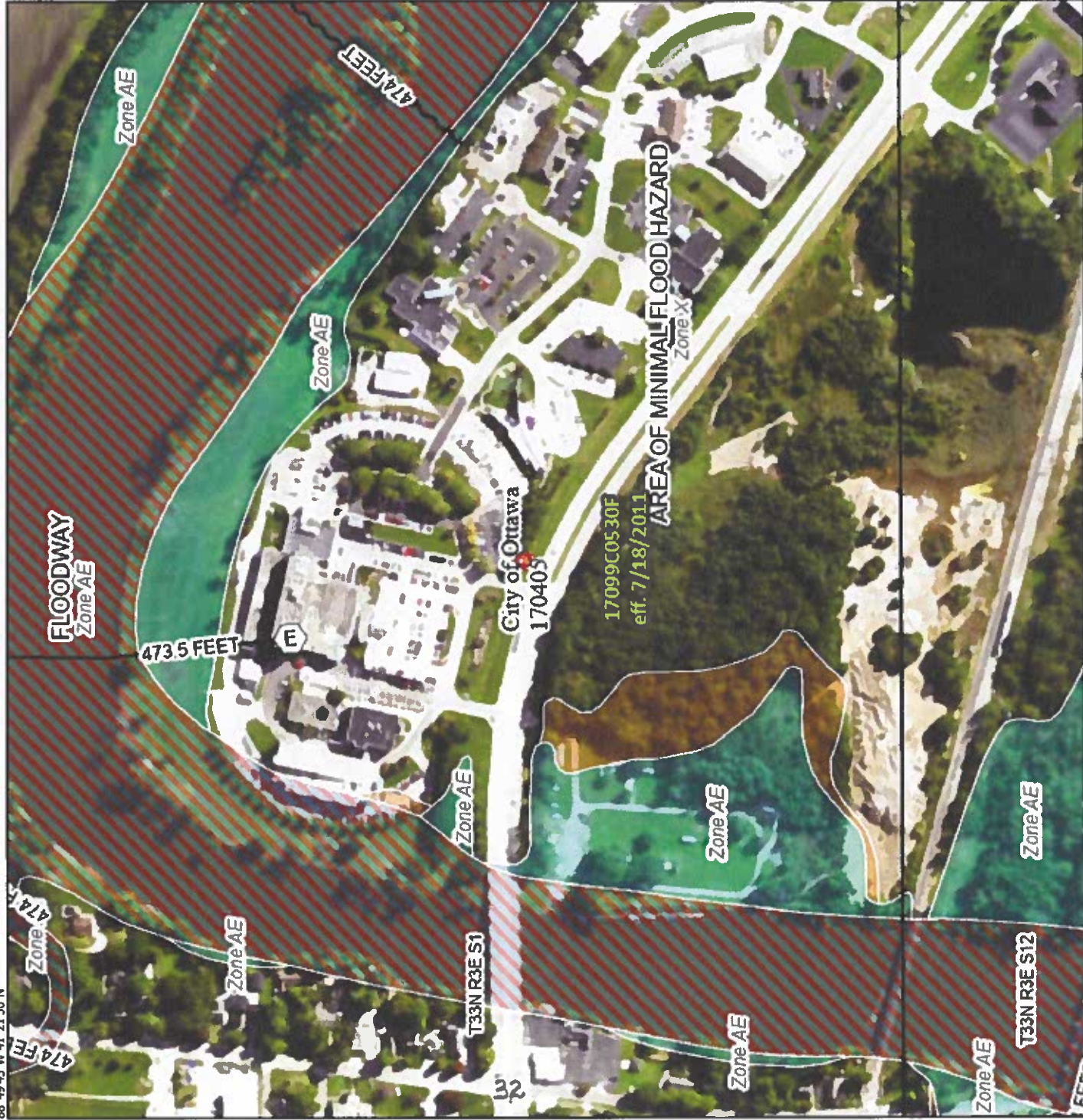
NOTE: This finding only means that the property in question is or is not in a Special Flood Hazard Area or a 500-year floodplain as designated on the map noted above. It does not constitute a guarantee that the property will or will not be flooded or be subject to local drainage problems.

If you need additional help, contact the Illinois Statewide Floodplain Program at 217/782-4428

National Flood Hazard Layer FIRMette



88°49'45"W 41°21'36"N



Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS

- Without Base Flood Elevation (BFE)
Zone A, V, A99
- With BFE or Depth *Zone AE, AO, AH, VE, AR*
- Regulatory Floodway

- OTHER AREAS OF FLOOD HAZARD**
- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile *Zone X*
 - Future Conditions 1% Annual Chance Flood Hazard *Zone X*
 - Area with Reduced Flood Risk due to Levee. See Notes. *Zone X*
 - Area with Flood Risk due to Levee *Zone D*

OTHER AREAS

- NO SCREEN
- Area of Minimal Flood Hazard *Zone X*
- Effective LOMRS
- Area of Undetermined Flood Hazard *Zone L*

GENERAL STRUCTURES

- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES

- Cross Sections with 1% Annual Chance Water Surface Elevation
- Coastal Transect
- Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS

- Digital Data Available
- No Digital Data Available
- Unmapped



The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

#24-011

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards.

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on **2/12/2024 at 2:56 PM** and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

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	34-35
2	Site Ownership	36-51
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	52
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	53
5	Flood Plain Requirements	54-55
6	Historic Preservation Act Requirements	56
7	Project and Sources of Funds Itemization	57-61
8	Financial Commitment Document if required	--
9	Cost Space Requirements	62
10	Discontinuation	63
11	Background of the Applicant	64-69
12	Purpose of the Project	70-78
13	Alternatives to the Project	79-82
14	Size of the Project	83
15	Project Service Utilization	84-85
16	Unfinished or Shell Space	NA
17	Assurances for Unfinished/Shell Space	NA
	Service Specific:	
18	Medical Surgical Pediatrics, Obstetrics, ICU	86-102
19	Comprehensive Physical Rehabilitation	--
20	Acute Mental Illness	103-119
21	Open Heart Surgery	--
22	Cardiac Catheterization	--
23	In-Center Hemodialysis	--
24	Non-Hospital Based Ambulatory Surgery	--
25	Selected Organ Transplantation	--
26	Kidney Transplantation	--
27	Subacute Care Hospital Model	--
28	Community-Based Residential Rehabilitation Center	--
29	Long Term Acute Care Hospital	--
30	Clinical Service Areas Other than Categories of Service	120-123
31	Freestanding Emergency Center Medical Services	--
32	Birth Center	--
	Financial and Economic Feasibility:	
33	Availability of Funds	124
34	Financial Waiver	--
35	Financial Viability	125-133
36	Economic Feasibility	134-142
37	Safety Net Impact Statement	143-147
38	Charity Care Information	148
39	Flood Plain Information	31-32

File Number

4484-569-5



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

OTTAWA REGIONAL HOSPITAL & HEALTHCARE CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON DECEMBER 07, 1964, ADOPTED THE ASSUMED NAME OSF SAINT ELIZABETH MEDICAL CENTER ON JUNE 08, 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.



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 #: 2403902208 verifiable until 02/08/2025

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

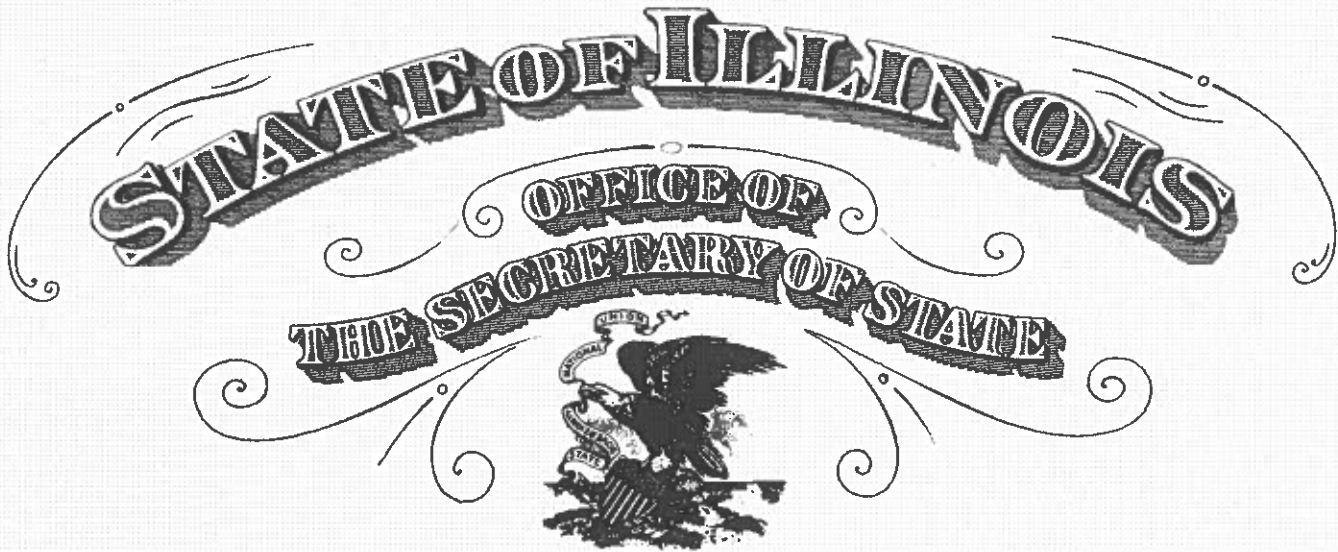
Alexi Giannoulas

SECRETARY OF STATE

Attachment 1

File Number

0107-414-8



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

OSF HEALTHCARE SYSTEM, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JANUARY 02, 1880, 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 5TH day of OCTOBER A.D. 2023 .



March 21, 2024

Ms. Debra Savage, Chairwoman
Illinois Health Facilities and Services Review Board
525 West Jefferson Street - 2nd Floor
Springfield, IL 62761


Re: Site Ownership – replacement hospital location
OSF Saint Elizabeth Medical Center – Ottawa, Hospital Replacement Project

Dear Chairwoman Savage:

I hereby certify that OSF Healthcare System owns the property where the replacement OSF Saint Elizabeth Medical Center will be constructed. The property is immediately south of and across Route 6 from the site of the current hospital. A street address has not yet been assigned. Attached are selected relevant pages from the property deed.

If you have any questions, please contact Mark Hohulin, Senior Vice President, Healthcare Analytics, at 309-308-9656 or at mark.e.hohulin@osfhealthcare.org.

Sincerely,


Robert C. Sehring, Chief Executive Officer
OSF Healthcare System
124 S.W. Adams Street
Peoria, IL 61602

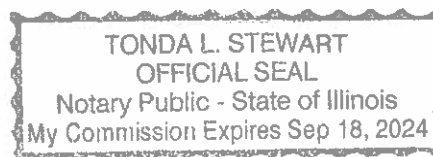
Notarization:

Subscribed and sworn to before me

this 21st day of March 2024


Signature of Notary

Seal



Attachment 2

#24-011

21-12-201-001

2006

Site 13

LASALLE COUNTY RECORDER 2010-00229 1



2010-00229

WARRANTY DEED
Statutory (Illinois)
(Corporation to Corporation)

*Verifying
Deed.*

THOMAS E. LYONS
LASALLE COUNTY RECORDER
OTTAWA, IL
RECORDED ON
01/08/2010 02:12PM
REC FEE: 38.50
RHSP FEE: 10.00
REVENUE FEE: 3975.00
PAGES: 3

THE GRANTOR OTTAWA MEDICAL

CENTER, P.C., a professional
corporation created and existing under
and by virtue of the laws of the State of
Illinois and duly authorized to transact
business in the State of Illinois, for and in
consideration of TEN DOLLARS,
(\$10.00) and other good and valuable

Above Space for Recorder's use only

consideration, in hand paid, and pursuant to authority given by the shareholders of said corporation, CONVEYS and
WARRANTS to OTTAWA REGIONAL HOSPITAL & HEALTHCARE CENTER, a 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 1100 E.
Norris Drive, Ottawa, Illinois 61350, the following described Real Estate situated in the County of LaSalle and State of
Illinois, to wit:

Lots 11 and 12 in Block 1 in East Gate Subdivision, being a part of the Northeast Quarter of Section 12, Township 33
North, Range 3 East of the Third Principal Meridian and part of the Southwest Quarter of Section 6, Township 33 North,
Range 4 East of the Third Principal Meridian, and part of the Southeast fractional Quarter of Section 1, Township 33
North, Range 3 East of the Third Principal Meridian, according to the plat thereof recorded June 7, 1972 in Plat Book 1 at
Page 7 as document no. 651571, and revised according to the plat thereof recorded 24 May, 1977, in Book A, page A-14
as document no. 641401 recorded 24 May, 1977

Subject to those permitted exceptions listed on Exhibit A.

Permanent Real Estate Index Number(s): 21-01-401-009 and 21-12-201-001

Address(es) of Real Estate: 1814 East Norris Drive, City of Ottawa, Illinois, 61350

In Witness Whereof, said Grantor has caused its corporate seal to be hereto affixed, and has caused its name to be
signed to these presents by its PRESIDENT, and attested by its VICE-PRESIDENT, this

31st day of DECEMBER, 2009



By:

Ben S. By...

Ottawa Medical Center, P.C.

Attest:

Edward E. By...

THE PRESIDENT

THE VICE-PRESIDENT

Page 1 of 2

00000001 7040000 ADMINISTRATOR

94032

Attachment 2

State of Illinois,

County of La Salle ss.

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that

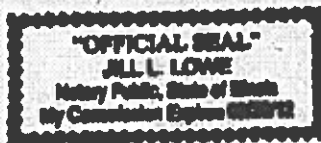
Brian S. Rosborough personally known to me to be the PRESIDENT of the

corporation, and Robert B. Maguire personally known to me to be the
Vice-President of said corporation, and personally known to me to be the same persons
 whose names are subscribed to the foregoing instrument, appeared before me this day in person
 and severally acknowledged that as such PRESIDENT and Vice-President
 they signed and delivered the said instrument and caused the corporate seal of said corporation
 to be affixed thereto, pursuant to authority given by the shareholders of said corporation, as their
 free and voluntary act, and as the free and voluntary act and deed of said corporation, for the
 uses and purposes therein set forth.

IMPRESS
 NOTARIAL SEAL
 HERE

Given under my hand and official seal, this 31st day of December 2009Commission expires Sept 20 2012Jill L. Lowe

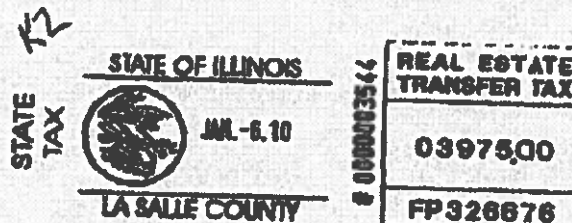
NOTARY PUBLIC



This instrument was prepared by

Teresa Burke, Faegre & Benson LLP, 1700 Lincoln Street, Suite 3200 Denver, CO 80203

SEND SUBSEQUENT TAX BILLS TO:
OTTAWA REGIONAL HOSPITAL - HORTONWALD CENTER
 (Name)
1100 E. Adams Drive
 (Address)
OTTAWA, IL 61350
 (City, State and Zip)



LASALLE COUNTY RECORDER 2010-00229 4



* 2010-00229 3 *

2010-00229



PTAX-203

Illinois Real Estate

Transfer Declaration

Please read the instructions before completing this form.
This form can be completed electronically at tax.lcas.gov/ptd.

Step 1: Identify the property and sale information.

- 1 1144 E. Morris Drive
Direct address of property (for 911 address, if available)
- City OTTAWA State WIS
- X OTTAWA TOWNSHIP
- 2 Write the total number of parcels to be transferred. 2
- 3 Write the parcel identifying numbers and lot sizes or acreage.
Parcel identifying number Lot size or acreage
21-01-401-00A X Acres 1.122
21-12-201-001 X Acres 3.122
- 4 Write additional parcel identifiers and lot sizes or acreage in Step 3.
- 4 Date of instrument: 1/20/10
- 5 Type of instrument (Mark with an "X"):
☐ Quit claim deed ☐ Executor deed ☐ Trustee deed
☐ Beneficial interest ☒ Other (specify): Warranty deed
- 6 Yes ☒ No ☐ Will the property be the buyer's principal residence?
- 7 Yes ☒ No ☐ Was the property advertised for sale?
(i.e., auction, sign, newspaper, radio)
- 8 Identify the property's current and intended primary use.
Current - intended (Mark only one item per column with an "X")

- | | |
|---|---|
| a | Land/lot only |
| b | Residence (single-family, condominium, townhome, or duplex) |
| c | Mobile home residence |
| d | Apartment building (8 units or less) No. of units _____ |
| e | Apartment building (over 8 units) No. of units _____ |
| f | Office |
| g | Retail establishment |
| h | X Commercial building (specify): _____ |
| i | Industrial building |
| j | Farm |
| k | Other (specify): _____ |

County: _____
Date: _____
Doc. No.: _____
Vol.: _____
Page: _____
Received by: _____

THOMAS E. LYONS
LASALLE COUNTY RECORDER
OTTAWA, IL
RECORDED ON
01/06/2010 02:12PM
REC FEE: 38.50
RHP FEE: 10.00
REVENUE FEE: 3975.00
PAGES: 3

- 9 Identify any significant physical changes in the property since January 1 of the previous year and write the date of the change.
Date of significant change: _____
(Mark with an "X")
☐ Demolition/damage ☐ Addition ☐ Major remodeling
☐ New construction ☐ Other (specify): _____
- 10 Identify only the items that apply to this sale. (Mark with an "X")

- | | |
|---|---|
| a | Purchase of installment contract — year contract initiated: _____ |
| b | Sale between related individuals or corporate affiliates |
| c | Transfer of less than 100 percent interest |
| d | Court-ordered sale |
| e | Sale in lieu of foreclosure |
| f | Condemnation |
| g | Auction sale |
| h | Seller/buyer is a relocation company |
| i | Seller/buyer is a financial institution or government agency |
| j | Buyer is a real estate investment trust |
| k | Buyer is a pension fund |
| l | Buyer is an adjacent property owner |
| m | Buyer is exercising an option to purchase |
| n | Trade of property (simultaneous) |
| o | Sale-leaseback |
| p | Other (specify): _____ |
| q | Homestead exemptions on most recent tax bill: |
| 1 | General/Alternative _____ |
| 2 | Senior Citizens _____ |
| 3 | Senior Citizens Assessment Freeze _____ |

Step 2: Calculate the amount of transfer tax due.

Notes: Round Lines 11 through 18 to the next highest whole dollar. If the amount on Line 11 is over \$1 million and the property's current use on Line 8 above is marked "c," "d," "h," "i," "j," or "k," complete Form PTAX-600-A, Illinois Real Estate Transfer Declaration Supplemental Form A. If you are recording a beneficial interest transfer, do not complete this step. Complete Form PTAX-600-B, Illinois Real Estate Transfer Declaration Supplemental Form B.

- | | | | |
|-----|---|-----|---|
| 11 | Full actual consideration | 11 | \$ 2,149,000.00 |
| 12a | Amount of personal property included in the purchase | 12a | \$ 750.00 |
| 12b | Was the value of a mobile home included on Line 12a? | 12b | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
| 13 | Subtract Line 12a from Line 11. This is the net consideration for real property. | 13 | \$ 2,148,250.00 |
| 14 | Amount for other real property transferred to the seller (in a simultaneous exchange) as part of the full actual consideration on Line 11 | 14 | \$ 0 |
| 15 | Outstanding mortgage amount to which the transferred real property remains subject | 15 | \$ 0 |
| 16 | If this transfer is exempt, use an "X" to identify the provision. | 16 | X |
| 17 | Subtract Lines 14 and 15 from Line 13. This is the net consideration subject to transfer tax. | 17 | \$ 2,148,250.00 |
| 18 | Divide Line 17 by 500. Round the result to the next highest whole number (e.g., \$1,000 rounds to \$2). | 18 | \$ 4,296.50 |
| 19 | Single tax stamps — multiply Line 18 by 0.80. | 19 | \$ 3,437.20 |
| 20 | County tax stamps — multiply Line 18 by 0.25. | 20 | \$ 1,074.13 |
| 21 | Add Lines 19 and 20. This is the total amount of transfer tax due. | 21 | \$ 4,511.33 |

PTAX-203 (1-0-09)

This form is subject to compliance with 35 ILCS 100-1-1 of the Uniformity of the Information in Recording Act. This form has been approved by the Public Information Service. L-00-001

Page 1 of 4

LASALLE COUNTY RECORDER 2010-00229 5

Step 3: Write the legal description from the deed. Write, type (minimum 10-point font required), or attach the legal description from the deed. If you prefer, submit an 8 1/2" x 11" copy of the extended legal description with this form. You may also use the space below to write additional parcel identifiers and lot size or acreage from Step 1, Line 5.

Lots 11 and 12 in Block 1 in East Gate Subdivision, being a part of the Northeast Quarter of Section 12, Township 33 North, Range 3 East of the Third Principal Meridian and part of the Southwest Quarter of Section 8, Township 33 North, Range 4 East of the Third Principal Meridian, and part of the Southeast fractional Quarter of Section 1, Township 33 North, Range 3 East of the Third Principal Meridian, according to the plat thereof recorded June 7, 1972 in Plat Book 1 at Page 7 as document no. 681671, and revised according to the plat thereof recorded 24 May, 1977, in Book A, page A-14 as document no. 641801 recorded 24 May, 1977

County of LaSalle, State of Illinois

Step 4: Complete the requested information.

The buyer and seller for each transfer hereby agree that the terms of their transaction and related tax and recording requirements and fees stated in this declaration are true and correct. If the buyer or seller is a corporation, partnership, or other entity, it is authorized to execute this declaration on behalf of the entity. The buyer and seller agree to pay the taxes and recording fees and to provide the necessary information to the recorder to complete the recording process. Any person who provides false information or who fails to provide the necessary information may be liable for a civil or criminal penalty. Any person who provides false information or who fails to provide the necessary information may be liable for a civil or criminal penalty.

Seller Information (Please print)

Ottawa Medical Center, P.C.

Seller's or trustee's name

1111 E. NORRIS DRIVE OTTAWA, IL 61350

Seller's address (after sale)

X B. B. Roy

Seller's or agent's signature

Seller's trust number (if applicable - not on SSN or FID)

City State ZIP

(815) 485-1010

Seller's daytime phone

Buyer Information (Please print)

Ottawa Regional Hospital Healthcare Center

Buyer's or trustee's name

1100 E. Norris Drive, Ottawa, IL 61350

Buyer's address (after sale)

Tommy - Agent

Buyer's or agent's signature

Buyer's trust number (if applicable - not on SSN or FID)

City State ZIP

(312) 794-3000

Buyer's daytime phone

Buyer's tax ID (if any)

Ottawa Regional Hospital Healthcare Center 1100 E. Norris Drive Ottawa, IL 61350

Name or company

Street address

City State ZIP

Preparer Information (Please print)

T. Burke, Faegre & Benson LLP

Preparer's and company's name

1700 Lincoln St., Suite 8200

Street address

Denver

CO 80203

City State ZIP

Thomas J. Burke

Preparer's signature

(303) 607-8825

Preparer's daytime phone

Preparer's e-mail address (if available)

Identify any required documents submitted with this form. (Mark with an X)

Extended legal description

☒ Form PTAX-603-A

Itemized list of personal property

Form PTAX-603-B

To be completed by the Local County Assessment Officer

1 County Township Class Code 1 Code 2
2 Board of Review's final assessed value for the assessment year prior to the year of sale.
Land
Buildings
Total

3 Year prior to sale

4 Does the sale involve a mobile home assessed as real estate? Yes No

5 Comments

Illinois Department of Revenue Use

Tab number

LASALLE COUNTY RECORDER 2010-00229 6

LIST OF PERSONALTY

1. One (1) shed

B-1

LASALLE COUNTY RECORDER 2010-00229 7



2010-00229

**PTAX-203-A****Illinois Real Estate Transfer Declaration
Supplemental Form A****(Non-residential sale price over \$1 million)**

File this form with Form PTAX-203, Illinois Real Estate Transfer Declaration, and the original deed or trust document at the County Recorder's office within the county where the property is located if the following conditions are met:

- On Form PTAX-203, Line 11 the sale price is over \$1 million, and
- On Form PTAX-203, Line 6 the property's current use is marked "Apartment building (over 4 units)," "Office," "Hotel establishment," "Commercial building," "Industrial building," or "Other."

Please read the instructions on the back of this form.

This space is reserved for the County Recorder.

County: **ILLINOIS**
 Date: **01/08/2010** **02:12PM**
 Doc No: **2010-00229**
 Vol: **2010-00229**
 Page: **1**
 Received by: **THOMAS E. LYONS**
RECORDED ON
OTTAWA, IL
REC FEE: 36.50
RHSP FEE: 10.00
REVENUE FEE: 3975.00
PAGES: 3

Step 1: Identify the property and sale information.

- Write the property's street address, city or village, and township. (From Sub 1 of Form PTAX-203)
1100 E. Morris Drive Ottawa
(Street address of property for 911 address, if available) City or village 21-01-001-001 Township
- Write the parcel identifying number from Line 8a of Form PTAX-203.
21-12-201-001 Parcel Number
- Write the total number of months the property was for sale on the market.
0 Months
- Write the improvement occupied on the sale date? A "Yes" response means that all improvements were totally unoccupied.
Yes Yes No No
 If the answer is "No," write the total number of months all improvements were unoccupied.
0 Months
- Write the approximate percentage of total square footage of improvements occupied or leased on the sale date. Include all improvements.
100 Percent
- Did the buyer occupy the property on the sale date?
Yes Yes No No
 If the answer is "No," go to Line 5.
- Did the buyer continue to occupy part or all of the property after the sale?
Yes Yes No No
- Write the beginning and ending dates of the buyer's lease agreement.
 Lease dates: None / None to None / None
- Briefly describe any renewal options.

- If the buyer owns other properties within an approximate one-half mile radius of the property, complete the following information for the two closest properties owned by the buyer.

Property	Street address	City or village	Parcel identifying number
Property 1	<u>1100 E. Morris Drive</u>	<u>Ottawa</u>	
Property 2			

- Did Line 12a of Form PTAX-203 include an amount for a transfer of personal property?
 If the answer is "Yes," submit a list of personal property transferred.
Yes Yes No No
- Did the seller's financing arrangements affect the sale price on Line 11 of Form PTAX-203?
 If the answer is "Yes," please explain how the financing affected the sale price.
Yes Yes No No

- In your opinion, is the net consideration for real property entered on Line 13 of Form PTAX-203 a fair reflection of the market value on the sale date?
 If the answer is "No," please explain.
Yes Yes No No

Step 2: Complete the requested information.

The buyer and seller for this transfer must sign this form in the presence of each other. The form must be signed in this form and cannot. Any person who willfully falsifies or omits any information supplied to the form shall be guilty of a crime.

Seller's or trustee's name: Ottawa Medical Center Seller's daytime phone: 815-1433-1010
 Address: 1100 E. Morris Drive City: Ottawa State: IL Zip: 61320
 Seller's or agent's signature: [Signature] Date: 12/31/2009
 Buyer's or trustee's name: Ottawa Reg. Hospital & Healthcare Buyer's daytime phone: 815-204-3000
 Address: 1100 E. Morris Drive City: Ottawa State: IL Zip: 61320
 Buyer's or agent's signature: [Signature] Date: 12/31/2009

*See Instructions
 PTAX-203-A (1-09-09)

This form is prepared in compliance with 65 ILCS 200/1-1, et seq. Signature of the Recorder is required. This form has been approved by the Public Accounting Council.

Page 1 of 3



* 2008-07507 2 *

2008-07507

TRUSTEE'S DEED

THIS INDENTURE made this 2nd
day of April,

2008, between **FIRST MIDWEST BANK**, Joliet, Illinois, as Successor Trustee under the provision of a deed or deeds in trust, duly recorded and delivered to said Bank in pursuance of a Trust Agreement dated the 23rd day of December, 1971, and known as Trust Number 130, party of the first

part, and **COMMUNITY HOSPITAL OF OTTAWA**, a not-for-profit corporation, organized and existing under and by virtue of the laws of the State of Illinois, having its principal offices at 1100 East Norris Drive, Ottawa, Illinois, party of the second part.

WITNESSETH, that said party of the first part, in consideration of the sum of TEN Dollars (\$10.00) and other good and valuable considerations in hand paid, does hereby convey and quit claim unto said party of the second part, all interest in the following described real estate, situated in LaSalle County, Illinois, to-wit:

The south 220 feet of the west 250 feet of that part of Lot 10, lying east of the east right-of-way line of County Highway 15, in Clark's Second Addition to Marseilles, being a subdivision of 99 acres in the Southwest Fractional ¼ of Section 7, Township 33 North, Range 5 East of the Third Principal Meridian, situated in LaSalle County, Illinois.

PIN: 24-07-300-018

Property Address: Rutland and 11th Streets, Marseilles, IL 61341

**SUBJECT TO REAL ESTATE TAXES FOR THE YEAR 2007 AND SUBSEQUENT YEARS
ALSO SUBJECT TO EASEMENTS, COVENANTS AND RESTRICTIONS OF RECORD**

together with the tenement 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 of said parties of the second part forever.

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.

THOMAS E. LYONS
LASALLE COUNTY RECORDER
OTTAWA, IL
RECORDED ON
04/04/2008 02:24PM

REC FEE: 34.00
RHSP FEE: 10.00
REVENUE FEE: 292.50
PAGES: 2

STATE
TAX



STATE OF ILLINOIS

APR.-4.08

LA SALLE COUNTY

#0000049445

REAL ESTATE TRANSFER TAX
0029250
FP326676



PTAX-203

Illinois Real Estate Transfer Declaration

Please read the instructions before completing this form.
This form can be completed electronically at tax.illinois.gov/retd.

Step 1: Identify the property and sale information.

- 1 401 EAST MCKINLEY ROAD
Street address of property (or P.O. address, if available)
- OTTAWA 61350
City or village ZIP
- SOUTH OTTAWA
Township
- 2 Write the total number of parcels to be transferred. 1
- 3 Write the parcel identifying numbers and lot sizes or acreage.
- | Parcel identifying number | Lot size or acreage |
|---------------------------|---------------------|
| a <u>22-24-113-000</u> | <u>2.68 A</u> |
| b _____ | _____ |
| c _____ | _____ |
| d _____ | _____ |
- Write additional parcel identifiers and lot sizes or acreage in Step 3.
- 4 Date of instrument: 0 / 2 / 2 0 0 9
Month Year
- 5 Type of instrument (Mark with an "X"):
- ☒ Warranty deed
☐ Quit claim deed ☐ Executor deed ☐ Trustee deed
☐ Beneficial interest ☐ Other (specify): _____
- 6 ☒ Yes ☐ No Will the property be the buyer's principal residence?
- 7 ☒ Yes ☐ No Was the property advertised for sale?
(i.e., media, sign, newspaper, realtor)
- 8 Identify the property's current and intended primary use.
Current Intended (Mark only one item per column with an "X")
- | | Current | Intended |
|---|--|--------------------------------|
| a _____ | <input type="checkbox"/> Land/lot only | <input type="checkbox"/> _____ |
| b _____ | <input type="checkbox"/> Residence (single-family, condominium, townhome, or duplex) | <input type="checkbox"/> _____ |
| c _____ | <input type="checkbox"/> Mobile home residence | <input type="checkbox"/> _____ |
| d _____ | <input type="checkbox"/> Apartment building (8 units or less) No. of units: _____ | <input type="checkbox"/> _____ |
| e _____ | <input type="checkbox"/> Apartment building (over 8 units) No. of units: _____ | <input type="checkbox"/> _____ |
| f _____ | <input type="checkbox"/> Office | <input type="checkbox"/> _____ |
| g _____ | <input type="checkbox"/> Retail establishment | <input type="checkbox"/> _____ |
| h <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> Commercial building (specify): <u>BANK</u> | <input type="checkbox"/> _____ |
| i _____ | <input type="checkbox"/> Industrial building <u>MEDICAL BLDG</u> | <input type="checkbox"/> _____ |
| j _____ | <input type="checkbox"/> Farm | <input type="checkbox"/> _____ |
| k _____ | <input type="checkbox"/> Other (specify): _____ | <input type="checkbox"/> _____ |

Do not write in this area.
County Recorder's Office use.



* 2 0 0 9 - 0 3 8 0 4 2 *

2009-03804

THOMAS E. LYONS
LASALLE COUNTY RECORDER
OTTAWA, IL
RECORDED ON

02/17/2009 02:28PM

REC FEE: 34.00
RHSP FEE: 10.00
REVENUE FEE: 1042.50
PAGES: 2

- 9 Identify any significant physical changes in the property since January 1 of the previous year and write the date of the change.
Date of significant change: _____ / _____ / _____
(Mark with an "X") Month Year
- ☐ Demolition/damage ☐ Additions ☐ Major remodeling
☐ New construction ☐ Other (specify): _____
- 10 Identify only the items that apply to this sale. (Mark with an "X")
- a ☐ Fulfillment of installment contract — year contract initiated: _____
- b ☐ Sale between related individuals or corporate affiliates
- c ☐ Transfer of less than 100 percent interest
- d ☐ Court-ordered sale
- e ☐ Sale in lieu of foreclosure
- f ☐ Condemnation
- g ☐ Auction sale
- h ☐ Seller/buyer is a relocation company
- i ☒ Seller/buyer is a financial institution or government agency
- j ☐ Buyer is a real estate investment trust
- k ☐ Buyer is a pension fund
- l ☐ Buyer is an adjacent property owner
- m ☐ Buyer is exercising an option to purchase
- n ☐ Trade of property (simultaneous)
- o ☐ Sale-leaseback
- p ☐ Other (specify): _____
- q ☐ Homestead exemptions on most recent tax bill:
- | | | |
|-------------------------------------|----|------|
| 1 General/Alternative | \$ | 0.00 |
| 2 Senior Citizens | \$ | 0.00 |
| 3 Senior Citizens Assessment Freeze | \$ | 0.00 |

Step 2: Calculate the amount of transfer tax due.

Note: Round Lines 11 through 18 to the next highest whole dollar. If the amount on Line 11 is over \$1 million and the property's current use on Line 8 above is marked "a," "b," "g," "h," "i," or "k," complete Form PTAX-203-A, Illinois Real Estate Transfer Declaration Supplemental Form A. If you are recording a beneficial interest transfer, do not complete this step. Complete Form PTAX-203-B, Illinois Real Estate Transfer Declaration Supplemental Form B.

- | | | |
|--|--------|--|
| 11 Full actual consideration | 11 \$ | 695,000.00 |
| 12a Amount of personal property included in the purchase | 12a \$ | 0.00 |
| 12b Was the value of a mobile home included on Line 12a? | 12b | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 13 Subtract Line 12a from Line 11. This is the net consideration for real property. | 13 \$ | 695,000.00 |
| 14 Amount for other real property transferred to the seller (in a simultaneous exchange) as part of the full actual consideration on Line 11 | 14 \$ | 0.00 |
| 15 Outstanding mortgage amount to which the transferred real property remains subject | 15 \$ | 0.00 |
| 16 If this transfer is exempt, use an "X" to identify the provision. | 16 | <input type="checkbox"/> b <input type="checkbox"/> k <input type="checkbox"/> m |
| 17 Subtract Lines 14 and 15 from Line 13. This is the net consideration subject to transfer tax. | 17 \$ | 695,000.00 |
| 18 Divide Line 17 by 500. Round the result to the next highest whole number (e.g., \$1,002 rounds to \$2). | 18 | 1,390.00 |
| 19 Illinois tax stamps — multiply Line 18 by 0.50. | 19 \$ | 695.00 |
| 20 County tax stamps — multiply Line 18 by 0.25. | 20 \$ | 347.50 |
| 21 Add Lines 18 and 20. This is the total amount of transfer tax due. | 21 \$ | 1,042.50 |

This form is authorized in accordance with 35 ILCS 200/31-1 of eeg. Disclosure of this information is REQUIRED. This form has been approved by the Forms Management Center. IL-492-0227

PTAX-203 (R-6/08)

Attachment 2 Page 1 of 4

ID:INT, Declaration Number: V123-X360-X344-2471

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 Trust Officer and attested by its Trust Officer, the day and year first above written.

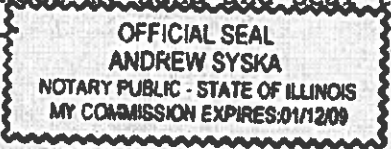
FIRST MIDWEST BANK, as successor
Trustee as aforesaid

By: [Signature]
Trust Officer

Attest: [Signature]
Trust Officer

STATE OF ILLINOIS,)
COUNTY OF Lok) SS:
Andy Syska

I, Rosa Arias Angeles, a Notary Public in and for said County, in the State aforementioned DO HEREBY CERTIFY that Rosa Arias Angeles, Trust Officer of FIRST MIDWEST BANK, Joliet, Illinois and DONNA J. WROBEL, the Attesting Trust Officer thereof, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Trust Officer and the Attesting Trust Officer respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act, and as the free and voluntary act of said Bank, for the uses and purposes therein set forth; and the said attesting Trust Officer did also then and there acknowledge that he is custodian of the corporate seal of said Bank and did affix the said corporate seal of said Bank to said instrument as his own free and voluntary act, and as the free and voluntary act of said Bank for the uses and purposes therein set forth.

GIVEN under my hand and seal this 2nd day of April,
A.D. 20 08

[Signature]
Notary Public

THIS INSTRUMENT WAS PREPARED BY:

Diane Yohnka Jorstad
Attorney at Law
105 West Main Street
P. O. Box 685
Morris, IL 60450

PROPERTY ADDRESS:

Rutland and 11th Streets
Marseilles, IL 61341

PERMANENT INDEX NUMBER:

24-07-300-018

AFTER RECORDING, MAIL THIS INSTRUMENT TO:

Attorney John Cantlin
John Cantlin & Associates
760 East Etna Road
Ottawa, IL 61350

MAIL TAX BILL TO:

Community Hospital of Ottawa
c/o Robert A. Chaffin
1100 East Norris Drive
Ottawa, IL 61350

#24-011



PTAX-203

Illinois Real Estate Transfer Declaration

Please read the instructions before completing this form.
This form can be completed electronically at tax.illinois.gov/retd.

Step 1: Identify the property and sale information.

1 RUTLAND AND 11TH STREETS

Street address of property (or 911 address, if available)

MARSEILLES

61341

City or village

ZIP

MANLIUS

Township

2 Write the total number of parcels to be transferred. 1

3 Write the parcel identifying numbers and lot sizes or acreage.

Parcel identifying number Lot size or acreage

a 24-07-300-018 (part of) 250' X 220'

b

c

d

Write additional parcel identifiers and lot sizes or acreage in Step 3.

4 Date of instrument: 0 4 / 2 0 0 8

Month

Year

5 Type of instrument (Mark with an "X"); Warranty deed

Quit claim deed Executor deed ☒ Trustee deed

Beneficial interest Other (specify):

6 Yes ☒ No Will the property be the buyer's principal residence?

7 Yes ☒ No Was the property advertised for sale? (i.e., media, sign, newspaper, realtor)

8 Identify the property's current and intended primary use.

Current Intended (Mark only one item per column with an "X")

a ☒ Land/lot only

b Residence (single-family, condominium, townhome, or duplex)

c Mobile home residence

d Apartment building (6 units or less) No. of units:

e Apartment building (over 6 units) No. of units:

f Office

g Retail establishment

h Commercial building (specify):

i Industrial building

j Farm

k ☒ Other (specify): HOSPITAL medical office

Step 2: Calculate the amount of transfer tax due.

Note: Round Lines 11 through 18 to the next highest whole dollar. If the amount on Line 11 is over \$1 million and the property's current use on Line 8 above is marked "a," "i," "g," "h," "l," or "k," complete Form PTAX-203-A, Illinois Real Estate Transfer Declaration Supplemental Form A. If you are recording a beneficial interest transfer, do not complete this step. Complete Form PTAX-203-B, Illinois Real Estate Transfer Declaration Supplemental Form B.

11 Full actual consideration

11 \$ 195,000.00

12a Amount of personal property included in the purchase

12a \$ 0.00

12b Was the value of a mobile home included on Line 12a?

12b Yes ☒ No

13 Subtract Line 12a from Line 11. This is the net consideration for real property.

13 \$ 195,000.00

14 Amount for other real property transferred to the seller (in a simultaneous exchange) as part of the full actual consideration on Line 11

14 \$ 0.00

15 Outstanding mortgage amount to which the transferred real property remains subject

15 \$ 0.00

16 If this transfer is exempt, use an "X" to identify the provision.

16 ☐ b ☒ k ☐ m

17 Subtract Lines 14 and 15 from Line 13. This is the net consideration subject to transfer tax.

17 \$ 195,000.00

18 Divide Line 17 by 500. Round the result to the next highest whole number (e.g., 61.002 rounds to 62).

18 390.00

19 Illinois tax stamps — multiply Line 18 by 0.50.

19 \$ 195.00

20 County tax stamps — multiply Line 18 by 0.25.

20 \$ 97.50

21 Add Lines 19 and 20. This is the total amount of transfer tax due.

21 \$ 292.50

PTAX-203 (R-6/05)

This form is authorized in accordance with 35 ILCS 200/31-1 et seq. Disclosure of this information is REQUIRED. This form has been approved by the Forms Management Center. IL-492-0227

ID:INT, Declaration Number: R120-K707-R680-3250

Step 3: Write the legal description from the deed. Write, type (minimum 10-point font required), or attach the legal description from the deed. If you prefer, submit an 8 1/2" x 11" copy of the extended legal description with this form. You may also use the space below to write additional parcel identifiers and lots sizes or acreage from Step 1, Line 3.

THE SOUTH 220 FEET OF THE WEST 250 FEET OF THAT PART OF LOT 10, LYING EAST OF THE EAST RIGHT-OF-WAY LINE OF COUNTY HIGHWAY 15, IN CLARK S SECOND ADDITION TO MARSEILLES, BEING A SUBDIVISION OF 99 ACRES IN THE SOUTHWEST FRACTIONAL 1/4 OF SECTION 7, TOWNSHIP 33 NORTH, RANGE 5 EAST OF THE THIRD PRINCIPAL MERIDIAN, SITUATED IN LASALLE COUNTY, ILLINOIS.

Step 4: Complete the requested information.

The buyer and seller (or their agents) hereby verify that to the best of their knowledge and belief, the full actual consideration and facts stated in this declaration are true and correct. If this transaction involves any real estate located in Cook County, the buyer and seller (or their agents) hereby verify that to the best of their knowledge, the name of the buyer shown on the deed or assignment of beneficial interest in a land trust is either a natural person, an Illinois corporation or foreign corporation authorized to do business or acquire and hold title to real estate in Illinois, a partnership authorized to do business or acquire and hold title to real estate in Illinois, or other entity recognized as a person and authorized to do business or acquire and hold title to real estate under the laws of the State of Illinois. Any person who willfully falsifies or omits any information required in this declaration shall be guilty of a Class B misdemeanor for the first offense and a Class A misdemeanor for subsequent offenses. Any person who knowingly submits a false statement concerning the identity of a grantee shall be guilty of a Class C misdemeanor for the first offense and of a Class A misdemeanor for subsequent offenses.

Seller Information (Please print.) Robert W. Fredin Family Trust Under Will Dated February 20, 1988 and Robert W. Fredin Qualified Terminable Interest Property Election Trust Under Will Dated February

Seller's or trustee's name 20, 1988
1173 HICKORY CREEK DRIVE

Street address (after sale)

By: *Sam A. Fredin*

Seller's or agent's signature

Seller's trust number (if applicable - not an SSN or FEIN)
NEW LENOX IL 60451

City State ZIP
(815) 474-0409 Ext.

Seller's daytime phone

Buyer Information (Please print.)

COMMUNITY HOSPITAL OF OTTAWA

Buyer's or trustee's name
1100 EAST NORRIS DRIVE

Street address (after sale)

Robert A. Schappo

Buyer's or agent's signature

Buyer's trust number (if applicable - not an SSN or FEIN)
OTTAWA IL 61350

City State ZIP
(815) 433-3303 Ext.

Buyer's daytime phone

Mail tax bill to: Community Hospital of Ottawa

1100 EAST NORRIS DRIVE

Name or company

Street address

OTTAWA IL 61350
City State ZIP

Preparer Information (Please print.)

DIANE YOHNSKA JORSTAD, Hynds, Rooks, Yohnka & Bzdill

Preparer's and company's name
105 WEST MAIN STREET

Street address

Diane Yohnka Jorstad, Atty.

Preparer's signature

Preparer's file number (if applicable)
MORRIS IL 60450

City State ZIP
(815) 942-0049 Ext.

Preparer's daytime phone

Preparer's e-mail address (if available)

Identify any required documents submitted with this form. (Mark with an "X.")

Extended legal description

Form PTAX-203-A

Itemized list of personal property

Form PTAX-203-B

To be completed by the Chief County Assessment Officer

1 County Township Class Cook-Minor Code 1 Code 2
2 Board of Review's final assessed value for the assessment year prior to the year of sale.
Land
Buildings
Total

3 Year prior to sale
4 Does the sale involve a mobile home assessed as real estate? Yes No
5 Comments

Illinois Department of Revenue Use

Tab number

**WARRANTY DEED**
(Statutory Form)

THOMAS E. LYONS
LASALLE COUNTY RECORDER
OTTAMA, IL
RECORDED ON
02/17/2009 02:28PM
REC FEE: 34.00
RHSP FEE: 10.00
REVENUE FEE: 1042.50
PAGES: 2

(Recorder's Office)

THIS INDENTURE WITNESSETH, That the Grantor, **Centrue Bank, formerly known as Ottawa National Bank, a National Banking Association**, of the City of Ottawa, County of LaSalle, State of Illinois, for and in consideration of Ten (\$10.00) Dollars, and other good and valuable consideration in hand paid, Conveys and Warrants unto Grantee, **Ottawa Regional Hospital & Healthcare Center, an Illinois not-for-profit corporation**, of the City of Ottawa, County of LaSalle and State of Illinois, the following described real estate in the County of LaSalle and State of Illinois, to-wit:

Commencing at the Northwest corner of Section 24, Township 33 North, Range 3 East of the Third Principal Meridian, thence North 89 degrees 52 minutes 0 seconds East 496.95 feet to the True Point of Beginning; thence North 89 degrees 52 minutes 0 seconds East 264.96 feet; thence South 00 degrees 01 minutes 30 seconds west 440.0 feet on a line 33.00 feet West of and parallel to the Southerly Extension of Seminole Drive; thence South 89 degrees 52 minutes 00 seconds West 264.96 feet; thence North 00 degrees 00 minutes 32 seconds East 440.00 feet to the True Point of Beginning, and all being situated in South Ottawa Township; situated in LaSalle County, Illinois.

Subject to the following encumbrances:

1. General taxes for the year 2008, and subsequent years which are not yet due and payable;
2. Rights of the public, the State of Illinois and the municipality in and to that part of the premises in question taken, used or dedicated for roads or highways;
3. Rights of way for drainage tiles, ditches, feeders and laterals, if any;
4. Reciprocal Easement Agreement recorded April 26, 1976 as Document No. 626354;

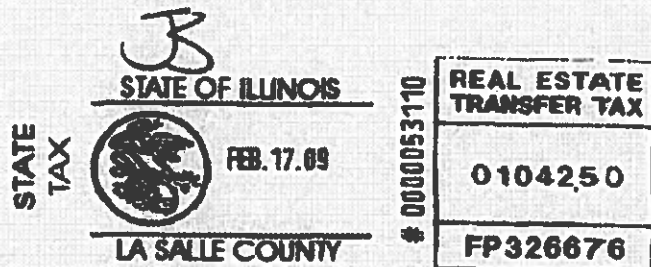
Permanent Index No: 22-24-113-000

Address of Property: 401 East McKinley Road
92459 Ottawa, Illinois 61350

Attachment 2

Dated this 17th day of February, 2009.Centrue Bank, formerly known as Ottawa
National Bank, a National Banking
AssociationBy Kurt Stevenson
Kurt Stevenson

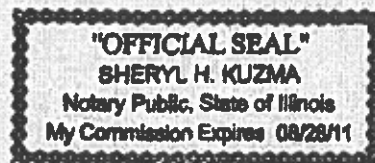
Attest:

Suzanne FechterSTATE OF ILLINOIS)
) SS.
COUNTY OF LASALLE)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT Kurt Stevenson, C.F.O. of Centrue Bank, formerly known as Ottawa National Bank, a National Banking Association, and Sue Fechter, personally known to me to be the Corp. Secy of said bank who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such CFO and Corp Secy respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Corporation, as aforesaid.

Given under my hand and Notarial Seal this 17th day of February, 2009.Sheryl H. Kuzma
Notary Public

MAIL TAX BILL TO:

Ottawa Regional Hospital & Healthcare Center
1100 East Norris Drive
Ottawa, Illinois 61350

THIS INSTRUMENT PREPARED BY

Myers, Berry, O'Connor & Kuzma, Ltd.
130 East Madison Street
Ottawa, Illinois 61350
Telephone: 815-434-6206

RETURN RECORDED DOCUMENT TO:

John L. Cantlin & Associates
760 Etna Road
Ottawa, Illinois 61350
Telephone: 815-433-4712

Step 3: Write the legal description from the deed. Write, type (minimum 10-point font required), or attach the legal description from the deed. If you prefer, submit an 8 1/2" x 11" copy of the extended legal description with this form. You may also use the space below to write additional parcel identifiers and lots sizes or acreage from Step 1, Line 3.

COMMENCING AT THE NORTHWEST CORNER OF SECTION 24, TOWNSHIP 33 NORTH, RANGE 3 EAST OF THE THIRD PRINCIPAL MERIDIAN, THENCE NORTH 89 DEGREES 52 MINUTES 0 SECONDS EAST 496.95 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 89 DEGREES 52 MINUTES 0 SECONDS EAST 264.96 FEET; THENCE SOUTH 00 DEGREES 01 MINUTES 30 SECONDS WEST 440.0 FEET ON A LINE 33.00 FEET WEST OF AND PARALLEL TO THE SOUTHERLY EXTENSION OF SEMINOLE DRIVE; THENCE SOUTH 89 DEGREES 52 MINUTES 00 SECONDS WEST 264.96 FEET; THENCE NORTH 00 DEGREES 00 MINUTES 32 SECONDS EAST 440.00 FEET TO THE TRUE POINT OF BEGINNING, AND ALL BEING SITUATED IN SOUTH OTTAWA TOWNSHIP; SITUATED IN LASALLE COUNTY, ILLINOIS.

Step 4: Complete the requested information.

The buyer and seller (or their agents) hereby verify that to the best of their knowledge and belief, the full actual consideration and facts stated in this declaration are true and correct. If this transaction involves any real estate located in Cook County, the buyer and seller (or their agents) hereby verify that to the best of their knowledge, the name of the buyer shown on the deed or assignment of beneficial interest in a land trust is either a natural person, an Illinois corporation or foreign corporation authorized to do business or acquire and hold title to real estate in Illinois, a partnership authorized to do business or acquire and hold title to real estate in Illinois, or other entity recognized as a person and authorized to do business or acquire and hold title to real estate under the laws of the State of Illinois. Any person who willfully falsifies or omits any information required in this declaration shall be guilty of a Class B misdemeanor for the first offense and a Class A misdemeanor for subsequent offenses. Any person who knowingly submits a false statement concerning the identity of a grantee shall be guilty of a Class C misdemeanor for the first offense and of a Class A misdemeanor for subsequent offenses.

Seller Information (Please print.)

CENTRUE BANK

Seller's or trustee's name

321 WEST MAIN STREET

Street address (after sale)

Kurt Stevenson

Seller's or agent's signature

Seller's trust number (if applicable - not an SSN or FEIN)

OTTAWA

IL 61350

City

State

ZIP

(815) 431-2905

Ext.

Seller's daytime phone

Buyer Information (Please print.)

OTTAWA REGIONAL HOSPITAL AND HEALTHCARE

Buyer's or trustee's name

1100 EAST NORRIS DRIVE

Street address (after sale)

Robert A. Bragg

Buyer's or agent's signature

Buyer's trust number (if applicable - not an SSN or FEIN)

OTTAWA

IL 61350

City

State

ZIP

(815) 431-5456

Ext.

Buyer's daytime phone

Mail tax bill to:

OTTAWA REGIONAL HOSPITAL 1100 EAST NORRIS DRIVE

Name or company

Street address

OTTAWA

IL 61350

City

State

ZIP

Preparer Information (Please print.)

MYERS, BERRY, O'CONOR & KUZMA, LTD.

Preparer's and company's name

7 NORTHPOINT

Street address

Sheryl H. Kuzma

Preparer's signature

marylandbok.com

Preparer's e-mail address (if available)

Preparer's file number (if applicable)

STREATOR

IL 61364

City

State

ZIP

(815) 672-3116

Ext.

Preparer's daytime phone

Identify any required documents submitted with this form. (Mark with an "X") ☐ Extended legal description ☐ Form PTAX-203-A
☐ Itemized list of personal property ☐ Form PTAX-203-B

To be completed by the Chief County Assessment Officer

1 _____
 County Township Class Cook-Minor Code 1 Code 2
 2 Board of Review's final assessed value for the assessment year
 prior to the year of sale.
 Land _____
 Buildings _____
 Total _____

3 Year prior to sale _____
 4 Does the sale involve a mobile home assessed as
 real estate? ☐ Yes ☐ No
 5 Comments

Illinois Department of Revenue Use

Tab number

File Number

4484-569-5



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

OTTAWA REGIONAL HOSPITAL & HEALTHCARE CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON DECEMBER 07, 1964, ADOPTED THE ASSUMED NAME OSF SAINT ELIZABETH MEDICAL CENTER ON JUNE 08, 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.

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 #: 2403902208 verifiable until 02/08/2025

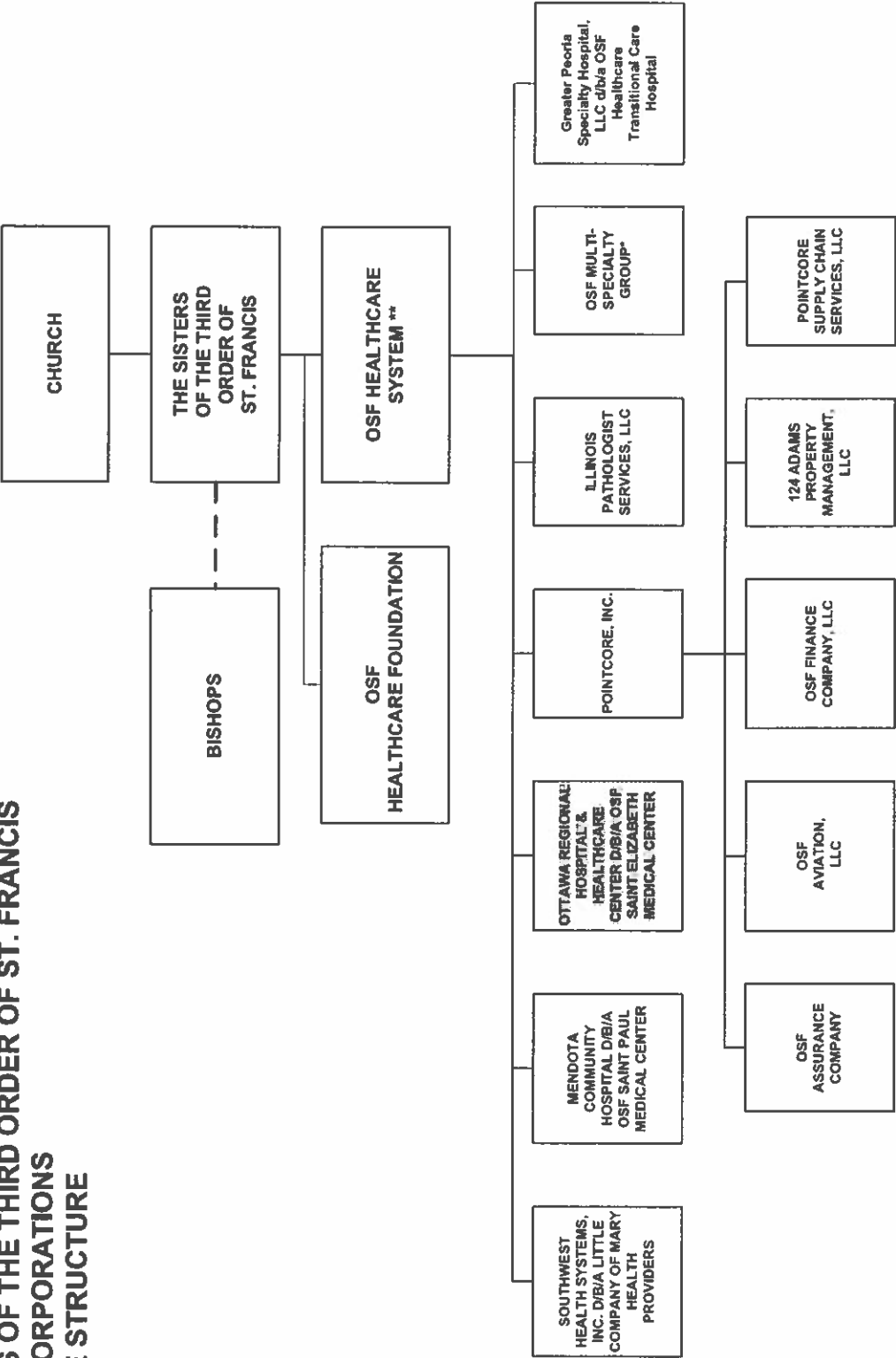
Authenticate at: <https://www.ilsos.gov>

Alexi Giannoulis

SECRETARY OF STATE

Attachment 3

THE SISTERS OF THE THIRD ORDER OF ST. FRANCIS
AFFILIATE CORPORATIONS
CORPORATE STRUCTURE



Legend:

— Direct Responsibility

- - - Advisory

- ** OSF Healthcare System
- OSF St. Francis Hospital – Escanaba, Michigan
 - OSF Saint Anthony Medical Center – Rockford
 - OSF Saint James-John W. Albrecht Medical Center – Pontiac
 - OSF St. Joseph Medical Center – Bloomington
 - OSF Heart of Mary Medical Center – Urbana
 - OSF Sacred Heart Medical Center – Danville
 - OSF Saint Francis Medical Center - Peoria
 - OSF St. Mary Medical Center - Galesburg
 - OSF Holy Family Medical Center - Monmouth
 - OSF Saint Luke Medical Center – Kewanee
 - OSF Saint Clare Medical Center - Princeton
 - OSF Saint Anthony's Health Center – Alton
 - OSF Little Company of Mary Medical Center – Evergreen Park
 - OSF Home Care Services
 - OSF OnCall - Peoria
- *OSF Multi-Specialty Group
- OSF Medical Group

Flood Plain Requirements

The following page includes the most recent National Flood Hazard Layer FIRMette for the location of the existing OSF Saint Elizabeth Medical Center, 1100 E. Norris Drive, Ottawa, Illinois. It also shows the site of the proposed replacement hospital across Route 6 (bottom half of the FIRMette photo).

The site is located in Zone X, panel 17099C0530F, effective 7/18/2011. According to FEMA, Zone X consists of "areas determined to be outside 500-year floodplain determined to be outside the 1% and 0.2% annual chance floodplains." (www.floodmaps.com/zones.htm). This classification designates areas least susceptible to flooding in the FEMA system.

Illinois Executive Order #2006-5, "Construction Activities in Special Flood Hazard Areas" defines "Special Flood Hazard Areas" or "Floodplains" as areas subject to "100 year frequency flood and shown as such on the most current Flood Insurance Rate Map published by the Federal Emergency Management Agency."

The FIRMette designates the site as located in an "Area of Minimal Flood Hazard."

National Flood Hazard Layer FIRMette



88°49'45"W 41°21'36"N

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

Legend

SPECIAL FLOOD HAZARD AREAS

- Without Base Flood Elevation (BFE)
Zone A, V, A99
- With BFE or Depth Zone AE, AO, AH, VE, AR
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD

- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
- Future Conditions 1% Annual Chance Flood Hazard Zone X
- Area with Reduced Flood Risk due to Levee, See Notes, Zone X
- Area with Flood Risk due to Levee Zone D

OTHER AREAS

- Area of Minimal Flood Hazard Zone X
- Effective LOMRs
- Area of Undetermined Flood Hazard Zone L

GENERAL STRUCTURES

- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES

- Cross Sections with 1% Annual Chance Water Surface Elevation
- Coastal Transect
- Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS

- Digital Data Available
- No Digital Data Available
- Unmapped

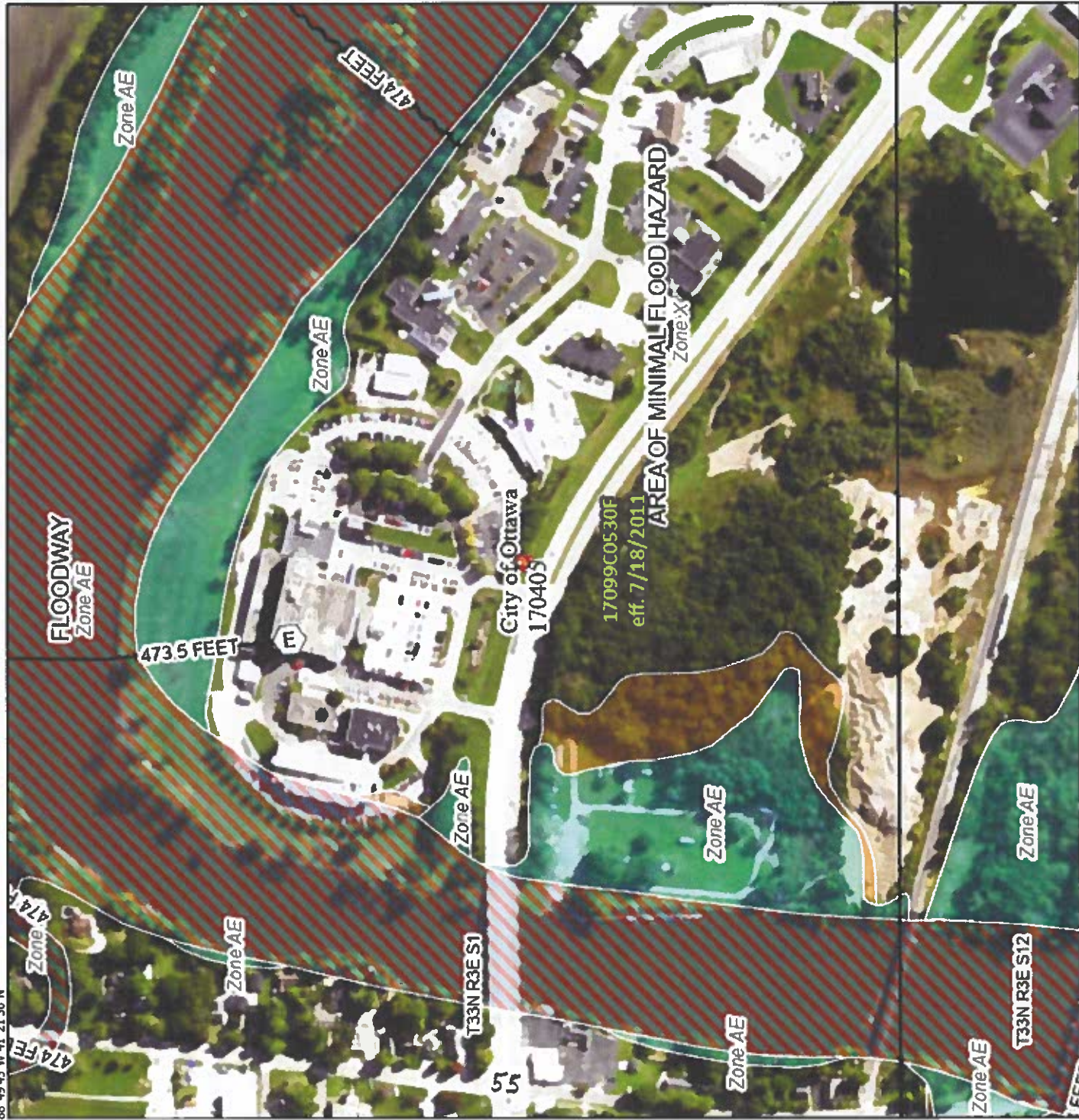
The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

#24-011

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards.

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on **2/12/2024 at 2:56 PM** and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

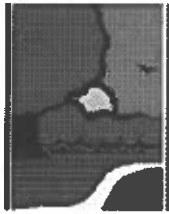
This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.



0 250 500 1,000 1,500 2,000 Feet

88°49'77"W 41°21'9"N

Basemap Imagery: Esri, HERE, National Map, NOAA



**Illinois
Department of
Natural
Resources**

JB Pritzker, Governor • Natalie Phelps Finnie, Director
One Natural Resources Way • Springfield, Illinois 62702-1271
www.dnr.illinois.gov

**LaSalle County
Ottawa**

**New Construction of a Replacement Hospital, OSF Saint Elizabeth Medical Center
Existing - 1100 E. Norris Dr., Proposed - South side of Norris Dr. between the Fox River and Starfire Dr.
SHPO Log #016022324**

March 11, 2024

**Ralph Weber
Weber Alliance
920 Hoffman Lane
Riverwoods, IL 60015**

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,

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

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 Costs	\$603,200	\$996,800	\$1,600,000
Site Survey and Soil Investigation	18,850	31,150	50,000
Site Preparation	750,000	5,795,786	6,545,786
Off Site Work	100,000	650,000	750,000
New Construction Contracts	26,671,452	44,023,168	70,694,620
Modernization Contracts			
Contingencies	2,667,145	4,402,317	7,069,462
Architectural/Engineering Fees	2,234,856	3,693,144	5,928,000
Consulting and Other Fees	1,328,925	2,196,075	3,525,000
Movable or Other Equipment (not in construction contracts)	8,334,565	5,510,435	13,845,000
Bond Issuance Expense (project related)	855,774	1,384,183	2,239,957
Net Interest Expense During Construction (project related)	4,222,400	6,977,600	11,200,000
Fair Market Value of Leased Space or Equipment			
Other Costs to Be Capitalized			
IT	682,370	1,127,630	1,810,000
Artwork	22,620	37,380	60,000
Signage	10,240	109,760	120,000
Decommissioning/demolition		12,500,000	12,500,000
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$48,502,397	\$89,435,428	\$137,937,825
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$0	\$12,500,000	\$12,500,000
Pledges			
Gifts and Bequests			
Bond Issues (project related)	\$48,502,397	\$76,935,428	\$125,437,825
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$48,504,397	\$89,435,428	\$137,937,825

Project Costs and Sources of Funds

Narrative Descriptions of Line Items

Item 1. Preplanning Costs - \$1,600,000

These costs include the evaluation of facility deficiencies of the 1972 Saint Elizabeth Medical Center building, market analyses, and feasibility studies and background work associated with the consideration of alternative facility plans. The work also included legal and zoning investigation, Phase 1 cultural and environmental assessments of the site of the new hospital, initial traffic and parking studies, and site planning.

Preplanning costs assigned to clinical uses total \$603,200. This amount is 1.6% of \$37,673,162, the total of \$26,671,452 for clinical construction plus \$2,667,145 clinical contingency plus \$8,334,565 clinical equipment. As a result, it meets the State standard, under 1.8%.

Item 2. Site Survey and Soil Investigation - \$50,000

This work includes soil borings and testing and geotechnical work; property survey.

Item 3. Site Preparation - \$6,545,786

Site work includes earthwork involving site vegetation clearance and removal, hauling in and placing fill material to build up the site, removal and replacement of unsuitable soil material, grade leveling, irrigation and drainage systems, and retention pond configuration. Additional costs are related to road construction within the site, utility infrastructure installation, asphalt paving for parking, concrete sidewalks, a helipad, and landscaping.

The bulk of this work is non-clinical; \$750,000 is allocated as clinical cost.

Item 4. Off-Site Work - \$750,000

This budget includes the project's contribution to public improvements such as roadway changes including turn lanes, signage, and signalization.

The total site related work items 2, 3 and 4 is \$7,345,786. \$868,850 of this amount is assigned to clinical. \$868,850 is 3.0% of the total \$29,338,597, the sum of clinical construction (\$26,671,452) plus clinical contingency (\$2,667,145). It meets the State standard, under 5.0%.

Item 5. New Construction Contracts - \$70,694,620

Cost of construction of the two-story building is \$70,694,620. This cost includes foundation and slab, core and shell, structure, façade, roofing, doors and windows, thermal and moisture protection, fixed

equipment (other than medical equipment referenced below), interior buildout and finishes, and contractor's overhead. Fire protection, plumbing, heating and air conditioning, and electrical systems are included.

Of the total construction cost, \$26,671,452 is allocated to clinical uses. With a total of 48,101 dgsf of clinical space, the average cost per clinical square foot is \$554.49.

Of the total \$554.49 per sq ft, approximately \$48 per sq ft is attributed to construction requirements and conditions that are not associated with an average hospital construction project. Two specific factors are as follows:

1. Site adjacent to the Fox River. The site of the proposed hospital is alongside the Fox River on a property that was formerly used as a clay pit and strip mine which was subsequently filled. The subsurface soil conditions and the proximity to the river result in the need for deeper foundations, adding approximately \$20 per sq ft to the total construction cost. For the clinical construction cost, this amounts to an additional \$960,000 to \$1 million in cost.

2. Hyper cost escalation. Construction of healthcare and other facilities have been experiencing an unprecedented rate of escalation, exceeding the standard 3% per year average. The contract costs currently include an 8% escalation above the estimated costs to account for unknown pricing and labor increases. This factor is based on OSF's experience with four projects in central and northern Illinois in the past three years: cost estimates have risen by as much as 20 – 25% for projects under consideration, and none of the increase is attributed to larger scope. The 5% difference between 8% and 3% equates to a premium of over \$3.5 million within the \$70,694,620 total construction cost. For the clinical construction component, the premium is about \$1.33 million, or \$28 per clinical sq ft.

In summary, together these complexities add a premium of about \$2,300,000 (approximately \$48 per sq ft) to the cost of clinical construction. These factors imply that the \$554.49 clinical cost per sq ft for the Ottawa replacement hospital project compares to a level of \$506 per clinical sq ft, comparable to the standard of \$510.34 based on RS Means projected to the midpoint of construction for this project.

Contingencies - \$7,069,462

Contingencies are allowances for unforeseen circumstances, such as delays in shipping and receipt of materials and supplies that affect the construction schedule, escalation above anticipated pricing of materials and labor, or site conditions resulting in plan modification.

The total construction contingency is 10% of the total construction cost. The clinical construction contingency of \$2,667,145 is set at 10% of clinical construction costs.

Item 8. Architectural and Engineering Fees - \$5,928,000

A/E fees include the functional program and space plan, preliminary design, schematic design, design development, construction document services, bidding and negotiation, and construction administration services. Site related design and engineering services are also included in this amount. The cost of A/E services is \$5,928,000 of which \$2,234,856 is allocated to clinical uses.

For clinical construction, A/E services of \$2,234,856 amounts to 7.6% of the total \$29,338,597 for clinical construction plus clinical contingency. This amount is consistent with the State standard's range of 5.48-8.22% for hospital facility projects with construction and contingency totaling under \$30,000,000.

Item 9. Consulting and Other Fees - \$3,525,000

This work includes specialty consultants (such as equipment planning, exterior building envelope) and construction management. It also includes regulatory approvals including Certificate of Need consulting, CON and IDPH fees, utility fees during construction, building permit fees, and commissioning fees.

Item 10. Moveable Equipment not in construction contracts - \$13,845,000

The total amount for equipment and furnishings is \$13,845,000, of which \$8,334,565 is associated with clinical services.

Clinical area furnishings include the following:

Diagnostic imaging:	\$1,425,000
X-ray	
Ultrasound	
Mammography	
CT scanning (relocated from existing hospital)	
MRI (relocated from existing hospital)	
 Surgical ORs and Procedure Room	 \$4,300,000
 Balance of equipment and furnishings:	 \$2,609,565
Emergency room furnishings and equipment	
Laboratory equipment	
Inpatient beds - med/surg and Acute Mental Illness	
Furnishings – patient room TVs, recliners, chairs and tables, carts and cabinets	
Miscellaneous other	

Non-clinical equipment and furnishings include public area furnishings, waiting areas, conference rooms, and administrative and staff areas, desks and work stations.

Item 11. Bond Issuance Expense (project related) - \$2,239,957

This line item covers the cost of securing loans in support of the project capital cost.

Item 12: Net Interest Expense During Construction (project related) - \$11,200,000

Loan interest for the period through December 31, 2027 is estimated at \$11,200,000.

Item 13. Fair Market Value of Leased Space or Equipment: NA

There is no leasing of space or equipment associated with the project.

Item 14. Other Costs to be Capitalized - \$14,490,000

Information technology includes computers, peripherals, printers, applications / licensing, network equipment, cabling and audio visual.	\$1,810,000
Artwork for lobby and public areas, registration, clinical areas including patient rooms and waiting areas, exam rooms.	\$60,000
Signage – external site and building signage, interior wayfinding, and room identification.	\$120,000
Demolition and site work - existing Saint Elizabeth Medical Center. This work includes decommissioning, site grading and landscaping, to be compatible with the existing support facilities that will remain after the hospital is demolished.	\$12,500,000

Cost / Space Requirements
(departmental gross sq ft)
OSF St. Elizabeth Medical Center - Ottawa

Department/Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Sq Ft That Is:			
		Existing	Proposed	New Const	Modernized	As Is	Vacated
Construction Costs							
CLINICAL/REVIEWABLE							
Medical/Surgical	\$3,771,256		6,846	6,846			
Acute Mental Illness (AMI)	\$8,079,848		14,518	14,518			
Surgery	\$5,977,415		10,406	10,406			
Emergency Department	\$3,557,331		6,716	6,716			
Diagnostic Imaging	\$2,459,234		4,234	4,234			
Outpatient services	\$1,283,930		2,476	2,476			
Lab/phlebotomy/morgue	\$812,534		1,512	1,512			
Pharmacy	\$729,904		1,393	1,393			
Subtotal Clinical	\$26,671,452		48,101	48,101			
NON-REVIEWABLE							
Lobby / reception	\$2,669,236		2,792	2,792			
Waiting areas	\$3,516,694		3,634	3,634			
Food service - kitchen, cafeteria	\$3,710,352		3,716	3,716			
Public restrooms	\$956,678		966	966			
Administration	\$829,158		859	859			
Managerial offices	\$1,732,601		1,805	1,805			
Lockers and lounges	\$3,159,233		3,243	3,243			
Conference rooms	\$467,213		476	476			
Mech, electrical, bldg systems	\$10,459,589		4,900	4,900			
Housekeeping/maintenance	\$1,386,570		1,500	1,500			
Chapel/pastoral care	\$570,454		554	554			
Public circulation	\$6,829,894		7,054	7,054			
Stairs/elevators	\$3,184,797		2,550	2,550			
Storage	\$1,156,995		1,338	1,338			
Materials management	\$3,393,704		3,797	3,797			
Subtotal Non-Clinical	\$44,023,168		39,184	39,184			
TOTAL CONSTRUCTION	\$70,694,620		87,285	87,285			

Other Proj Costs	
Preplanning Costs	\$1,600,000
Site Survey / Soil Borings	\$50,000
Site Preparation	\$6,545,786
Off Site Work	\$750,000
Contingencies	\$7,069,462
A/E fees	\$5,928,000
Consulting, fees	\$3,525,000
Moveable Equipmt, Furnishings	\$13,845,000
Bond Issuance Expense	\$2,239,957
Net Int Exp Dur Constr	\$11,200,000
FMV leased space, eqpmnt	
Other Capital Costs	
- IT	\$1,810,000
- artwork	\$60,000
- signage	\$120,000
- decommission/demolition	\$12,500,000
Subtotal	\$67,243,205
TOTAL PROJECT COSTS	\$137,937,825

Attachment 9

SECTION II. DISCONTINUATION

This project is the establishment of the replacement OSF Saint Elizabeth Medical Center – Ottawa. Following the construction and opening of the new hospital, the current OSF Saint Medical Center hospital facility will be decommissioned and discontinued. There is a separate CON Permit Application for Discontinuation in process, to be submitted for coordinated review by the Illinois Health Facilities and Services Review Board.

Background of the Applicant


This attachment includes the following:

IDPH License, OSF Saint Elizabeth Medical Center
Joint Commission Accreditation

OSF Healthcare System list of facilities in Illinois and license information

Letter of certification that there have been no adverse actions against OSF Healthcare System or any facility owned or operated by OSF; authorization of access to information.

← DISPLAY THIS PART IN A
CONSPICUOUS PLACE

		ILLINOIS DEPARTMENT OF PUBLIC HEALTH		HF130177	
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 5/14/2025	CATEGORY	ID. NUMBER 0005520			
		General Hospital			
		Effective: 05/15/2024			
Ottawa Regional Hospital & Healthcare Center dba OSF Saint Elizabeth Medical Center 1100 E Norris Drive 925 West St, Peru Ottawa, IL 61350					
The face of this license has a colored background. • Printed by Authority of the State of Illinois • P.O. #4422001 10M 372					

Exp. Date 5/14/2025

Lic Number 0005520

Date Printed 3/1/2024

Ottawa Regional Hospital & Healthcare
dba OSF Saint Elizabeth Medical Cent
1100 E Norris Drive
925 West St, Peru
Ottawa, IL 61350

FEE RECEIPT NO.

Ottawa Regional Hospital and Healthcare Center

Ottawa, IL

has been Accredited by



The Joint Commission


Which has surveyed this organization and found it to meet the requirements for the
Hospital Accreditation Program

June 3, 2023

Accreditation is customarily valid for up to 36 months.


Jane Englebright, PhD, RN, CENP, FAAN
Chair, Board of Commissioners

ID #7402
Print/Reprint Date: 08/25/2023


Jonathan B. Perlman, MD, PhD, MSHA, MACP, FACMI
President and Chief Executive Officer

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in accredited organizations. Information about accredited organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding accreditation and the accreditation performance of individual organizations can be obtained through The Joint Commission's web site at www.jointcommission.org.



OSF Healthcare System List of Facilities in Illinois**OSF HealthCare Holy Family Medical Center**

1000 W. Harlem Avenue

Monmouth, Illinois 61462

License #: 0005439, Expiration 4/11/25

Joint Commission: Critical Access Hospital-no Joint Commission Certificate

OSF HealthCare Saint Francis Medical Center

530 NE Glen Oak Avenue

Peoria, Illinois 61637

License #: 0002394, Expiration 12/31/24

Joint Commission: 4/22/23, 36 months

OSF HealthCare Saint Anthony's Health Center

One Saint Anthony's Way

Alton, Illinois 62002-0340

License #: 0005942, Expiration 10/31/24

Joint Commission: 11/2/23, 36 months

OSF HealthCare Saint James-John W. Albrecht Medical Center

2500 W. Reynolds Street

Pontiac, Illinois 61764

License #: 0005264, Expiration 3/2/25

Joint Commission: 4/8/23, 36 months

OSF HealthCare St. Joseph Medical Center

2200 E. Washington Street

Bloomington, Illinois 61701

License #: 0002535, Expiration 12/31/24

Joint Commission: 3/25/23, 36 months

OSF HealthCare Saint Anthony Medical Center

5666 E. State Street

Rockford, Illinois 61108-2472

License #: 0002253, Expiration 12/31/24

Joint Commission: 3/11/23, 36 months

OSF HealthCare Saint Luke Medical Center

1051 West South Street

Kewanee, Illinois 61443

License #: 0005926, Expiration 3/31/25

Joint Commission: Critical Access Hospital-no Joint Commission Certificate

OSF HealthCare Saint Elizabeth Medical Center – Ottawa and Peru

1100 E. Norris Drive

925 West Street

Ottawa, Illinois 61354

License #: 0005520, Expiration 5/14/25

Joint Commission: 6/3/23, 36 months-Ottawa (Peru campus will be surveyed once they are open)

OSF Saint Elizabeth Medical Center Freestanding Emergency Center

111 Spring Street

Streator, Illinois 61364

License #: 22006, Expiration 8/8/24

Joint Commission: 6/3/23, 36 months (included with Saint Elizabeth Medical Center)

OSF Healthcare System List of Facilities in Illinois - continued**OSF HealthCare St. Mary Medical Center**

3333 N. Seminary Street
Galesburg, Illinois 61401
License #: 0002675, Expiration 12/31/24
Joint Commission: 2/24/23, 36 months

OSF HealthCare Saint Paul Medical Center

1401 E. 12th Street
Mendota, Illinois 61342
License #: 0005819, Expiration 12/6/24
Joint Commission: Critical Access Hospital-no Joint Commission Certificate

OSF Healthcare Sacred Heart Medical Center

812 N. Logan Avenue
Danville, Illinois 61832
License #: 0006072, Expiration 2/1/25
Joint Commission: 5/26/23, 36 months

OSF HealthCare Heart of Mary Medical Center

1400 W. Park Street
Urbana, Illinois 61801
License #: 0006080, Expiration 2/1/25
Joint Commission: 10/6/23, 36 months

OSF Little Company of Mary Medical Center

2800 W. 95th Street
Evergreen Park, Illinois 60805
License #: 0006163, Expiration 1/31/25
Joint Commission: 5/6/22, 36 months

OSF Saint Clare Medical Center

530 Park Avenue East
Princeton, Illinois 61356
License #: 006254, Expiration 6/30/24
Joint Commission: Critical Access Hospital-no Joint Commission Certificate

OSF Transitional Care Hospital

500 W. Romeo B. Garrett Avenue
Peoria, Illinois 61605
License #: 0006262, Expiration 9/30/24
Joint Commission: 5/6/22, 36 months



March 21, 2024

Ms. Debra Savage, Chairwoman
Illinois Health Facilities and Services Review Board
525 West Jefferson Street - 2nd Floor
Springfield, IL 62761

Re: No Adverse Actions / Authorized Access to Information
OSF Saint Elizabeth Medical Center – Ottawa, Hospital Replacement Project

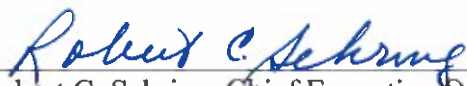
Dear Chairwoman Savage:

I hereby certify that no adverse action has been taken against OSF Healthcare System (“OSF”) or any facility owned or operated by OSF, directly or indirectly, within three years prior to the filing of this application. For the purpose of this letter, the term “adverse action” has the meaning given to it in the Illinois Administrative Code, Title 77, Section 1130.

I hereby authorize the Health Facilities and Services Review Board (“Board”) and the Illinois Department of Public Health (“IDPH”) to access any documentation they find necessary to verify any documentation or information submitted, including but not limited to official records of IDPH or other State agencies and the records of nationally recognized accreditation organizations. I further authorize the Board and IDPH to obtain any additional documentation or information that the Board or IDPH deems necessary to process the application.

If you have any questions, please contact Mark Hohulin, Senior Vice President, Healthcare Analytics, at 309-308-9656 or at mark.e.hohulin@osfhealthcare.org.

Sincerely,


Robert C. Sehring, Chief Executive Officer
OSF Healthcare System
124 S.W. Adams Street
Peoria, IL 61602

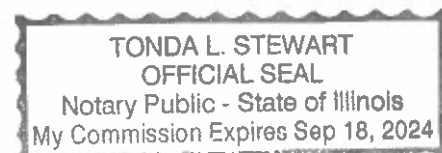
Notarization:

Subscribed and sworn to before me

this 21st day of March 2024


Signature of Notary

Seal



Attachment 11

PURPOSE OF THE PROJECT

1. Document that the project will provide health care services that improve the health care or well-being of the market population to be served.

The project proposes to replace the aging OSF Saint Elizabeth Medical Center-Ottawa (SEMC-Ottawa) with a new and smaller facility across State Route 6 from the current location. Some of the services now in place at SEMC-Ottawa will be relocated to OSF Saint Elizabeth Medical Center-Peru (SEMC-Peru), as presented in a separate but related Certificate of Need permit application. Upon completion and opening of the new SEMC-Ottawa hospital, the current SEMC-Ottawa hospital building will be decommissioned and demolished.

The project accomplishes three purposes:

1) Addressing facility deficiencies at SEMC-Ottawa. The replacement SEMC-Ottawa hospital addresses major facility deficiencies in the current hospital building. The current hospital requires over \$110 million in critical upgrades to address imminent building and infrastructure needs, and more than an additional \$125 million to make the building efficient and meet current operational requirements. The cost of constructing the new SEMC-Ottawa facility and demolishing the old SEMC-Ottawa is about \$138 million. Modernizing the current hospital building is not cost-effective and is not conducive to the current models of health care delivery.

Like most hospitals built in the 70s, OSF Saint Elizabeth Medical Center has an abundance of double occupancy rooms and a limited number of private rooms. This is especially the case for the medical/surgical service, where only 16 of the 54 authorized beds are in single rooms. For AMI, only 4 of the 26 beds are in single bed rooms. This condition has resulted in turning away hundreds of patients per year who were not able to be admitted because of gender or other compatibility issues which prevail when private rooms are not available.

2) Maintaining access in the region. The replacement SEMC-Ottawa hospital, along with the relocation of its intensive care and obstetrics services to the related SEMC-Peru hospital, restores some of the facilities and service deficits that resulted from the closures of SMH system's St. Margaret's Health-Peru and St. Margaret's Health-Spring Valley in 2023. The two closed hospitals had a total of 93 acute care beds, 49 in Peru and 44 in Spring Valley. These 93 beds were 32% of the total 289 authorized beds in Planning Area C-02. Of these 93 beds, 66 were medical/surgical beds.

OSF acquired St. Margaret's Health-Peru in 2023, keeping the 38 authorized medical/surgical beds at that facility in the State inventory. The OSF-coordinated bed plan at SEMC-Ottawa and SEMC-Peru includes a total 57 medical/surgical beds, 12 of which will be located at SEMC-Ottawa. The plan at Peru is to increase medical/surgical beds there from the previous 38 to a total of 45. OSF tracking of hourly census by day during 2023 demonstrates that 57 medical/surgical beds, coupled with services at OSF Saint Paul Medical Center in Mendota and OSF Saint Clare Medical Center in Princeton, will meet the needs of the 146,020 residents of the I-80 corridor and of Planning Area C-02.

The plan also sustains ICU, obstetrics, and acute mental illness in the area. The plan for services at Ottawa and Peru maintains the current 26 AMI bed count at Ottawa. ICU and OB services at Ottawa will be relocated to SEMC-Peru (covered in a separate CON permit application).

3) Sustaining rural health care. The challenges of rural health care are well known. Their small scale limits the ability to develop specialized programs, in part due to the difficulty of attracting and retaining clinical specialists. Financially, their relatively low patient volume makes it difficult to cover the cost of

care. Most rural hospitals operate at a loss. The project proposes to operate OSF SEMC at its two locations as a hub of services in the three counties, with spokes at outlying hospitals. SEMC-Peru will be the hub for ICU and obstetrics relocated from Ottawa, with significant expansion of medical/surgical services there. SEMC-Ottawa will be the hub for acute mental illness inpatient care, as well as a downsized but appropriately scaled medical/surgical service. The spokes relating to SEMC will be OSF Saint Clare Medical Center in Princeton, OSF Saint Paul Medical Center in Mendota, and OSF Center for Health in Streator (outpatient; no inpatient beds at Streator). The map on the next page shows the locations of hospitals in Ottawa, Peru, Mendota and Princeton, as well as the outpatient OSF Center for Health in Streator.

By addressing these three issues, the project to replace the current SEMC with a new facility in Ottawa and operate SEMC-Peru as one licensed facility at two locations will improve the sustainability and access to needed inpatient services in the I-80 corridor area, thereby improving health care and the well-being of the area population.

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

OSF has selected State hospital planning area C-02 as the planning area for the project. C-02 is comprised of LaSalle County (containing Ottawa and Peru), Bureau County, Putnam County, and the townships of Osceola and Elmira in Stark County.

As shown in the patient origin table on the page following the map of the I-80 corridor, the case volumes are a composite of inpatients and observation cases at OSF Saint Elizabeth Medical Center in 2023, and at St. Margaret's Health hospital in Peru in 2022, the last year of reported COMPdata information. The assumption is made that the distribution of patients served at SEMC-Peru in the future will mirror the patient origin distribution at St. Margaret's Health-Peru before it closed.

Because SEMC will operate as one licensed hospital at two locations, Peru and Ottawa, the planning area is a consolidation of the patient origin data of the hospitals in Ottawa and Peru. Collectively, the two hospitals had 7,821 inpatients and observation cases. 89.7% (rounded to 90%) of patients served at these two hospitals reside in the planning area, C-02.

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

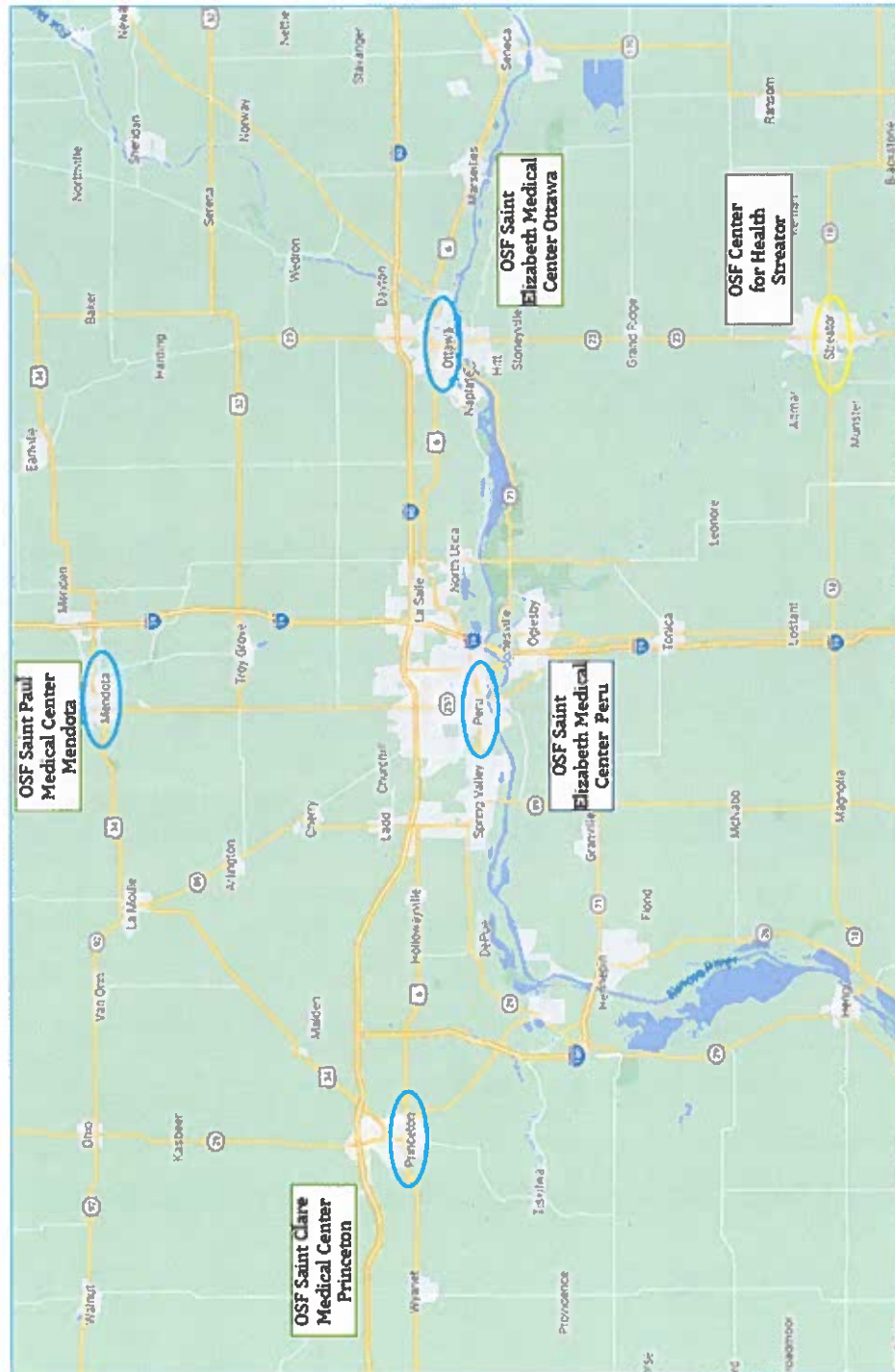
The introduction of this Purpose section outlined how the proposed project will improve health care delivery in the I-80 corridor by addressing the following problems:

- Structural and infrastructure deficiencies at the current SEMC-Ottawa hospital, to be resolved by replacing the current facility;
- Threatened access to needed services in the region, following the closure last year of 93 beds at St Margaret's Health hospitals in Peru and Spring Valley, one third of hospital capacity in C-02;
- Problems generally faced by rural areas in maintaining access to quality health care services.

A. The structural and infrastructure deficiencies at the current OSF Saint Elizabeth Medical Center-Ottawa are significant.

As general background, the five-story hospital was opened in 1972. A building addition and multiple renovations were completed over the subsequent decades. The facility currently has about 197,400 sq ft of occupied space. OSF acquired the hospital in 2012. The hospital is showing its age, recognizing that

OSF HEALTHCARE: I-80 SERVICE AREA



- Mileage:**
- Princeton to Ottawa: 37.8 miles/38 mins
 - Princeton to Peru: 22.1 miles/26 mins
 - Ottawa to Peru: 17.1 miles/25 mins
 - Streator to Peru: 28.5 miles/32 mins
 - Mendota to Peru: 20.3 miles/24 mins

All routes were calculated from each OSF Hospital from Google Maps

OSF Healthcare

#24-011

SAINT ELIZABETH MEDICAL CENTER & SMH-PERU COMBINED
 Table - Zip Codes of Patient Residence (Year: 2023)
 Saint Elizabeth Medical Center - Ottawa (All)
 Source: OSF Internal Utilization (OSF Enterprise Explorer)

Patient County	Patient Zip Code	Patient City	CY 2023 Inpatient & Observation Cases	CY 2022 Inpatient & Observation Cases	Percent of total	Cumulative percent
			SEMC - Ottawa	Peru		
LA SALLE, IL	61350	OTTAWA	1,703	41	1,744	22.3%
	61364	STREATOR	1,198	34	1,232	15.8%
	61354	PERU	360	394	754	9.6%
	61301	LA SALLE	428	301	729	9.3%
	61341	MARSEILLES	416	7	423	5.4%
	61348	OGLESBY	170	141	311	4.0%
	61342	MENDOTA	176	95	271	3.5%
	61373	UTICA	74	42	116	1.5%
	61370	TONICA	63	49	112	1.4%
	60518	EARLVILLE	66	10	76	1.0%
	61360	SENECA	56	1	57	0.7%
	61325	GRAND RIDGE	52	-	52	0.7%
	61334	LOSTANT	21	21	42	0.5%
	60551	SHERIDAN	33	3	36	0.5%
	60549	SERENA	22	-	22	0.3%
	60531	LELAND	16	-	16	0.2%
	60470	RANSOM	13	2	15	0.2%
	61316	CEDAR POINT	10	3	13	0.2%
	61332	LEONORE	9	2	11	0.1%
	61372	TROY GROVE	6	4	10	0.1%
	61358	RUTLAND	3	-	3	0.0%
	60557	WEDRON	3	-	3	0.0%
	61321	DANA	2	-	2	0.0%
	61371	TRIUMPH	1	-	1	0.0%
LA SALLE, IL Total			4,901	1,150	6,051	
BUREAU, IL	61362	SPRING VALLEY	141	80	221	2.8%
	61356	PRINCETON	113	94	207	2.6%
	61322	DEPUE	48	27	75	1.0%
	61329	LADD	39	20	59	0.8%
	61330	LA MOILLE	21	15	36	0.5%
	61379	WYANET	14	16	30	0.4%
	61368	TISKILWA	16	8	24	0.3%
	61312	ARLINGTON	8	13	21	0.3%
	61320	DALZELL	8	11	19	0.2%
	61317	CHERRY	8	9	17	0.2%
	61361	SHEFFIELD	2	14	16	0.2%
	61359	SEATONVILLE	5	4	9	0.1%
	61376	WALNUT	7	-	7	0.1%
	61337	MALDEN	4	3	7	0.1%
	61315	BUREAU	3	4	7	0.1%
	61314	BUDA	3	4	7	0.1%
	61349	OHIO	2	3	5	0.1%
	61338	MANLIUS	3	-	3	0.0%
	61345	NEPONSET	1	2	3	0.0%
	61374	VAN ORIN	1	-	1	0.0%
BUREAU, IL Total			447	327	774	
PUTNAM, IL	61326	GRANVILLE	37	30	67	0.9%
	61327	HENNEPIN	28	17	45	0.6%
	61335	MC NABB	12	9	21	0.3%
	61340	MARK	7	9	16	0.2%
	61560	PUTNAM	8	5	13	0.2%
	61336	MAGNOLIA	8	5	13	0.2%
	61363	STANDARD	6	4	10	0.1%
PUTNAM, IL Total			106	79	185	
STARK, IL	61421	BRADFORD	2	-	2	0.0%
	61483	TOULON	2	-	2	0.0%
	61449	LA FAYETTE	2	-	2	0.0%
STARK, IL Total			6	-	6	
Total, Planning Area C-02			5,460	1,556	7,016	89.7%
Outside Planning Area C-02			716	89	805	10.3%
Total Patients			6,176	1,645	7,821	

hospitals are active 24 hours every day of the year, and in part as the result of inconsistent and deferred maintenance over the decades. Upgrades and replacement of facility components are needed in almost all areas: structural, architectural, mechanical, electrical, plumbing, security and safety, and communications systems.

OSF retained the FOS division of CannonDesign in 2021 to do a comprehensive assessment of the main hospital building and provide an estimate of the cost to bring the building to current facility and operational standards. The study concluded that it would cost \$110 million to address only the critical upgrades and imminent needs. The cost to address all other issues is an additional \$125 million. The following examples of critical upgrades and high priority conditions are drawn from the analysis.

The most significant architectural issues relate to the poor condition of exterior walls of the hospital bed tower. Structural elements along with windows do not appear insulated and lack water-resistant barriers, resulting in frequent build-up of ice along the bottoms of windows. Exterior windows have deteriorated glazing seals and thermal insulation seals breaks, allowing for infiltration. The cost of repairing or replacing exterior walls to bring them up to industry standards is estimated at \$35 - \$50 million. The hospital roof needs to be replaced. Patching and repairing coping and flashing is an annual expense. The cost of a new roof is estimated at \$2.6 million. Many of the exterior metal doors and door frames are corroded. The pneumatic tube system is not operational and needs to be replaced.

Plumbing upgrades are needed. It is difficult to get hot and cold water in several parts of the patient tower. The copper domestic water piping throughout the building is pitted. Replacement is estimated at \$2 million. The sanitary drainage system clogs frequently; the system needs to be replaced with cast iron hub and spigot drains, at an estimated cost of \$744,000.

Mechanical systems need to be addressed. One of three chillers is non-functioning and cannot be relied upon as a back-up for the chilled water system. The other two chillers are old and need to be replaced within five years. The cost to replace the three is \$1.5 million. Two steam-fired boilers are beyond their life expectancy; the cost of retrofitting or replacing is a minimum of \$2 million. To reduce frost build-up on windows, radiant panels should be installed at a cost of approximately \$680,000.

Two of the building's eleven air handling units are having operational issues. Exhaust fans and ductwork on the 4th floor roof are beyond life expectancy. The air handling unit serving the kitchen needs to be replaced. These projects total \$2.3 million. In addition, replacing the HVAC instrumentation and controls is estimated at \$615,000.

Addressing deficiencies in the electrical systems will cost about \$5 million. Projects include replacing two aging generators and all feeder wiring and equipment to meet modern standards and requirements. Panelboards, switchboards, transformers and wiring need to be replaced, as well as general-purpose receptacles and branch circuit wiring. Interior lighting fixtures and switches need to be replaced or upgraded. Motor control centers and associated wiring are due to be replaced.

The costs associated with improving safety and security total about \$1.3 million and include fire protection projects, replacing the fire alarm system and other improvements.

The communications system (data and voice cabling) needs upgrading at an estimated cost of \$347,000.

Structural steel columns and outermost steel reinforcements in the parking garage are heavily corroded, due to an undetermined source of water infiltration. The retaining wall beneath the physical therapy wing needs repair. Exterior stairway railings and posts are deteriorated with rusting and corrosion. In addition, areas on the hospital site need to be regraded.

Addressing all of these findings is a significant capital expenditure. Yet even if all investments are completed, the facility would still have major deficits. Clinical adjacencies are not ideal and prevent efficient operations. Examples of adjacency issues are:

- The surgical department is in the back of the building, on the 1st floor (above the ground floor) with no easy in and out for outpatients.
- GI is not adjacent to or on the same floor as the surgery department.
- Outpatient services for lab, diagnostic imaging, infusion services, stress tests, outpatient respiratory care and other outpatient services are on the ground floor. Patients registering on the first floor have to walk a significant distance and to a lower floor. The distance is especially problematic for older patients and patients with walking difficulties.
- ICU is the only inpatient unit on the 1st floor, isolated from the rest of inpatient services.
- Behavioral health is located in separate areas, resulting in staffing inefficiencies.

Inpatient room sizes are not consistent with current standards. The majority of rooms are double occupancy, which do not meet patient expectations and requirements for efficient operations. Specifically:

Medical/surgical:

16 beds in single rooms
 34 beds in double occupancy rooms
4 beds in a quad
 54 beds total

Acute Mental Illness

4 beds in single rooms
22 beds in double occupancy rooms
 26 beds

The lack of private rooms has restricted the ability to accommodate requests for referrals, in many cases due to patient gender and other compatibility factors. Lack of bed availability has been the case especially with inpatient AMI. The limitations are summarized in the following statements:

- In 2019-2020
 1,501 behavioral health patients presented in emergency departments at hospitals in the I-80 corridor; 261 were admitted for inpatient care. The majority of the rest were placed in medical/surgical or ICU units, or referred out of the area for care.
- In 2020-2021
 1,463 behavioral health patients presented in EDs in the I-80 corridor;
 322 patients that were internally requested referrals within SEMC or external requests were declined due to no capacity or bed availability
- In 2021-2022
 799 requested referrals were declined due to lack of beds.
- In 2022-2023
 1,440 behavioral health patients presented in EDs in the I-80 region;
 425 adult patients were declined due to no beds.

AMI bed availability has also been limited due to occasional maintenance projects, staffing, and the protocol of accommodating Covid patients in med/surg or ICU beds.

B. Closures of St. Margaret's Health-Peru and St. Margaret's Health-Spring Valley resulted in bed deficits in the area.

The two closed hospitals had a total of 93 acute care beds, 49 in Peru and 44 in Spring Valley. These 93 beds were 32% of the total 289 authorized beds in Planning Area C-02.

Of these 93 beds, 66 were medical/surgical beds, 10 were ICU, and 17 were OB. According to the State's *Inventory of Health Care Facilities and Services and Need Determinations* in October, 2021 (the last *Inventory* prior to the closures), there were excesses of 43 medical/surgical beds, 8 ICU beds and 10 OB beds, indicative of sufficient capacity in the region. The closures would have resulted in deficits in State Planning Area C-02 of 23 medical/surgical beds, 2 ICU beds and 7 OB beds (using data from the HFSRB *Inventory of Health Facilities and Services and Need Determinations*, October, 2021).

However, OSF's acquisition of St. Margaret's Health-Peru in 2023 (Change of Ownership Certificate of Exemption #E-026-23) keeps the authorized beds at that facility in the State inventory. The project at Peru increases the 38-bed medical/surgical unit in Peru to 45 beds, while reducing med/surg beds from 54 authorized beds to 12 at SEMC-Ottawa.

The plan also sustains ICU, obstetrics, and acute mental illness services in the area. St. Margaret's Health had a total of 10 ICU beds at the two hospitals. The new 8 bed ICU unit at SEMC-Peru, coupled with the 7 ICU beds in Mendota and Princeton, result in 15 ICU beds in C-02, comparable to the State's calculated need for 14 ICU beds. (*Inventory of Health Care Facilities and Services and Need Determinations*, December 18, 2023). St. Margaret's Health had a total of 17 OB beds at the two hospitals. The discontinuation of OB beds in SEMC-Ottawa and re-opening of 11 OB beds at SEMC-Peru compares to the calculated need for 13 OB beds in C-02. Tracking of hourly OB census by day in 2023, following the closure of St Margaret's in June, determined that 11 OB beds is sufficient to meet the obstetrics needs in the area. The plan replaces the existing 26 bed AMI unit at SEMC-Ottawa with the same sized AMI service.

C. Rural health care is threatened throughout the United States and in Illinois.

Rural health care is in stress throughout the United States. Since 2005, 195 rural hospitals have closed. (Cecil G. Sheps Center for Health Services Research, University of North Carolina.) 646 rural hospitals (30% of the total) are at risk of closure (Center for Healthcare Quality & Payment Reform). According to a May 17, 2023 statement by the American Hospital Association, over half of rural hospitals ended 2022 with a loss, over 65% of primary care Health Professional Shortage Areas are rural or partially rural, and only 10% of physicians in the US practice in rural communities.

Ottawa, Bureau and Putnam are rural counties and experience these conditions, as evidenced by the recent closures of the two Saint Margaret's Health hospitals. OSF's plan for the replacement of SEMC-Ottawa, the operation of SEMC-Ottawa and SEMC-Peru under one license, and the relocation of ICU and OB from Ottawa to Peru are intended to address the needs for health care in the I-80 corridor in a regional delivery system that is sustainable.

4. Cite the sources of information.

- HFSRB Hospital Profiles
- HFSRB *Inventory of Health Care Facilities and Services and Need Determinations*, December, 2023
- HFSRB *Inventory of Health Care Facilities and Services and Need Determinations*, October, 2021
- COMPdata, Illinois Hospital Association
- OSF Enterprise Explorer
- Facility Condition Assessment, OSF Saint Elizabeth Medical Center, by FOS Cannon Design, final report 8/11/2021
- Internal Planning Documents, OSF Healthcare System
- OSF daily hourly logs of inpatient room utilization, OSF Saint Elizabeth Medical Center-Ottawa, OSF Saint Paul Medical Center-Mendota, and OSF Saint Clare Medical Center-Princeton
- 2022 Community Health Needs Assessment, LaSalle County
- Community Benefit Report, OSF Healthcare System, Fiscal Year 2022
- Center for Healthcare Quality & Payment Reform, Becker's Hospital CFO Report, May 22, 2023
- Cecil G. Sheps Center for Health Services Research, University of North Carolina, as reported in U.S. News and World Report, June 22, 2023
- Becker's Hospital Review, August 17, 2023

5. Detail how the project will address the previously referenced issues, as well as the population status and well-being.

The project addresses the significant structural and infrastructure deficits of the aging hospital building through a replacement project. The capital cost of building a new smaller-scaled hospital in Ottawa across the street from the current OSF Saint Elizabeth Medical Center is \$138 million. This amount is comparable to the cost of renovating the current building to address the critically important issues, and significantly less than it would cost to bring the facility up to current standards, address adjacencies and operational challenges that are based on facility condition and space layouts.

A key part of the facilities' solution is to convert the former St. Margaret's Health hospital acquired by OSF in 2023 to OSF Saint-Elizabeth Medical Center-Peru. OSF Saint Elizabeth Medical Center will operate on two hospital sites – Ottawa and Peru – under one hospital license. This arrangement facilitates the relocation of ICU and OB services, and a portion of the medical/surgical services, from the current Ottawa hospital to Peru. As a result, the new SEMC-Ottawa can operate efficiently in a new facility, saving some capital cost by using SEMC-Peru and not replacing the entire 1972 hospital.

The planned OSF Saint Elizabeth Medical Center on two campuses will replace and continue services that were closed last year due to the termination of St. Margaret's Health's two hospitals in Peru and Spring Valley. The two closed hospitals had a total of 93 acute care beds, 49 in Peru and 44 in Spring Valley. These 93 beds were 32% of the total 289 authorized beds in Planning Area C-02. The project at Peru increases the 38-bed medical/surgical unit in Peru to 45 beds, while reducing med/surg beds from 54 authorized beds to 12 at SEMC-Ottawa. OSF tracking of hourly census by day during 2023 demonstrates that 54 medical/surgical beds in Ottawa and Peru, coupled with services at OSF Saint Paul Medical Center in Mendota and OSF Saint Clare Medical Center in Princeton, will meet the inpatient needs of the 146,020 residents of Planning Area C-02.

The plan also sustains ICU, obstetrics, and acute mental illness services in the area. St. Margaret's Health had a total of 10 ICU beds at the two hospitals. The new 8 bed ICU unit at SEMC-Peru, coupled with the 7 ICU beds in Mendota and Princeton, result in 15 ICU beds in C-02, comparable to the State's calculated

need for 14 ICU beds. (*Inventory of Health Care Facilities and Services and Need Determinations, December 18, 2023*). St. Margaret's Health had a total of 17 OB beds at the two hospitals. The discontinuation of OB beds in SEMC-Ottawa and re-opening of 11 OB beds at SEMC-Peru compares to the calculated need for 13 OB beds. Tracking of hourly OB census by day in 2023, following the closure of St Margaret's in June, determined that 11 OB beds is sufficient to meet the obstetrics needs in the area.

The new facility in Ottawa will enable the 26 bed AMI service to operate with 26 private rooms. As stated above, the current 26 bed AMI service at the SEMC-Ottawa hospital has only 4 private room beds. This restrictive condition has prevented the ability of the service to accept requested referrals for inpatient admissions when patients cannot be accommodated in beds available but in double occupancy rooms, due to gender and other compatibility issues. In 2023, 425 requests for admission to the AMI unit at SEMC-Ottawa were refused due to lack of bed availability. There were 799 referral requests in 2022 that were not accepted. The proposed project maintains the capacity of AMI at 26 beds. Having all 26 beds in private rooms in the future increases the ability to accommodate requests for transfers.

Finally, the ability to take advantage of a regional health care delivery system, centered on Ottawa and Peru as the hub in a hub and spoke model, will provide appropriate access to area residents and stabilize the availability of health care services following the closure of the two St. Margaret's Health hospitals. Specialized services not available in Ottawa and Peru can be accessed by referrals to other hospitals in the OSF network, such as OSF Saint Francis Medical Center in Peoria, OSF St. Joseph Medical Center in Bloomington and OSF Saint Anthony Medial Center in Rockford.

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

- Accommodate at least 700 medical/surgical admissions at OSF Saint Elizabeth Medical Center-Ottawa in years 2028 - 2029.
- Accommodate 1,485 AMI admissions at SEMC-Ottawa in 2028-2029.
(1,093 referrals from current SEMC-Ottawa plus 392 admissions formerly not accepted due to capacity constraints.)
- Accommodate approximately 22,000 ED visits at SEMC-Ottawa in 2028-2029.

ALTERNATIVES

Due to the deteriorating physical condition of OSF Saint Elizabeth Hospital in Ottawa (SEMC-Ottawa), OSF commissioned a Facility Condition Assessment in 2021. The comprehensive facility analysis concluded that the cost of addressing facility deficiencies was over \$200 million and not sustainable. Further planning resulted in the development of several options for the delivery of inpatient and outpatient clinical services and associated facility implications. At about the time this planning was concluding, St Margaret's Health closed two nearby hospitals in State Planning Area C-02, St Margaret's Health-Peru and St. Margaret's Health-Spring Valley. These closures led to a re-evaluation of OSF Saint Elizabeth Medical Center's clinical and facility plans. The additional planning included options not just for SEMC-Ottawa, but also for the former St. Margaret's Health-Peru, which OSF purchased in November, 2023. St Margaret's Health-Peru is located 17 miles west of Ottawa.

The purchase of St. Margaret's Health-Peru called for planning in a broader regional context. It was determined that OSF Saint Elizabeth Medical Center would operate at two sites - Ottawa and Peru - under one hospital license. This dual-campus arrangement enables clinical programs to be replaced at SEMC-Ottawa in a new facility, smaller and less expensive than originally contemplated, with some of the Ottawa services transferring to Peru. The following options (alternatives) describe the progression of the planning undertaken.

Alternative 1: Renovate the existing SEMC-Ottawa facility to address all critical facility upgrades and other facility deficiencies.

Alternative 2: Replace SEMC-Ottawa with a smaller 46-bed facility within the I-80 service area.

Alternative 3: Replace SEMC-Ottawa with a 75-bed facility within the I-80 service area.

Alternative 4: Replace SEMC-Ottawa with an outpatient facility in Ottawa.

Following the closure of the two St. Margaret Health's hospitals:

Alternative 5: (Proposed Project) Replace SEMC-Ottawa in Ottawa with a 12-bed med/surg unit and 26 AMI beds. Relocate ICU and OB from SEMC-Ottawa to SEMC-Peru.

Alternative 1: Renovate the existing SEMC-Ottawa facility to address all critical facility upgrades and other facility deficiencies.

OSF Saint Elizabeth Medical Center was constructed in 1972, with a building addition and multiple renovations since then. The 194,000 sq ft hospital has a licensed bed capacity of 97 beds: 54 medical/surgical beds, 5 ICU, 12 OB and 26 AMI. Based on the 2021 Facility Condition Assessment conducted by the FOS division of CannonDesign, the current hospital requires over \$110 million in critical upgrades to address imminent building and infrastructure needs, and more than an additional \$125 million to make the building efficient and meet current operational requirements. These conditions are summarized in the Purpose of the Project section of this permit application.

Like most hospitals built in the 70s, OSF Saint Elizabeth Medical Center has an abundance of double occupancy rooms and a limited number of private rooms. This is especially the case for the medical/surgical service, where only 16 of the 54 authorized beds are in single rooms. For AMI, only 4 of the 26 beds are in single bed rooms. This condition has resulted in turning away hundreds of patients per year who were not able to be admitted because of gender or other compatibility issues which prevail when private rooms are not available.

Attachment 13

In recent years, maintaining the facility, making necessary repairs and upgrades, and addressing code issues has been expensive, exceeding annual facilities budgets. Many non-essential but prudent maintenance projects have been deferred. Modernizing the current hospital building is not cost-effective. The hospital facility would still have room sizes that do not meet current standards, and the location of several supporting services are not adjacent to the programs they are intended to support. The renovations and upgrade projects would require 10 years to complete, meaning that there would be extended and continuous disruption to hospital operations.

This alternative was rejected because modernization of the current facility is not cost effective.

Alternative 2: Replace SEMC-Ottawa with a smaller 46-bed facility within the I-80 service area.

The planning process considered a 220,000 sq ft replacement hospital with 30 medical/surgical beds, 6 ICU beds and an obstetric service with 6 LDRPs, 2 postpartum beds and 2 antepartum beds. The 26-bed acute mental illness service would be discontinued. Other clinical services include: a 14-station emergency department, surgery (4 ORs, 1 procedure room), endoscopy, diagnostic imaging, cardiac/pulmonary rehab, lab and outpatient services. Support services include: pharmacy, lab, dietary, materials management, biomed, EVS and central energy plant.

The total cost of the replacement hospital with these programs is \$181 million.

The alternative was rejected. The cost is significantly more than the preferred option that replaces SEMC-Ottawa with a smaller building and shifts some of the clinical programs to SEMC-Peru, centralizing those services within the service area.

Alternative 3: Replace SEMC-Ottawa with a 75-bed facility within the I-80 service area.

This alternative is a variation of Alternative 2. The concept was developed as a regional replacement hospital, possibly in partnership with St. Margaret's Health. The financial challenges faced by the two St. Margaret's hospitals at the time did not allow this concept to move forward. The total capital cost of constructing and equipping the 75-bed hospital was estimated at \$252 million.

This concept was rejected because the scale and cost of the project was beyond what OSF would consider without a local partnership.

Alternative 4: Replace SEMC-Ottawa with an outpatient facility in Ottawa.

This alternative would have eliminated behavioral health inpatient services and moved all other inpatient services to SEMC-Peru. Outpatient services, diagnostic imaging, lab and other outpatient services with and without a freestanding emergency center were considered. The cost of this alternative was estimated at \$58 million. After review of the entire State Planning Area C-02 including service needs and inpatient bed capacity, it was determined that behavioral health and some inpatient medical/surgical beds as well as an emergency department were recommended.

Alternative 5: (Proposed Project Alternative) Replace SEMC-Ottawa in Ottawa with a 12-bed med/surg unit and 26 AMI beds. Relocate ICU and OB from SEMC-Ottawa to SEMC-Peru.

This alternative addresses the significant facility deficits at OSF Saint Elizabeth Medical Center with a smaller replacement hospital with 12 medical/surgical beds and maintains the AMI service at 26 beds. All rooms will be private rooms, enabling OSF Saint Elizabeth Medical Center-Ottawa to accommodate requests for referrals without the limitations of the current semi-private rooms. The new hospital will have a full-service emergency room with 10 treatment stations and an additional two trauma rooms, a surgical suite with two ORs and one procedure room, diagnostic imaging, outpatient care, a pharmacy and lab. The hospital site is immediately south of the current hospital across Route 6. Cost of the replacement hospital is approximately \$138 million, including \$12.5 million in demolition costs for the hospital being replaced.

A key part of the facility solution is to convert the former St. Margaret's Health-Peru hospital acquired by OSF in 2023 to OSF Saint Elizabeth Medical Center-Peru. (This project is addressed in a separate but related CON permit application.) OSF Saint Elizabeth Medical Center will operate on two hospital sites – Ottawa and Peru – under one hospital license. This arrangement facilitates the relocation of ICU and OB services, and a portion of the medical/surgical services, from the current Ottawa hospital to Peru. As a result, the new SEMC-Ottawa can operate efficiently as a downscaled facility from the current 97 bed hospital, saving the capital cost of replacing the entire 1972 hospital and centralizing services in the service area.

The planned OSF Saint Elizabeth Medical Center on two campuses will replace and continue services that were closed last year due to the termination of St. Margaret's Health's two hospitals in Peru and Spring Valley. The OSF-coordinated bed plan at SEMC-Ottawa and SEMC-Peru includes 57 medical/surgical beds, 12 of which will be located at SEMC-Ottawa. OSF tracking of hourly census by day during 2023 demonstrates that 57 medical/surgical beds, coupled with services at OSF Saint Paul Medical Center in Mendota and OSF Saint Clare Medical Center in Princeton, will meet the inpatient needs of the 146,020 residents of Planning Area C-02.

The plan also sustains ICU, obstetrics, and acute mental illness in the area. St. Margaret's Health had a total of 10 ICU beds at the two hospitals. The new 8 bed ICU unit at SEMC-Peru, coupled with the 7 ICU beds in Mendota and Princeton, result in 15 ICU beds in C-02, comparable to the State's calculated need for 14 ICU beds. (*Inventory of Health Care Facilities and Services and Need Determinations, December 18, 2023*). St. Margaret's Health had a total of 17 OB beds at the two hospitals. The discontinuation of OB beds in SEMC-Ottawa and re-opening of 11 OB beds at SEMC-Peru compare a calculated need for 13 OB beds in C-02. Tracking of hourly OB census by day in 2023, following the closure of St Margaret's in June, determined that 11 OB beds is sufficient to meet the obstetrics needs in the area.

The new facility in Ottawa will enable the 26 bed AMI service to operate with 26 private rooms. The current 26 bed AMI service at the SEMC-Ottawa hospital has only 4 private room beds. This restrictive condition has prevented the ability of the service to accept requested referrals for inpatient admissions due to double occupancy rooms where patients cannot be accommodated as a result of gender and other compatibility issues. In 2022 and 2023, for example, 799 and 425 requests for admission to the AMI unit at SEMC-Ottawa were refused due to lack of bed availability. The proposed project maintains the capacity of AMI at 26 beds. Having all 26 beds in private rooms in the future increases the ability to accommodate requests for transfers.

This alternative was selected as the Preferred Alternative for several reasons. The capital cost of the replacement hospital in Ottawa and the modernization of SEMC-Peru to accommodate the ICU service relocated from Ottawa is significantly less than replacing the current OSF Saint Elizabeth Medical Center-Ottawa within the I-80 corridor.

In addition, the ability to take advantage of a regional health care delivery system, centered on Ottawa and Peru as the hub in a hub and spoke model, will provide appropriate access to area residents and stabilize the availability of health care services following the closure of the two St. Margaret's Health hospitals. Specialized services not available in Ottawa and Peru can be accessed by referrals to other hospitals in the OSF network, such as OSF Saint Francis Medical Center in Peoria, OSF Saint Anthony Medical Center in Rockford and OSF St. Joseph Medical Center in Bloomington.

As a result, the replacement of SEMC hospital in Ottawa with a downsized facility, along with the relocation of selected clinical services to SEMC-Peru, was chosen as the preferred alternative.

SIZE OF THE PROJECT

The project is the construction of a new hospital, with a total of 87,285 departmental gross sq ft (dgsf). Of this total, 48,101 dgsf is clinical; 39,184 dgsf is non-clinical space. The table shows the distribution of space by function.

Department/Service	Proposed DGSF	State Standard (dgsf)	Difference	Met Standard?
Clinical Space				
Medical/surgical beds	6,846	500-660 dgsf per bed (12) 12 x 660 = 7,920	under by 1,074 dgsf	Yes
Acute Mental Illness beds	14,518	440-560 dgsf per bed (26) 26 x 560 = 14,560	under by 42 dgsf	Yes
Surgery	10,406	2,750 dgsf per OR (2) 1,100 dgsf per proc rm (1) 180 dgsf per prep/St 1 (8) 400 dgsf per Stage 2 (8)	under by 834 dgsf	Yes
Emergency Department	6,716	900 dgsf per station 12 x 900 = 10,800	under by 4,084 dgsf	Yes
Diagnostic Imaging	4,234			
xray	772	1,300 per unit; 2 units	under by 1,828 dgsf	Yes
MRI	1,387	1,800 per unit; 1 unit	under by 413 dgsf	Yes
CT	1,180	1,800 per unit; 1 unit	under by 620 dgsf	Yes
Mammography	555	900 per unit; 1 unit	under by 345 dgsf	Yes
Ultrasound	340	900 per unit; 1 unit	under by 560 dgsf	Yes
Outpatient services	2,476	800 dgsf per room 8 rooms x 800 = 6,400	under by 3,924 dgsf	Yes
Lab/phlebotomy/morgue	1,512	None specified		NA
Pharmacy	1,393	None specified		NA
Total Clinical	48,101			
Non-clinical Space	39,184			NA
Total dgsf	87,285			

The proposed project meets the State standards for ICU beds and medical/surgical beds and all other Clinical Services.

There is no shelled space in the proposed project.

PROJECT SERVICES UTILIZATION

The project is the construction of a smaller scale hospital to replace the current OSF Saint Elizabeth Medical Center in Ottawa. Inpatient services include a 12 bed-Medical/Surgical unit (downsized from the current 54 authorized beds), and replacement of the 26 AMI beds with a 26-bed unit. The new hospital will also have an emergency department with 10 treatment bays and 2 trauma rooms, a surgical department with two ORs and one procedure room, diagnostic imaging and outpatient services.

OSF Saint Elizabeth Medical Center will operate as one licensed hospital on two campuses – in Ottawa and in Peru. Some of the services now at SEMC-Ottawa will be shifted to and expanded at SEMC-Peru, namely, ICU and obstetrics. In addition, it is proposed that Medical/Surgical beds will be expanded at SEMC-Peru from 38 to 45 beds, in part due to the relocation of some of the inpatient service volume from SEMC-Ottawa. Patient volumes are also being distributed from the prior clinical services at St. Margaret's Health-Peru and St. Margaret's Health-Spring Valley. The documentation of historic utilization and calculations of projected utilization are shown in sections 1110.200 and 1110.210 of this permit application.

Inpatient services

The following table summarizes information presented in sections 1110.200 and 1110.210 of this permit application, documenting the historic and projected utilization of the Medical/Surgical beds and AMI beds. It is anticipated that 700 of the experienced historic Medical/Surgical admissions at OSF Saint Elizabeth Medical Center-Ottawa will remain at the new 12 bed unit. At last year's ALOS of 5.14 days, the 700 patients are expected to generate 3,598 patient days, as shown in the table for 2028 and 2029, following the opening of the new hospital in late 2027.

The 26-bed Acute Mental Illness service will accommodate an estimated 1,485 patients. These patients can be considered in two categories: 1) a continuation of the 1,093 admissions in 2023, and 2) 392 annual admissions that were formerly refused due to capacity constraints but which will be accommodated due to the private room set-up. At an ALOS of 5.7 days, these 1,485 patients will generate 8,468 patient days.

Medical/Surgical and AMI inpatient volumes are expected to meet occupancy standards of 80% and 85%, respectively.

Table: Project Services Utilization - OSF Saint Elizabeth Medical Center - Ottawa
Sources: HFSRB Profiles and AHQs for 2020-2023

	Historic Utilization				Projected Utilization				After Completion			Standard	Met?
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Occupancy		
Medical/Surgical beds													
Patient days	7,901	8,410	8,704	10,562	11,966	11,966	5,335	5,335	3,598	3,598	82.1%	80%	Yes
AMI beds													
Patient days	5,210	4,097	5,371	5,929	5,929	5,929	5,929	5,929	8,468	8,468	89.3%	85%	Yes

Other clinical services

The following table addresses other clinical patient volumes that are not inpatient services. These include the surgery department, emergency department, diagnostic imaging, and outpatient services. The table shows historic volumes at OSF Saint Elizabeth Medical Center-Ottawa in each of these areas. The table also includes for reference patient volumes recorded in the Annual Hospital Questionnaires for the past four years, which include outpatient services operated by SEMC-Ottawa in the area, but not within the hospital building itself. The focus of this project is on services that have been and will be provided in the new hospital building.

Several of the clinical service lines are expected to continue at or near their current volumes. For example, the emergency room is expected to function at a similar level of activity in 2028 and 2029 as the current hospital emergency room. Certain of the diagnostic imaging volumes will decline, reflecting the lower medical/surgical inpatient census. That is the case for x-ray and ultrasound. Other imaging modalities are expected to remain at current volume levels: mammography, CT and MRI, due to their primary outpatient utilization.

Table: Project Services Utilization - OSF Saint Elizabeth Medical Center - Ottawa
Sources: HFSRB Profiles and AHQs for 2020-2023

	Existing Units	Historic Utilization				Planned Units	Projected Utilization		State Standard	Met?
		2020	2021	2022	2023		2028	2029		
Surgical Department										
Operating rooms	5 ORs					2 ORs			>1500 hrs	Yes
inpatient cases		406	365	274	398		40	40		
inpatient hours		1,067	934	636	879		88	88		
outpatient cases		2,032	2,312	2,389	3,434		2,747	2,747		
outpatient hours		3,213	3,480	3,552	4,802		3,842	3,842		
total OR hours		4,280	4,414	4,188	5,681		3,930	3,930	>1500 hrs	Yes
Procedure rooms	2 rooms					1 room			1500 hrs	Yes
inpatient cases		193	207	170	266		0	0		
inpatient hours		253	295	240	378		0	0		
outpatient cases		1,354	1,536	1,623	2,266		2,266	2,266		
outpatient hours		1,431	1,626	1,622	2,190		2,190	2,190		
total hours		1,684	1,921	1,862	2,568		2,568	2,568	1500 hrs	Yes
Emergency Department										
emergency visits	9 bays	15,922	26,115	18,222	21,941	10 bays	21,941	21,941	2,000 / rm	Yes
trauma visits	2 rooms	43	89	245	326	2 rooms	326	326	2,000 / rm	Yes*
Diagnostic Imaging										
x-ray/fluoroscopy										
SEMC-Ottawa	3	12,630	12,095	12,459	15,617	2	12,459	12,459	>7500 visits	Yes
AHQ - all		27,654	30,547	30,934	39,291					
mammography										
SEMC-Ottawa	1	2,216	2,297	2,386	2,585	1	2,585	2,585	5,000 visits	Yes
AHQ - all		5,359	5,921	5,913	7,915					
ultrasound										
SEMC-Ottawa	5	5,701	6,945	7,623	9,144	1	6,500	6,500	3,100 visits	Yes
AHQ - all		8,234	9,365	9,898	12,439					
CT	1									
SEMC-Ottawa		7,382	8,694	9,425	13,113	1	13,113	13,113	7,000 visits	Yes
AHQ - all		10,699	12,786	14,500	19,284					
MRI	1									
SEMC-Ottawa		2,186	2,418	2,087	2,674	1	2,674	2,674	2,500 visits	Yes
AHQ - all		2,932	3,356	3,082	3,906					
Outpatient Visits										
Exam/Treatment	14			17,311	17,600	8	17,600	17,600	2,000 visits	Yes
AHQ - all		97,739	161,631	100,247	110,000					
Respiratory therapy	2				485	2	500	500	2,000 visits	Yes*

Note: When 326 trauma cases are consolidated with 21,941 ER visits, total cases are 22,267.

22,267 cases / 2,000 visits standard = 11.13 cases per room, rounded to 12 rooms, so State standard is met.

Similarly for Respiratory Therapy. Combining 500 treatments with 17,600 outpatient visits equals 18,100 visits.

18,100 visits / 2,000 visits standard = 9.05 rooms, or ten rooms, so the State standard is met.

1110.200 Medical/Surgical, Obstetric, Pediatric and Intensive Care

Service (Ottawa)	# of Existing Beds	# of Proposed Beds
Medical/surgical	54	12

Note: A 45 bed medical/surgical unit is planned for OSF Saint Elizabeth Medical Center-Peru. OSF Saint Elizabeth Medical Center will be located on two campuses, Ottawa and Peru, operated under one license.

The project involves the replacement of OSF Saint Elizabeth Medical Center, 1100 East Norris Drive in Ottawa. Inpatient services at the current hospital will be relocated to two locations: a) a new facility to be constructed on an adjacent property owned by OSF across Route 6, referred to as OSF Saint Elizabeth Medical Center-Ottawa ("SEMC-Ottawa") and b) OSF Saint Elizabeth Medical Center-Peru ("SEMC-Peru"), formerly St. Margaret's Health-Peru, acquired by OSF in November, 2023. The two hospital facilities will operate under one license at two locations. Upon opening of the replacement SEMC-Ottawa, the existing Saint Elizabeth Medical Center hospital will be discontinued (the subject of a separate CON permit application for discontinuation.) A separate CON permit application will address the expansion of medical/surgical, obstetric and ICU services at SEMC-Peru.

There are 54 authorized medical/surgical beds at the current SEMC-Ottawa. 12 of those beds will be established at the replacement SEMC-Ottawa hospital. There are 26 authorized Acute Mental Illness (AMI) beds at the current SEMC-Ottawa. All 26 beds will be established at the replacement SEMC-Ottawa hospital. ICU and obstetric services will be discontinued at SEMC-Ottawa, and replaced through the expansion of ICU and obstetrics at SEMC-Peru. A separate CON permit application covers the service changes at the Peru campus. The changes in Peru include the expansion of the medical/surgical service there from 38 to 45 beds.

The remainder of this section covers the documentation required for the 12-bed medical/surgical project at SEMC-Ottawa.

1110.200(b) Planning Area Need

1) Formula calculation

HFSRB's recently updated *Inventory of Health Facilities and Services and Need Determinations, 2023* dated December 18, 2023 documents a need for 124 medical/surgical beds in Planning Area C-02. There are 135 beds in the inventory, resulting in a calculated excess of 11 beds.

The table below shows the effect of the three OSF projects (Discontinuation of the existing SEMC, establishment at SEMC-Ottawa, and expansion at SEMC-Peru) on medical/surgical bed supply.

Change in Medical/Surgical bed counts, Planning Area C-02

	Current supply	Future supply	Comment
SEMC-Ottawa	54	12	Discontinue 54 beds; establish 12 beds
SEMC-Peru	38	45	Add 7 beds (separate permit application)
OSF Saint Paul	21	21	No change
OSF Saint Clare	22	22	No change
Total med/surg beds	135	100	

The replacement of the 54 beds at the current SEMC-Ottawa with a 12-bed medical/surgical unit at the new SEMC-Ottawa is a net reduction of 42 beds. The 42-bed reduction reduces the total count of medical/surgical beds in C-02 from 135 to 93. A separate related permit application requests an increase of 7 med/surg beds in Peru, from 38 to 45 med/surg beds. That change will increase total medical/surgical beds in C-02 from 93 to 100. These changes are shown in the above table.

100 medical/surgical beds do not exceed the calculated need for 124 medical/surgical beds in the Planning Area. Tracking of hourly census by day in 2023, following the closure of St. Margaret's Health in Peru and Spring Valley determined that 57 medical/surgical beds at Ottawa and Peru, coupled with the capacity at OSF Saint Paul Medical Center in Mendota and OSF Saint Clare Medical Center in Princeton, will meet the inpatient needs of the 146,020 residents of Planning Area C-02

2) Service to Planning Area Residents

OSF has selected State Hospital Planning Area C-02 as the planning area for the project. C-02 is comprised of LaSalle County (containing Ottawa and Peru), Bureau County (containing Spring Valley), Putnam County, and the townships of Osceola and Elmira in Stark County.

As shown in the patient origin table on the following page, the case volumes are a composite of inpatients and observation cases at Saint Elizabeth Medical Center in 2023, and at St. Margaret's Health hospital in Peru in 2022, the last year of reported COMPdata information. The assumption is made that the distribution of patients served at SEMC (combined Ottawa and Peru locations) in the future will mirror the patient origin distributions of SEMC-Ottawa and at St. Margaret's Health-Peru before it closed.

Because SEMC will operate as one licensed hospital at two locations, Ottawa and Peru, the planning area is a consolidation of the patient origin data of the hospitals in Ottawa and Peru. Collectively, the two hospitals had 7,821 inpatients and observation cases. 89.7% (rounded to 90%) of patients served at these two hospitals reside in the planning area, C-02.

The patient origin data show that the project meets the requirement that more than 50% of the projected patient volume will be residents of the Planning Area C-02.

SAINT ELIZABETH MEDICAL CENTER & SMH-PERU COMBINED
 Table - Zip Codes of Patient Residence (Year: 2023)
 Saint Elizabeth Medical Center - Ottawa (All)
 Source: OSF Internal Utilization (OSF Enterprise Explorer)

Patient County	Patient Zip Code	Patient City	CY 2023 Inpatient & Observation Cases	CY 2022 Inpatient & Observation Cases	Combined	Percent of total	Cumulative percent
			SEMC - Ottawa	Peru			
LA SALLE, IL	61350	OTTAWA	1,703	41	1,744	22.3%	22.3%
	61364	STREATOR	1,198	34	1,232	15.8%	38.1%
	61354	PERU	360	394	754	9.6%	47.7%
	61301	LA SALLE	428	301	729	9.3%	57.0%
	61341	MARSEILLES	416	7	423	5.4%	62.4%
	61348	OGLESBY	170	141	311	4.0%	66.4%
	61342	MENDOTA	176	95	271	3.5%	69.9%
	61373	UTICA	74	42	116	1.5%	71.3%
	61370	TONICA	63	49	112	1.4%	72.8%
	60518	EARLVILLE	66	10	76	1.0%	73.8%
	61360	SENECA	56	1	57	0.7%	74.5%
	61325	GRAND RIDGE	52	-	52	0.7%	75.1%
	61334	LOSTANT	21	21	42	0.5%	75.7%
	60551	SHERIDAN	33	3	36	0.5%	76.1%
	60549	SERENA	22	-	22	0.3%	76.4%
	60531	LELAND	16	-	16	0.2%	76.6%
	60470	RANSOM	13	2	15	0.2%	76.8%
	61316	CEDAR POINT	10	3	13	0.2%	77.0%
	61332	LEONORE	9	2	11	0.1%	77.1%
	61372	TROY GROVE	6	4	10	0.1%	77.3%
	61358	RUTLAND	3	-	3	0.0%	77.3%
	60557	WEDRON	3	-	3	0.0%	77.3%
	61321	DANA	2	-	2	0.0%	77.4%
	61371	TRIUMPH	1	-	1	0.0%	77.4%
LA SALLE, IL Total			4,901	1,150	6,051		
BUREAU, IL	61362	SPRING VALLEY	141	80	221	2.8%	80.2%
	61356	PRINCETON	113	94	207	2.6%	82.8%
	61322	DEPUE	48	27	75	1.0%	83.8%
	61329	LADD	39	20	59	0.8%	84.6%
	61330	LA MOILLE	21	15	36	0.5%	85.0%
	61379	WYANET	14	16	30	0.4%	85.4%
	61368	TISKILWA	16	8	24	0.3%	85.7%
	61312	ARLINGTON	8	13	21	0.3%	86.0%
	61320	DALZELL	8	11	19	0.2%	86.2%
	61317	CHERRY	8	9	17	0.2%	86.4%
	61361	SHEFFIELD	2	14	16	0.2%	86.6%
	61359	SEATONVILLE	5	4	9	0.1%	86.8%
	61376	WALNUT	7	-	7	0.1%	86.8%
	61337	MALDEN	4	3	7	0.1%	86.9%
	61315	BUREAU	3	4	7	0.1%	87.0%
	61314	BUDA	3	4	7	0.1%	87.1%
	61349	OHIO	2	3	5	0.1%	87.2%
	61338	MANLIUS	3	-	3	0.0%	87.2%
	61345	NEPONSET	1	2	3	0.0%	87.3%
	61374	VAN ORIN	1	-	1	0.0%	87.3%
BUREAU, IL Total			447	327	774		
PUTNAM, IL	61326	GRANVILLE	37	30	67	0.9%	88.1%
	61327	HENNEPIN	28	17	45	0.6%	88.7%
	61335	MC NABB	12	9	21	0.3%	89.0%
	61340	MARK	7	9	16	0.2%	89.2%
	61560	PUTNAM	8	5	13	0.2%	89.3%
	61336	MAGNOLIA	8	5	13	0.2%	89.5%
	61363	STANDARD	6	4	10	0.1%	89.6%
PUTNAM, IL Total			106	79	185		
STARK, IL	61421	BRADFORD	2	-	2	0.0%	89.7%
	61483	TOULON	2	-	2	0.0%	89.7%
	61449	LA FAYETTE	2	-	2	0.0%	89.7%
STARK, IL Total			6	-	6		
Total, Planning Area C-02			5,460	1,556	7,016		89.7%
Outside Planning Area C-02			716	89	805	10.3%	100.0%
Total Patients			6,176	1,645	7,821		

3) Service Demand – Establishment of Bed Category of Service

Establishment of the 12-bed unit at SEMC-Ottawa is part of the two-site plan that also includes expansion of the medical/surgical unit at SEMC-Peru. The 12-bed medical/surgical unit is a reduction from the 54 authorized medical/surgical beds now at SEMC-Ottawa. The current 38 authorized medical/surgical beds at SEMC-Peru will be increased to 45 beds, if approved. Together, the two sites will have 57 medical/surgical beds, an increase of three beds from the current 54 at SEMC-Ottawa.

The 57-bed plan at the two combined hospitals should be considered in the context of the changes in the past year. At the start of 2023, there were 120 authorized medical/surgical beds at three of the five hospitals in the I-80 corridor part of the area: 38 at St. Margaret's-Peru, 28 at St. Margaret's-Spring Valley, and the 54 beds at SEMC-Ottawa. OSF's acquisition of St. Margaret's-Peru following its closure kept the 38 med/surg beds there in the inventory. St. Margaret's-Spring Valley also closed last year, removing its 28 medical/surgical beds from the inventory. The result is a total of 92 inventoried medical/surgical beds (38 plus 54) at the beginning of 2024. (These numbers do not include two other hospitals in C-02: OSF Saint Paul's Medical Center in Mendota and OSF Saint Clare Medical center in Princeton.)

The complete inventory of medical/surgical beds in Planning Area C-02 at the conclusion of the two-campus SEMC project will be 100: 57 at the combined SEMC campuses (12 at SEMC-Ottawa and 45 at SEMC-Peru), 22 at OSF Saint Clare Medical Center in Princeton and 21 at OSF Saint Paul Medical Center in Mendota.

A) Historical Referrals

As part of its planning process, OSF evaluated the sufficiency of SEMC and the remaining hospitals to accommodate the demand for medical/surgical care in the area. The table below shows the historic utilization of SEMC-Ottawa and the two St. Margaret's Health hospitals. The analysis shows that the proposed 57 beds at SEMC-Ottawa and SEMC-Peru will accommodate the historic experienced volumes at SEMC and at the two shuttered hospitals. The average daily census for the three hospitals from 2020-2022 was 50.0 ADC. This census will be an 88% occupancy of the planned 57 beds. Additional capacity is available at OSF Saint Paul Medical Center in Mendota and OSF Saint Elizabeth Medical Center in Princeton, if needed.

Historical Medical/Surgical Utilization

	2020				2021				2022				2023		
	Adm	Pt Days	ADC		Adm	Pt Days	ADC		Adm	Pt Days	ADC		Adm	Pt Days	ADC
SEMC - Ottawa	1,880	7,901	21.6		1,911	8,410	23.0		1,778	8,704	23.8		2,053	10,562	28.9
St Margaret's - Peru	1,133	5,264	14.4		1,089	5,671	15.5		710	2,007	5.5		--	--	--
St Margaret's - Spring Valley	1,122	5,442	14.9		993	5,143	14.1		954	6,234	11.0		--	--	--
Total	4,135	18,607	50.9		3,993	19,224	52.7		3,442	16,945	46.4		2,053	10,562	28.9

Sources: HFSRB Profile data and Annual Hospital Questionnaires

The planning also tested the utilization by applying State occupancy standards: 80% for the addition of beds at Ottawa, and 75% for the modernization of beds in Peru. The allocation of future patient volumes between SEMC-Ottawa and SEMC-Peru is somewhat arbitrary. After various scenarios, it was decided that 700 annual admissions of the 2,053 admissions at SEMC-Ottawa is the anticipated future volume in the replacement hospital's 12 bed unit. At an average length of stay of 5.14 days (year 2003), the 700 patients equate to 3,598 patient days. This annual volume of patients is an ADC of 9.9 patients, an occupancy level of 82.1%.

B) Projected Referrals

The projection of future patient volumes requires investigation of the effects of the closures of the two Saint Margaret's Health Hospitals in 2023. St. Margaret's Health-Peru closed in January; St. Margaret's Health-Spring Valley announced the closure of its hospital in June. From January through June, many patients that would have been admitted at Peru were patients in Spring Valley.

When SMH-Spring Valley closed in June, patients that would have been hospitalized in Peru or Spring Valley were dispersed to other hospitals in the area, especially OSF SEMC-Ottawa, OSF Saint Paul Medical Center in Mendota and OSF Saint Clare Medical Center in Princeton. These three hospitals were located closest to the SMH hospitals.

The table below shows medical/surgical ADC at these three OSF hospitals. The source of the information is hourly and daily census for OSF SEMC-Ottawa, OSF Saint Paul Medical Center-Mendota and OSF Saint Clare Medical Center-Princeton for 2023. For each of the three hospitals, data was prepared for the first half of 2023 (bottom of the table) to enable comparison with volumes for the second half of 2023 following the SMH closures (top of the table).

The table quantifies the effect of the closures of the two SMH hospitals. The medical/surgical census at Ottawa increased from 29.0 in the first half of 2023 by 8.8 ADC to 37.8 patients in the second half of 2023. The increase at Saint Clare was 2.54 patients ADC. The increase at Saint Paul was 3.17 patients ADC. The combined increases were a total of 14.5 medical/surgical patients ADC.

Analysis of Medical/Surgical Daily Census - 2023

OSF Saint Elizabeth Medical Center, Saint Clare Medical Center, and Saint Paul Medical Center

		1	2	3	4
		Current bed count (med/surg)	Maximum census	Average Daily Census (ADC)	ADC Increase 1st to 2nd half, 2023
July 1, 2023 - Dec 31, 2023 (184 days)					14.51
- Ottawa		54	46	37.8	8.8
- Saint Clare		22	14	8.48	2.54
- Saint Paul		21	21	11.88	3.17
January 1, 2023 - June 30, 2023 (181 days)					
- Ottawa		54	42	29.0	
- Saint Clare		22	12	5.94	
- Saint Paul		21	15	8.7	

The table on the next page is a comprehensive presentation of historic utilization for all five hospitals in planning area C-02. The sources of the historic data are the HFSRB profiles for each of the five hospitals, supplemented by Annual Hospital Questionnaires for the SMH hospitals. The three OSF hospitals' 2023 volumes are from the 2023 AHQs, since 2023 Profiles will not be available until later this year. The ADC Profile and AHQ numbers for OSF (reporting on a full year) are slightly different from the volumes associated with the analysis of hourly and daily census (reported separately for the first half and the second half). But the conclusions are the same. Using the Profiles and AHQ data, the Census increased 21% from 2022-2023 for SEMC-Ottawa, 39% for OSF Saint Paul and 30% for OSF-Saint Clare.

Key assumptions made in constructing the Projected Utilization section of the table are as follows:

- For the three OSF hospitals, the increases in patient days from 2022-2023 are the result of the *half year* of increases associated with the closures of the SMH hospitals:
 - 275 admissions at SEMC-Ottawa
 - 130 added admissions at Saint Paul
 - 75 added admissions at Saint Clare
- The *full annual effect* shows in the projected utilization column for 2024: an additional 275 admissions at SEMC-Ottawa added to the 2023 level, an additional 130 admissions at Saint Paul, and an additional 75 admissions at Saint Clare.

Ottawa

- For projecting patient days, the admissions numbers are multiplied by 5.14 days, the ADC at SEMC-Ottawa, year 2023.
- Based on the known dispersion of patients from the two SMH hospitals during the second half of 2023, the full year admissions at SEMC-Ottawa is forecast to be 2,328 in 2024. At 5.14 ALOS, this generates 11,966 patient days.
- This volume will continue through 2025. Most patients will then shift from SEMC-Ottawa to the 45-bed unit at Peru. An ADC of 14.6 remains at the current SEMC-Ottawa for 2026 and 2027.
- The new replacement hospital 12 bed unit at SEMC-Ottawa is anticipated to open in early 2028, with an ADC of 9.9 patients.

Peru

- SEMC-Peru plans to open 2 med/surg beds in April, 2024 and have 12 open in June, 2024, part of the 38 authorized beds available. At a planned utilization of 9.6 ADC for the last seven months of 2024, this patient volume is 2,030 patient days, and 395 anticipated admissions. The ADC continues at 9.6 for year 2025.
- At the beginning of 2026, SEMC will open all 45 beds, with an ADC of 35.2 and occupancy of 78.2%. This volume is 12,860 patients, 2,502 admissions at 5.14 ALOS.

Combined SEMC-Ottawa and SEMC-Peru

- Using the above numbers, the combined census is an ADC of 38.4 in 2024 and 42.4 in 2025.
- The census increases to 49.7 in 2026 and 2027, depending on the timing of return of patients to Peru from Saint Paul-Mendota and Saint Clare-Princeton. This reduces to 45.1 ADC by the start of 2028, with the difference of 4.6 patients most likely returning to Saint Paul-Mendota and Saint Clare-Princeton. The timing of the return of these patients during the interim years does not affect the utilization of SEMC-Ottawa and SEMC-Peru during 2028 and 2029. The patients have already returned to Mendota and Princeton before then.

Table: Consolidated Utilization of hospitals in C-02 - Historic and Projected
Sources: HFSSRB Profiles and AHQs for 2020-2023

		Historic Utilization				Projected Utilization				After Completion		
		2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Occupancy
1	SEMC-Ottawa											
	Adm	1,880	1,911	1,778	2,053	2,328	2,328	1,030	1,030	700	700	
	Pt Days	7,901	8,410	8,704	10,562	11,966	11,966	5,335	5,335	3,598	3,598	
	ADC	21.6	23	23.8	28.9	32.8	32.8	14.6	14.6	9.9	9.9	82.1%
2	SMH-Peru											
	Adm	1,133	1,089	710	0	--	--	--	--	--	--	
	Pt Days	5,264	5,671	2,007	0	--	--	--	--	--	--	
	ADC	14.4	15.5	5.5	0	--	--	--	--	--	--	
3	SMH-SV											
	Adm	1,122	993	954	no report	--	--	--	--	--	--	
	Pt Days	5,442	5,143	6,234	no report	--	--	--	--	--	--	
	ADC	14.9	14.1	17.1	no report	--	--	--	--	--	--	
4	Total 3 hospitals											
	Adm	4,135	3,993	3,442	2,053	2,328	2,328	1,030	1,030	700	700	
	Pt Days	18,607	19,224	16,945	10,562	11,966	11,966	5,335	5,335	3,598	3,598	
	ADC	50.9	52.7	46.4	28.9	32.8	32.8	14.6	14.6	9.9	9.9	82.1%
5	SEMC-Peru											
	Adm	--	--	--	--	395	676	2,502	2,502	2,502	2,502	
	Pt Days	--	--	--	--	2,030	3,504	12,860	12,860	12,860	12,860	
	ADC	--	--	--	--	9.6	9.6	35.2	35.2	35.2	35.2	78.2%
						7 mo.	12 mo.					

6	Combined projections for SEMC-Ottawa and SEMC-Peru											
	Adm					2,723	3,004	3,532	3,532	3,202	3,202	
	Pt Days					13,996	15,470	18,154	18,195	16,458	16,458	
	ADC					38.3	42.4	49.7	49.7	45.1	45.1	79.1%

The remaining two hospitals in C-02 are shown for reference, and to demonstrate the 2023/2024 impact of closures of St Margaret's hospitals.

7	Saint Paul											
	Adm	352	388	347	476	607						
	Pt Days	1,495	1,800	1,694	2,329	3,144						
	ADC	4.1	4.9	4.6	6.4	8.6						
8	Saint Clare (Perry)											
	Adm	559	342	454	531	604						
	Pt Days	1,851	1,707	1,574	2,035	3,129						
	ADC	5.1	4.7	4.3	5.6	8.6						

- Upon the opening of the replacement hospital in late 2027, the ongoing combined census is forecast to be 45.1 patients ADC. 9.9 ADC at SEMC-Ottawa and 35.2 ADC at SEMC-Peru.

Exhibit A in this section contains a letter from the Chief Medical Officer of SEMC-Ottawa committing to refer patients. For the establishment of the 12-bed medical/surgical service at SEMC-Ottawa, the letter commits a referral volume of 700 patients, as reported in the previous table.

A separate letter by the CMO commits to refer the remainder of 1,353 patients (2,053 in 2023 less 700) at SEMC Ottawa to SEMC-Peru. In addition to the 1,353 patients now at SEMC-Ottawa, the letter refers to an additional 275 patients (part of the first full year (2024) effect of the dispersion of 550 SMH patients), the return of 260 medical/surgical patients from Saint Paul, and 464 patients, about 1/3 of the former SMH patients unaccounted for. A third letter commits the return of 150 patients to SEMC-Peru from Saint Clare in Mendota. (These other referral letters are not relevant to the future volume at SEMC-Ottawa, and are therefore not included in this permit application for SEMC-Ottawa. They are referenced here because of the coordination of planning and projected utilization at the two campuses of OSF Saint Elizabeth Medical Center. These volumes are all referenced on the Consolidated Utilization table. The appropriate referral letters are included in the CON permit application for the SEMC-Peru hospital modernization project.)

Together, the combined referral volumes total 3,202 medical/surgical patients at the two campuses of SEMC. The average length of stay for medical/surgical patients at SEMC in 2023 was 5.14 days. 3,202 patients generate an annual 16,458 patient days. 16,458 days is an average daily census of 45.1 days. This volume equates to 82.1% utilization of the 12-bed unit at SEMC-Ottawa and 78.2% utilization of the proposed 45 beds at SEMC-Peru. The volumes are consistent with the historic ADC information for SEMC-Ottawa and the volumes that were distributed at OSF Saint Paul and OSF Saint Clare due to the closure of the SMH hospitals in Peru and Spring Valley.

The projections of 700 patients (3,598 patient days) at SEMC-Ottawa, and a total of 3,202 patients and 16,458 patient days for the two SEMC hospitals combined, are conservative. The table on the first page of this section documents historic growth in admissions at SEMC-Ottawa from 1,880 in 2020 to 2,053 in 2023, and in patient days from 7,901 to 10,562 for the same years. The volume projections for the medical/surgical bed capacity at Ottawa and Peru assume that the only cause of increased census is the dispersion of patients formerly cared for at the two St. Margaret's Health hospitals.

This same information is used in the separate permit application for the justification of beds in the Certificate of Need permit application for the expansion of medical/surgical beds at SEMC-Peru.

5) Service Accessibility

The replacement of OSF Saint Elizabeth Medical Center in Ottawa with a modern facility helps maintain and improve access to state-of-the-art health care services. Specifically, the 12-bed medical/surgical unit in the replacement hospital is part of a combined 57 bed medical/surgical service at OSF Saint Elizabeth Medical Center operating as one licensed facility on two campuses – Ottawa and Peru.

The project in part addresses threats to service accessibility resulting from the closure in 2023 of St. Margaret's Health-Peru and St. Margaret's Health-Spring Valley. The two hospitals had a combined authorized medical/surgical bed complement of 66 beds. By acquiring St. Margaret's Health-Peru in November, 2023 and planning to re-open the facility as a campus of OSF Saint Elizabeth Medical Center, OSF Healthcare System has taken a significant step to maintaining health care access for the 146,020 residents of State Planning Area C-02, containing LaSalle, Bureau and Putnam Counties, and the Osceola and Elmira townships of Stark County. The 57-bed unit includes an expansion of the 38 medical/surgical beds at the former SMH-Peru hospital, increasing the medical/surgical service there to 45 beds, and capitalizing on the vacated facility assets in place in Peru. The plan establishes OSF Saint Elizabeth Medical Center as a two-campus hub of health care delivery in the three-county area.

A) Service Restrictions.

Health Resources and Services Administration (HRSA) reports in Exhibit B of this section document that the three counties are a Health Professional Shortage Area, contributing to access limitations. LaSalle County has a shortage of 6.49 FTEs; Bureau and Putnam Counties combined have a shortage of 1.94 FTEs. Their HPSA scores, respectively, are 14 and 9, on a scale of 0 to 26, with 26 being regarded as high priority need.

The replacement of OSF Saint Elizabeth Medical Center will help address access limitations by offering a modern state-of-the-art facility that will help attract physicians, nurses and other personnel desiring to deliver health care in the Illinois Valley.

1110.200(c) Unnecessary Duplication/Maldistribution

Maldistribution for a service exists when a ratio of beds to population exceeds 1.5 times the Statewide average for that service. This test shows that the project does not result in a maldistribution of Medical/Surgical beds within the Planning Area C-02 or within the geographic service area.

For the **State of Illinois**, the Statewide ratio is 1.491 beds per 1,000 population.

19,771 beds divided by 13,263,662 persons = 1.491 beds per 1,000 population

For the **Planning Area for the Project, C-02**, the beds to population ratio is 0.942 beds per 1,000 population.

135 beds divided by 146,020 persons = 0.924 beds per 1,000 population

(135 M/S beds: 38 Peru, 54 Ottawa, 21 Mendota, 22 Princeton)

The project reduces beds by 35, to 100 M/S beds

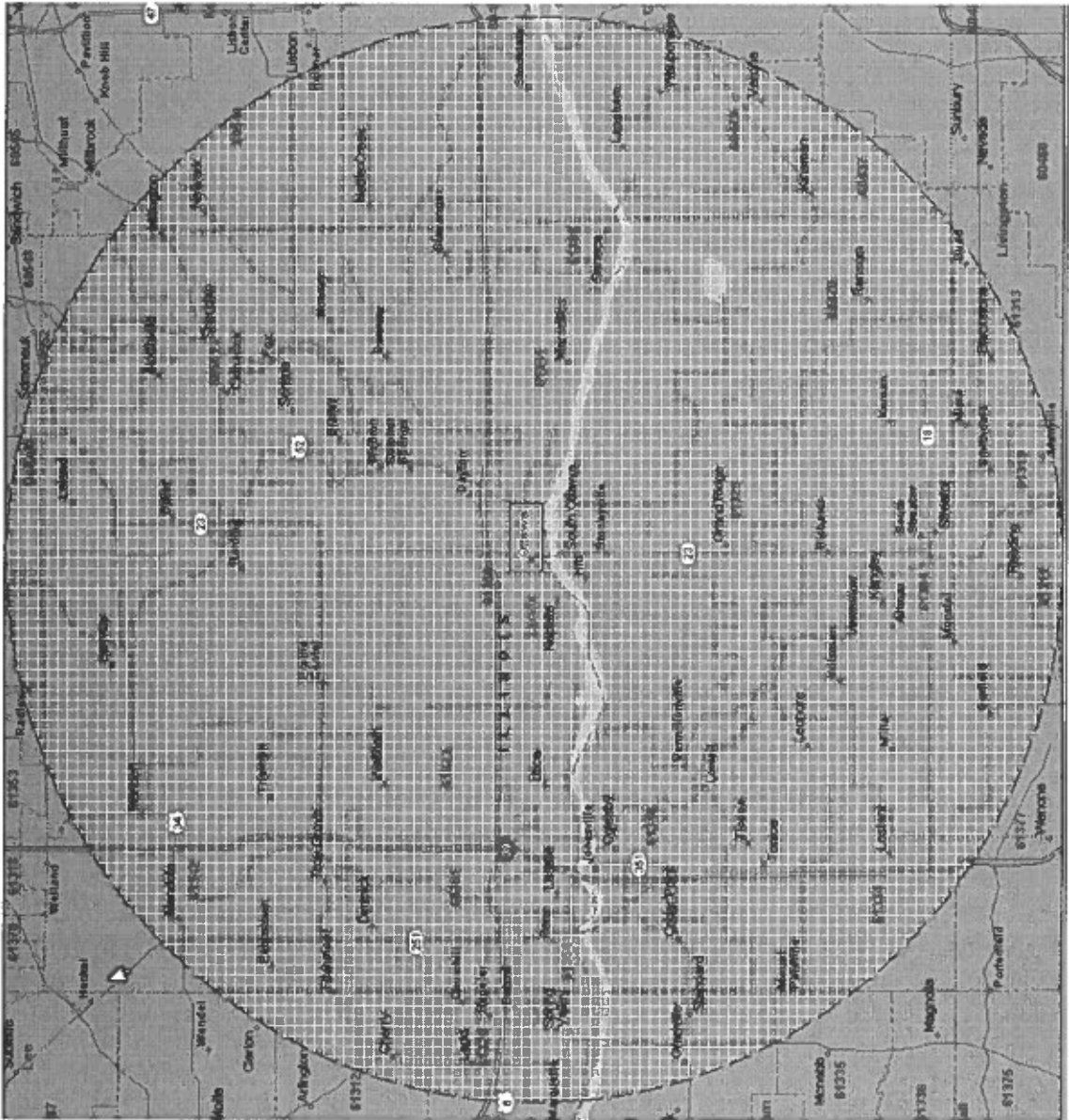
(100 M/S beds: 45 Peru, 12 Ottawa, 21 Mendota, 22 Princeton)

100 beds divided by 146,020 persons (year 2027) = 0.685 M/S beds per 1,000 population.

1.5 times the Statewide average is 2.237

As a result, there is no maldistribution in Planning Area C-02 as a result of the project, since 0.685 is less than 2.237

The map and table on the next page show the geographic area and population defined by the 21-mile radius from the site of the proposed replacement hospital. **For the 21-mile radius area** from the project site, the ratio is 0.762 beds per 1,000 population.



Ottawa Illinois
21 Mile Radius Area by Zip Code - Ottawa

Zip code	City	Population
60437	Kinsman	187
60444	Mazon	1,750
60450	Morris	21,181
60470	Ransom	419
60478	Country Club Hills	16,200
60479	Verona	640
60518	Earlville	3,315
60531	Leland	1,880
60537	Millington	358
60541	Newark	3,089
60548	Sandwich	11,777
60549	Serena	599
60551	Sheridan	5,163
60552	Somonauk	4,342
61301	La Salle	10,209
61311	Ancona	210
61312	Arlington	457
61313	Blackstone	255
61319	Cornell	1,086
61320	Dalzell	693
61325	Grand Ridge	913
61326	Granville	2,084
61329	Ladd	1,183
61330	La Moille	1,314
61334	Lonest	615
61335	Mc Nabb	602
61341	Marselles	8,007
61342	Mendota	8,451
61348	Oglesby	4,442
61350	Ottawa	23,670
61354	Peru	10,433
61360	Seneca	3,191
61362	Spring Valley	5,832
61364	Streator	18,119
61370	Tonica	1,226
61373	Utica	1,897
61377	Wenona	1,287
Total		177,076

The project reduces beds by 35, to 78 M/S beds

(78 M/S beds: 45 Peru, 12 Ottawa, 21 Mendota)

78 beds divided by 177,076 persons (year 2027) = 0.440 M/S beds per 1,000 population.

1.5 times the Statewide average is 2.237

As a result, there is no maldistribution in the 21- mile radius area due to the project, since 0.440 is less than 2.237.

3) Impact on other area providers.

The four hospitals in the 21 mile GSA are displayed in the following table. The establishment of the 12-bed medical/surgical unit at SEMC-Ottawa will not draw patients from other hospitals in the planning area. 700 medical/surgical admissions from the existing service at OSF Saint Elizabeth Medical Center will be accommodated at the new SEMC-Ottawa. Other patients counted in the existing census at SEMC-Ottawa will be admitted at SEMC-Peru in the future.

Hospitals in 21 mile GSA - Medical/Surgical utilization

	Medical/surgical Beds - 2022	2022		2023	
		Admissions	Patient Days	Admissions	Patient Days
Saint Elizabeth Medical Center-Ottawa	54	1,778	8,704	2,053	10,561
Saint Paul Medical Center-Mendota	21	347	1,694	477	2,331
St. Margaret's Health-Peru* / SEMC-Peru	38	710	2,456	NA	N/A
St. Margaret's Health - Spring Valley	28	954	6,234	NA	N/A
Total	141	3,789	19,088	2,540	12,892

Note *: 2022 data are Compdata estimates for St Margaret's Health-Peru, which closed in January 2023

Patient days include inpatient admissions and observation days.

OSF Saint Clare in Princeton is west of the 21 mile radius GSA.

1110.200(e) Staffing Availability

The proposed project is the replacement of the medical/surgical unit at SEMC-Ottawa by a downsized 12 bed unit at the new hospital adjacent to the existing campus. Part of the medical/ surgical service now in Ottawa will be re-established at SEMC-Peru in a 45-bed medical/surgical service. Processes and procedures for staffing are already in place. All licensure and Joint Commission requirements are in place and will continue to be followed.

The recent closures of St. Margaret's Health-Peru and St. Margaret's Health-Spring Valley in 2023 resulted in a pool of available nurses, technicians and other staff that could be recruited to work at SEMC-Ottawa and SEMC-Peru. The phased re-opening of SEMC-Peru (the former St Margaret's Health-Peru) enables the recruitment of former St Margaret's employees to continue working in Peru starting in the spring of 2024. OSF Healthcare System has hired 419 of the St. Margaret's employees.

Over the last three years, OSF Saint Elizabeth Medical Center has been successful at maintaining core staffing. Recruitment and retention of physicians, advanced practice providers and front-line staff

remains a focus for 2024 and beyond. Over the last two years, OSF SEMC-Ottawa decreased voluntary turnover from 22.3% in December 2021 to 10.8% in December 2023. OSF SEMC-Ottawa works closely with Illinois State University, Illinois Valley Community College and OSF Colleges of Nursing to provide clinical education as well as employment opportunities to students enrolled in degree programs.

Recruitment for ancillary and support staff including imaging, respiratory therapy and surgical technicians takes place at community-related job fairs in the area and at their respective schools and colleges. The Hospital continues to expand clinical sites to area schools as a method for recruitment. In addition, OSF often uses web-based programs and traditional sites and methods such as nurse.com, monster.com, careerbuilder.com, National Healthcare Career Network, Sun-Times Network, Chicago Tribune, and job fairs. Salaries are competitive and select qualifying employees seeking career advancement benefit from educational support programs.

1110.200(f) Performance Requirements – Bed Capacity Minimum

The minimum size for a new medical/surgical category of service within a Metropolitan Statistical Area (MSA) is 100 beds. There is no minimum bed capacity for a new medical/surgical service outside an MSA. Ottawa and Peru are not MSAs.

The project meets the minimum size performance requirements.

1110.200(g) Assurances

The letter on the following page confirms the applicants understanding that the project will meet the utilization standards for medical/surgical services.



OSF HEALTHCARE

March 19, 2024

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

Re: Assurance, 1110.200(g) and 1110.210(g)
OSF Saint Elizabeth Medical Center - Ottawa

Dear Mr. Kniery:

Consistent with the requirements in 1110.200(g) and 1110.210(g), I hereby attest that it is my understanding that by the second year of operation of the replacement hospital, the Medical/Surgical unit and Acute Mental Illness service will achieve the occupancy standards of 80% and 85%, respectively, as set forth in 77 Ill. Adm. Code 1100.

If you have any questions, please contact me at 815-431-5456 or Mark Hohulin at 309-308-9656.

Sincerely,

Dawn Trompeter
Dawn Trompeter, President
OSF Saint Elizabeth Medical Center – Ottawa
1100 E. Norris Drive
Ottawa, IL 61350

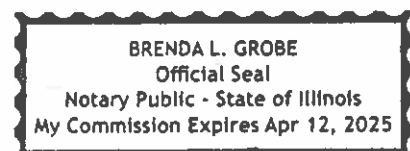
Notarization:

Subscribed and sworn to before me

this 19th day of March 2024

Brenda L. Grobe
Signature of Notary

Seal



March 19, 2024

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

Re: Commitment to refer 700 Medical/Surgical patients
SEMC-Ottawa

Dear Mr. Kniery:

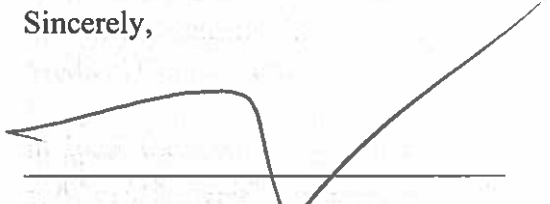
I am a physician specializing in Family Medicine. I am the Chief Medical Officer at OSF Saint Elizabeth Medical Center in Ottawa. I support the proposed project to replace OSF Saint Elizabeth Medical Center with a new and smaller hospital facility. I also support the shift of selected inpatient services from SEMC-Ottawa to the campus of Saint Elizabeth Medical Center-Peru.

In 2023, there were 2,053 medical/surgical admissions at SEMC-Ottawa. This was an increase from 1,778 medical/surgical admissions the year before. I estimate that 700 of these 2,053 patients will be referred annually to the new 12-bed medical/surgical service at SEMC-Ottawa following its opening in late 2027. The attached table lists the zip codes of residence for these patients. All of these patients were admitted at OSF Saint Elizabeth Medical Center. The balance of the 2,053 patients will be referred to the medical/surgical service at SEMC-Peru.

These referral counts have not been used to support another permit application for any other hospital's medical/surgical service.

Please contact me if you have any questions.

Sincerely,


Leonardo Lopez, MD
OSF Saint Elizabeth Medical Center – Ottawa
1100 E. Norris Drive
Ottawa, IL 61350
(815) 431-5598

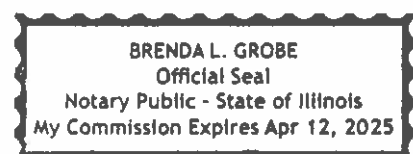
Notarization:

Subscribed and sworn to before me

this 19th day of March 2024
Brenda L. Grobe

Notary Signature

Seal



Attachment 19 - A

Leonardo Lopez, MD - OSF Saint Elizabeth Medical Center - Ottawa
 Zip Code of Patient Residence, Medical/Surgical patients, 2023
 Source: OSF Internal Utilization (OSF Enterprise Explorer)

Patient Zip Code	Patient City	CY 2023 Inpatient	Percent of total
LaSalle County			
61350	OTTAWA	190	27.1%
61364	STREATOR	128	18.3%
61301	LA SALLE	50	7.0%
61341	MARSEILLES	49	6.9%
61354	PERU	36	5.1%
61342	MENDOTA	17	2.4%
61348	OGLESBY	16	2.3%
61373	UTICA	7	1.0%
60518	EARLVILLE	7	1.0%
61370	TONICA	7	1.0%
61360	SENECA	5	0.7%
60551	SHERIDAN	4	0.6%
Other LaSalle County		30	4.3%
			77.7%
Bureau County			
61362	SPRING VALLEY	14	2.0%
61356	PRINCETON	9	1.3%
61322	DEPUE	8	1.1%
61329	LADD	6	0.9%
61330	LA MOILLE	3	0.4%
Other Bureau County		25	3.6%
			9.3%
Putnam County			
61326	GRANVILLE	6	0.9%
61327	HENNEPIN	4	0.6%
61335	MC NABB	2	0.3%
Other Putnam County		21	3.0%
			4.8%
Stark County			
61421	Bradford	2	0.3%
Total, Planning Area C-02		646	92.3%
Outside Planning Area C-02		54	7.7%
Total Patients		700	100.0%

Note: All 700 patients were admitted at SEMC-Ottawa in 2023

Discipline	HPSA ID	HPSA Name	Designation Type	Primary State Name	County Name	HPSA FTE Short	HPSA Score	PC MCTA Score	Status	Rural Status	Designation Date	Update Date
Primary Care	1176857072	Bureau/Putnam Counties	Geographic HPSA	Illinois	Bureau County, IL Putnam County, IL	1.94	9	10	Designated	Rural	06/16/2021	06/16/2021
Component State Name		Component County Name		Component Name		Component Type		Component GEOID		Component Rural Status		
Illinois		Bureau		Bureau		Single County		17011		Rural		
Illinois		Putnam		Putnam		Single County		17155		Rural		

data.HRSA.gov

Discipline	HPSA ID	HPSA Name	Designation Type	Primary State Name	County Name	HPSA FTE Short	HPSA Score	PC MCTA Score	Status	Rural Status	Designation Date	Update Date
Primary Care	1177443569	LI - LaSalle County	Low Income Population HPSA	Illinois	La Salle County, IL	6.49	14	13	Designated	Rural	07/02/2021	07/02/2021
Component State Name		Component County Name		Component Name		Component Type		Component GEOID		Component Rural Status		
Illinois		La Salle		LaSalle		Single County		17099		Rural		
Primary Care	117999175C	Community Health Partnership of Illinois	Federally Qualified Health Center	Illinois	Cook County, IL		19	18	Designated	Non-Rural	10/26/2002	09/11/2021

Criterion 1110.210 – Acute Mental Illness

	# of Existing Rooms	# of Proposed Rooms
Acute Mental Illness	26	26

1110.210(b)(1) Planning Area Need – Formula calculation

The *Inventory of Health Care Facilities and Services and Need Determinations* shows that there are 247 Acute Mental Illness (AMI) beds in Planning Area HSA 2. Based on the formula of 11 beds per 100,000 residents, with adjustments, there is a calculated need for 86 beds and a current excess of 161 AMI beds. While the State staff must use the ratio of 11 beds per 100,000 in their evaluation of bed need, this is a ratio that was adopted over 40 years ago. The field of behavioral health has since undergone great change. Several recent permit applications for acute mental illness projects have referenced the work of experts in the field of behavioral health who recommend a range of 40 – 50 AMI beds per 100,000 residents. For example, in an article published by the Pew Charitable Trusts in August, 2016, Pew suggested that at least 40 AMI beds were needed per 100,000 residents. And an article published in November, 2013 in *Modern Healthcare*, the Treatment Advisory Center recommended a minimum of 50 AMI beds per 100,000 residents.

There are five hospitals in HSA 2, with a total of 247 authorized AMI beds. OSF Saint Elizabeth Medical Center, located in Ottawa, has 26 AMI beds. All of the other four hospitals are in Peoria: Carle Health Methodist Hospital in Peoria has 59 AMI beds; Methodist Medical Center/Young Minds Institute in Peoria has 44 beds; Carle Health Proctor Hospital has 18 AMI beds; and Meadowview Behavioral Hospital has 100 beds, about to start construction. Two hospitals in the HSA closed their AMI units in the past three years (Galesburg Cottage Hospital and McDonough District Hospital), resulting in the combined reduction of 28 AMI beds.

According to COMPdata, last year 1,119 adult residents of C-02 (which is part of HSA 2) were admitted for behavioral health care. While there is a current calculated excess of 161 beds AMI beds in HSA 2, 459 of these 1,119 residents of C-02 (41%) were either a) admitted at AMI units outside of HSA 2 (399 patients), or b) were admitted at non-AMI (i.e. medical units) units (53 patients), or c) left the State for care (7 patients). This data is experiential evidence that the need is much greater than 11 beds per 100,000 persons. It is consistent with the data presented in the permit application approved by the Illinois Health Facilities and Services Review Board in May 2023 for Meadowview Behavioral Hospital.

The project does not increase the supply of AMI beds in the planning area, but replaces the existing 26 beds being discontinued at OSF Saint Elizabeth Medical Center with the same sized unit at the planned replacement hospital.

1110.210(b)(2) Planning Area Need – Service to Planning Area Residents

The table on the next page shows the patient origin data by zip code and county of patient residence for AMI inpatients and observation patients at OSF Saint Elizabeth Medical Center. 63.3% percent of patients at OSF Saint Elizabeth Medical Center reside in Planning Area C-02, one of four planning areas in HSA-2. C-02 is selected as the planning area for the SEMC-Ottawa replacement hospital project. It meets the requirement of being the source of more than 50% of the patients at SEMC-Ottawa.

Table: Zip codes of patient residence

AMI Patients at OSF Saint Elizabeth Medical Center - Ottawa (2023)

Source: OSF Enterprise Explorer

Patient County	Patient Zip Code	Patient City	Inpatient	Observation	2023 Total	% of total AMI	Cumulative %
LA SALLE, IL	61350	OTTAWA	228	43	271	22.00%	22.00%
	61364	STREATOR	119	15	134	10.90%	32.80%
	61341	MARSEILLES	67	10	77	6.20%	39.10%
	61354	PERU	60	6	66	5.30%	44.40%
	61301	LA SALLE	52	12	64	5.20%	49.60%
	61342	MENDOTA	21	0	21	1.70%	51.30%
	61360	SENECA	14	2	16	1.30%	52.60%
	60551	SHERIDAN	11	0	11	0.90%	53.50%
	60518	EARLVILLE	8	2	10	0.80%	54.30%
	61348	OGLESBY	8	1	9	0.70%	55.00%
	61373	UTICA	4	1	5	0.40%	55.40%
	60470	RANSOM	5	0	5	0.40%	55.80%
		All Other	11	2	13	1.10%	56.90%
		Subtotal	608	94	702	56.90%	
BUREAU, IL	61362	SPRING VALLEY	29	1	30	2.40%	59.30%
	61356	PRINCETON	16	2	18	1.50%	60.80%
	61322	DEPUE	4	2	6	0.50%	61.30%
		All Other	15	1	16	1.30%	62.60%
		Subtotal	64	6	70	5.70%	
PUTNAM, IL	61327	HENNEPIN	3	1	4	0.30%	62.90%
	61326	GRANVILLE	3	0	3	0.20%	63.10%
	61363	STANDARD	1	0	1	0.10%	63.20%
	61335	MC NABB	1	0	1	0.10%	63.30%
		Subtotal	8	1	9	0.70%	
Sub Total C-02 Counties			680	101	781	63.30%	
PEORIA, IL			96	1	97	7.90%	71.20%
TAZEWELL, IL			45	0	45	3.60%	74.80%
KNOX, IL			35	0	35	2.80%	77.60%
VERMILION, IL			32	0	32	2.60%	80.20%
COOK, IL			19	2	21	1.70%	81.90%
MCLEAN, IL			19	1	20	1.60%	83.50%
GRUNDY, IL			17	2	19	1.50%	85.10%
WINNEBAGO, IL			15	0	15	1.20%	86.30%
ROCK ISLAND, IL			13	0	13	1.10%	87.40%
HENRY, IL			12	0	12	1.00%	88.30%
CHAMPAIGN, IL			11	0	11	0.90%	89.20%
MARSHALL, IL			10	1	11	0.90%	90.10%
WOODFORD, IL			10	0	10	0.80%	90.90%
WARREN, IL			10	0	10	0.80%	91.70%
LIVINGSTON, IL			10	0	10	0.80%	92.50%
LEE, IL			8	2	10	0.80%	93.40%
All Other Counties			80	2	82	6.60%	100.00%
Sub Total All Other Counties			442	11	453	36.70%	
TOTAL			1,122	112	1,234	100.00%	

It is of interest to note that the concentration of AMI patients admitted at SEMC (63.3% from C-02) is much less than the 88.4% of SEMC's medical/surgical patients who reside in C-02. More than a third of AMI patients come from outside the area.

1110.210(b)(3) Service Demand – Establishment of Acute Mental Illness

Background

The following factors frame the analysis in this section regarding the need for establishing the 26-bed unit to replace the existing 26 AMI beds now at OSF Saint Elizabeth Medical Center in the replacement SEMC-Ottawa facility.

-- According to the American Hospital Association, one in four Americans suffer from mental illness or substance abuse disorder each year, and the majority also have a comorbid physical condition. (Substance Abuse and Mental Health Services Administration Community, "Conversations about Mental Health," American Hospital Association.)

-- The 2022 Community Health Needs Assessment for LaSalle County in central Illinois has identified mental health as one of the top two health concerns of area residents. Mental health issues outrank obesity, viruses, cancer, aging issues, diabetes and heart disease. Addressing the community concerns requires high priority attention and coordinated efforts by health care providers and agencies in the region.

-- More mental health providers are needed nationally, and that is the case in central Illinois. As to inpatient bed capacity, as previously stated in this section, experts in the field of behavioral health recommend a range of 40 – 50 AMI beds per 100,000 residents. For example, in an article published by the Pew Charitable Trusts in August, 2016, Pew suggested that at least 40 AMI beds were needed per 100,000 residents. And an article published in November, 2013 in *Modern Healthcare*, the Treatment Advisory Center recommended a minimum of 50 AMI beds per 100,000 residents.

-- HSA 2, with a population of 641,300 (year 2026), is the Planning Area for AMI beds for this project. There are **247** approved AMI beds at five hospitals in the area. As previously stated, these include: Carle Health Methodist Hospital, Carle Health Proctor Hospital, Methodist Medical Center Young Minds Institute, Meadowview Behavioral Hospital (construction about to start), and the 26-bed unit at OSF Saint Elizabeth Medical Center. The State *Inventory of Health Facilities and Services and Need Determinations* shows a calculated need for 86 beds in HSA 2, and an excess of 161 beds. The calculation is based on a dated formula of 11 beds per 100,000 persons. If HSA 2 were to reflect the PEW suggested target of 40 beds per 100,000, that would be a total of **257 beds**. Meeting the 50 AMI beds per 100,000 level recommended by the Treatment Advisory Council would require **321 beds**. The current complement of 247 beds is 38.5 beds per 100,000, near the low end of the 40 – 50 beds per 100,000 population range.

-- Of the five hospitals listed above, OSF Saint Elizabeth Medical Center is the only hospital in the HSA located outside of Peoria. The planning for the replacement SEMC-Ottawa is focused on a smaller geographic area, Hospital Planning Area C-02. C-02 includes LaSalle County, Bureau County and Putnam County, 3 of the 13 counties in HSA 2.

-- Last year, 1,119 residents of C-02 were admitted for behavioral health care. Of these patients, 660 were admitted at SEMC. The rest were admitted at 59 other AMI units elsewhere in Illinois, or at

medical/surgical or ICU units. This migration pattern lends support to the importance of the AMI service at SEMC.

The table on the next page lists the 60 hospitals in Illinois where residents of C-02 were admitted for AMI during the past three years. The significant dispersion of patients is evidence of the lack of sufficient beds in C-02 and in the larger HSA 2 planning area. (As reported in the permit application for the Meadowview Behavioral Hospital in Peoria, about 1900 residents of the entire HSA 2 left the HSA to receive AMI care. Some of these patients traveled significant distances for care.) In 2023, about 300 residents of C-02 were admitted at AMI units in metropolitan Chicago. Distance traveled constitutes a hardship for patients and their families, and is disruptive of home life, work and school for family members. For many types of behavioral health care, family support and involvement in the care plan is necessary. The need to travel significant distances, the expense of hotel accommodations, and the stress of not being in a home setting are factors that compromise efficacy of care delivery. It is often an extreme hardship for patients and their families when care is available only at significant distances from home.

This data is evidence of a lack of available capacity and services in the area. Finding places to hospitalize people in need is a challenging and time-consuming activity for social workers and staff at agencies and admitting and discharge staff at hospitals responsible for coordinating access to needed service. Imagine the difficulty of obtaining a bed, when it means that patient coordinators and discharge planners at hospitals too often have to make ten or more calls to arrange an admission to AMI.

Table: Facilities where adult residents of Planning Area C-02 were admitted for AMI care
Source Compdata CY2021 - CY2023 ending September 2023
Service Line: Behavioral Health

Facility	City	County	Hospital	CY2023	CY2022	CY2021
			Planning Area			
OSF SEMC	OTTAWA, IL	LA SALLE	HSA 2	660	520	452
HARTGROVE HOSPITAL	CHICAGO, IL	COOK	A-02	48	89	134
CHICAGO BEHAVIORAL HOSPITAL	DES PLAINES, IL	COOK	A-07	43	84	65
STREAMWOOD BEHAVIORAL HEALTHCARE SYSTEM	STREAMWOOD, IL	COOK	A-07	36	73	47
SILVER OAKS BEHAVIORAL HOSPITAL	NEW LENOX, IL	WILL	A-13	29	20	26
THE PAVILION	CHAMPAIGN, IL	CHAMPAIGN	HSA 4	28	27	19
LAKE BEHAVIORAL HOSPITAL	WAUKEGAN, IL	LAKE	A-09	23	24	17
ENDEAVOR LINDEN OAKS	NAPERVILLE, IL	DU PAGE	A-05	19	20	23
UCHICAGO GLENOAKS	GLENDAL HEIGHTS, IL	DU PAGE	A-05	17	8	2
RIVEREDGE HOSPITAL	FOREST PARK, IL	COOK	A-06	16	26	18
CARLE PROCTOR	PEORIA, IL	PEORIA	HSA 2	15	11	16
ASCENSION ST JOSEPH JOLIET	JOLIET, IL	WILL	A-13	13	7	11
ASCENSION MERCY	AURORA, IL	KANE	A-12	11	8	8
GATEWAY REGIONAL MEDICAL CENTER	GRANITE CITY, IL	MADISON	HSA 11	11	11	3
RIVERSIDE MEDICAL CENTER KANKAKEE	KANKAKEE, IL	KANKAKEE	A-14	8	11	4
CARLE BROMENN	NORMAL, IL	MCLEAN	HSA 4	8	10	7
SAINT ANTHONY HOSPITAL CHICAGO	CHICAGO, IL	COOK	A-02	7	9	3
KATHERINE SHAW BETHEA HOSPITAL	DIXON, IL	LEE	HSA 1	5	14	23
CARLE METHODIST PEORIA	PEORIA, IL	PEORIA	HSA 2	5	9	50
ASCENSION ST JOSEPH CHICAGO	CHICAGO, IL	COOK	A-01	4	2	4
NORTHWESTERN CENTRAL DUPAGE	WINFIELD, IL	DU PAGE	A-05	4	4	4
ASCENSION ALEXIAN BROTHERS BEHAVIORAL	HOFFMAN ESTATES, IL	COOK	A-07	4	6	14
OSF HMMC	URBANA, IL	CHAMPAIGN	HSA 4	4	10	11
THOREK ANDERSONVILLE	CHICAGO, IL	COOK	A-01	3	3	7
NORTHWESTERN MEMORIAL	CHICAGO, IL	COOK	A-01	3	-	1
ROSELAND COMMUNITY HOSPITAL	CHICAGO, IL	COOK	A-03	3	2	1
HOLY CROSS HOSPITAL	CHICAGO, IL	COOK	A-03	3	-	-
NORTHWESTERN PALOS	PALOS HEIGHTS, IL	COOK	A-04	3	1	1
UCHICAGO HINSDALE	HINSDALE, IL	DU PAGE	A-05	3	1	2
LOYOLA MACNEAL	BERWYN, IL	COOK	A-06	3	2	4
ASCENSION ST JOSEPH ELGIN	ELGIN, IL	KANE	A-11	3	2	1
SARAH BUSH LINCOLN HEALTH CENTER	MATTOON, IL	COLES	HSA 4	3	-	-
THOREK MEMORIAL	CHICAGO, IL	COOK	A-01	1	-	-
HUMBOLDT PARK HEALTH	CHICAGO, IL	COOK	A-02	1	-	1
ST BERNARD HOSPITAL AND HEALTH CARE CENTER	CHICAGO, IL	COOK	A-03	1	2	1
SOUTH SHORE HOSPITAL	CHICAGO, IL	COOK	A-03	1	-	-
UCHICAGO INGALLS	HARVEY, IL	COOK	A-04	1	1	1
ADVOCATE GOOD SAMARITAN	DOWNERS GROVE, IL	DU PAGE	A-05	1	3	4
ADVOCATE LUTHERAN GENERAL	PARK RIDGE, IL	COOK	A-07	1	2	2
ASCENSION STS MARY AND ELIZABETH	CHICAGO, IL	COOK	A-07	1	3	1
ENDEAVOR NORTHWEST COMMUNITY	ARLINGTON HEIGHTS, IL	COOK	A-07	1	1	1
UCHICAGO BOLINGBROOK	BOLINGBROOK, IL	WILL	A-13	1	2	2
ASCENSION ST MARY	KANKAKEE, IL	KANKAKEE	A-14	1	-	1
UNITYPOINT TRINITY ROCK ISLAND	ROCK ISLAND, IL	ROCK ISLAND	HSA 10	1	1	-
BLESSING HOSPITAL	QUINCY, IL	ADAMS	HSA 3	1	-	2
ADVOCATE ILLINOIS MASONIC	CHICAGO, IL	COOK	A-01	-	1	-
LORETTO HOSPITAL	CHICAGO, IL	COOK	A-02	-	4	3
MOUNT SINAI HOSPITAL	CHICAGO, IL	COOK	A-02	-	3	1
RUSH UNIVERSITY MEDICAL CENTER	CHICAGO, IL	COOK	A-02	-	-	4
UI HEALTH	CHICAGO, IL	COOK	A-02	-	-	1
ILLINI COMMUNITY HOSPITAL PITTSFIELD	PITTSFIELD, IL	PIKE	A-03	-	-	2
JACKSON PARK HOSPITAL AND MEDICAL CENTER	CHICAGO, IL	COOK	A-03	-	-	1
ENDEAVOR EVANSTON	EVANSTON, IL	COOK	A-08	-	-	1
NORTHWESTERN WOODSTOCK	WOODSTOCK, IL	MCHENRY	A-10	-	2	2
UWHEALTH SWEDISHAMERICAN	ROCKFORD, IL	WINNEBAGO	HSA 1	-	-	2
TOUCHETTE REGIONAL HOSPITAL	CENTREVILLE, IL	SAINT CLAIR	HSA 11	-	-	1
GALESBURG COTTAGE HOSPITAL	GALESBURG, IL	KNOX	HSA 2	-	-	1
MH SPRINGFIELD MEMORIAL	SPRINGFIELD, IL	SANGAMON	HSA 3	-	1	3
HSMS ST MARYS DECATUR	DECATUR, IL	MACON	HSA 4	-	1	-
SIH HARRISBURG	HARRISBURG, IL	SALINE	HSA 5	-	-	1
			AMI Subtotal	1,059	1,041	1,017
			Non AMI Subtotal	53	63	80
			Out of State subtotal	7	1	8
			Total C-02 Patients	1,119	1,105	1,105

-- Eleven hospital AMI units closed during the past eleven years in downstate Illinois. These closures created bed deficit issues for some of the areas of the State. An additional three hospitals in metropolitan Chicago closed during the past decade.

As shown in the following table, the fourteen closed AMI units totaled 308 AMI beds. Other hospitals in the State added beds during the decade, resulting in a net increase in beds in Illinois. However, the distribution of beds disadvantaged certain downstate areas. 245 of the closed beds were in downstate hospitals. An effect of these closures is that patients, families and hospital staff had an even more difficult time finding available beds for patients with behavioral health needs. This condition is a further dimension of the issue of access for mental health inpatient care.

Closures of AMI units in Illinois, 2013-2023

Source: HFSRB Monthly Reports

Facility	# AMI Beds	Date approved or reported	HSA / Area
HSBS St. Elizabeth - Bellevue	35	9/24/2013	11
McDonough District Hospital	20	9/17/2019	2
HSBS St. John's - Springfield	32	9/17/2019	3
AMITA Alexian Brothers Medical Center	25	10/22/2019	7
Metro South Medical Center	14	10/22/2019	A-04
Passavant Area Hospital	10	5/4/2020	3
Alton Memorial Hospital	20	8/31/2020	11
OSF Little Company of Mary Medical Ctr	24	9/12/2020	A-04
Javon Bea Hospital - Rockton Campus	20	9/22/2020	1
Holy Family Hospital - Greenville	10	3/22/2021	5
Galesburg Cottage Hospital	16	4/26/2022	2
Illini Community Hospital	10	7/25/2022	3
Richland Memorial Hospital - Olney	16	NA	5
HSBS St. Mary's Hospital - Decatur	56	6/30/2023	4
Total	308		

A. Historical Referrals

The table below shows utilization of the AMI unit at OSF Saint Elizabeth Medical Center for the past four years.

Acute Mental Illness – Patient volumes - SEMC

	Historic Utilization			
	2020	2021	2022	2023
Admissions	1,012	683	810	1,093
Patient Days	5,210	4,097	5,371	5,925
ADC	14.2	11.2	14.7	16.1
Occupancy	54.6%	43.1%	56.5%	61.9%

Source: HFSRB Profiles and Annual Hospital Questionnaire 2023

Several factors have contributed to the relatively low utilization of the AMI unit.

1) Of the 26 authorized AMI beds, 22 are in semi-private rooms. This condition limits the ability of the psychiatry service to accept referral requests, due to gender matches and other compatibility factors. The proposed project plan includes 26 private AMI rooms, which will eliminate this restriction.

2) For most of the past three years, on average a maximum of 22 of the 26 authorized beds were in operation. In part, this limitation was due to a series of facility renovations. In 2020, for example, the 8-bed East unit was closed while new flooring was installed, door fixtures were replaced and bathrooms re-done. Other projects during the year closed 4 rooms at a time for painting and carpet installation. All rooms were sequentially closed to allow treatment for ligature risk. For the majority of the year, the operating capacity was limited to 14 beds.

3) Caring for Covid patients further restricted capacity. Covid shelter in place affected operations for 4 months in early 2020, reducing the ADC to 10 AMI patients. From early March through June, census was down due to limited patients coming in for treatment due to Covid. Patients testing positive during health screening were unable to be admitted to the unit. Instead, patients that were Covid positive, whether symptomatic or asymptomatic, were placed on a medical/surgical unit. Starting in October, 2020, and continuing into January, 2022, the East 8-bed unit was converted to medical/surgical overflow to accommodate Covid patients in double rooms converted to 4 private rooms. In January 2022, 4 of the eight beds were opened for psychiatry patients with Asymptomatic Covid. In April, 2022 all 8 beds were re-opened for general psychiatry. For February and March 2023, the unit was again restricted to 4 beds dedicated to Covid psychiatry patients, with a daily census of 2 – 3 patients.

4) Staffing issues also restricted utilization. In 2021, a hospitalist left, requiring outpatient physicians with lesser availability to cover the inpatient unit. During the summer of 2022, the 8-bed East unit was closed multiple times due to staffing shortages, limiting bed availability to 14 of the 18 authorized beds on the West unit. The situation repeated in late summer and early fall of 2023 due to staff on FMLA and resignations. Staffing issues have been stable over the past 6 months.

The decline of Covid and the improvement of staffing coverage has mitigated these issues. The replacement of rooms with all-private AMI rooms will enable the hospital to increase census by accommodating internal and external referral requests.

B. Projected Referrals

Future volumes in the replacement hospital are based on two main sources: 1) the shifting of 1,093 patients now at OSF Saint Elizabeth Medical Center, an Average Daily Census of 16.1 in 2023; and 2) accommodating requests for referrals from providers in the area, facilitated by the all-private room concept.

In the past two years, there were 1,224 refusals to accept requests for inpatient admission, 799 in 2022 and 425 in 2023. The average of 612 patients turned away for these two years, with an average length of stay of 6.6 days (SEMC in 2022), equates to 4,039 patient days. This is the equivalent of an average daily census of 11.1 patients.

The planning process split the 11.1 ADC into two components:

1) 7.1 patients ADC to be admitted at the future 26 bed unit at SEMC-Ottawa. Combined with the baseline historic census of 16.1 ADC from 2023, the result is an ADC of 23.2. This volume is an average annual utilization of 89.3%.

2) 4.0 patients ADC to be referred to Meadowview Behavioral Hospital, honoring the commitment made in the Commitment to Refer letter dated November 8, 2022 by the CMO of OSF Saint Elizabeth Medical Center. That commitment was to refer 220 patients to Meadowview. Calculation:

$4.0 \text{ ADC} \times 365 \text{ days} = 1,460 \text{ patient days}$. At ALOS of 6.6 days, this is 220 patients.

The following table consolidates a) data on the historic utilization of the 26 bed AMI unit at SEMC with b) an estimate of the expected volume of patients turned away in the past two years.

Historical and Projected Utilization - Acute Mental Illness, SEMC

	Historic Utilization				Projected Utilization	
	2020	2021	2022	2023	2028	2029
Admissions	1,012	683	810	1,093	1,485	1,485
Patient Days	5,210	4,097	5,371	5,925	8,468	8,468
ADC	14.2	11.2	14.7	16.1	23.2	23.2
Occupancy	54.6%	43.1%	56.5%	61.9%	89.3%	89.3%

Source for historic data: HFSRB Profiles and Annual Hospital Questionnaire for 2023

The projected admissions volume of 1,484 patients was determined as follows:

ADC 7.1 patients previously refused at SEMC-Ottawa are now accepted.

$7.1 \times 365 \text{ days} = 2,592 \text{ annual patient days}$

$2,592 \text{ days divided by } 6.6 \text{ ALOS (SEMC 2022)} = 392 \text{ patients that previously were rejected due to limited bed availability}$

$392 \text{ new patients plus } 1,093 \text{ patients admitted in 2023} = 1,485 \text{ patients}$

At an ALOS of 5.7 patients, 1,485 patients generates 8,468 patient days

(5.7 is a blend of 6.6 in 2022 and 5.4 in 2023 at SEMC-Ottawa)

It is assumed that patient volume in the new facility will be the same in 2028 and 2029.

This section includes a letter by the CMO of OSF Saint Elizabeth Medical Center, acknowledging the commitment to refer a) an ADC of 16.1 patients (1,093 patients in 2023) based on the experienced volume in 2023, and b) an ADC of 7.1 (392 patients) due to the future ability to accept patient referral requests previously not accommodated. The letter further acknowledges that the 4.0 ADC (220 patients annually) committed to Meadowview is not included in the projected future census of SEMC-Ottawa, but remain committed to Meadowview upon its opening.

As to the past and current locations of treatment for the patients at the new SEMC-Ottawa 26-bed AMI unit, the majority (1,093) are coming from the current AMI service at OSF Saint Elizabeth Medical Center. The balance (392) is composed of part of the volume of 612 requested referrals that were not able to be accommodated at SEMC over the past two years. SEMC intake planners and social workers are not informed where those patients ended up. In order to meet the requirement to document where these patients ended up receiving care, it is assumed that these 392 patients are dispersed among and treated at the 60 hospitals listed in the table "Facilities where adult residents of Planning Area C-02 were admitted for AMI Care" shown earlier in this section.

Hospitals where 392 patients received AMI care
(based on distribution of facilities where residents of C-02 received care)

Name of Hospital	Number of AMI Patients (Distribution based on where C-02 residents received AMI care)
Hartgrove Hospital, Chicago	33
Chicago Behavioral Health, Des Plaines	30
Streamwood Behavioral Health, Streamwood	25
Silver Oaks Behavioral Health, New Lenox	28
The Pavilion, Champaign	20
Lake Behavioral Hospital, Waukegan	17
Endeavor Linden Oaks, Naperville	14
U Chicago Glenoaks, Glendale Heights	11
Riveredge Hospital, Forest Park	11
Carle Proctor, Peoria	11
Ascension St. Joseph, Joliet	8
Ascension Mercy, Aurora	8
Gateway Regional Medical Center, Granite City	7
subtotal	223
Other hospitals with 5 patients or less	169
Total	392

The zip codes of patient origin for the patients from OSF SEMC and those who were referred but not admitted are the same patient origin mix as shown in the patient origin tables earlier in this section.

4) Service Demand – Expansion of AMI and/or CMI Service

(This section is not applicable, because the project is the establishment of a 26-bed service, with an AMI service of the same sized bed capacity.)

5) Service Accessibility – Service Restrictions

i) The selected planning area for the project is State Hospital Planning Area C-02, part of Health Service Area HSA 2. HSA 2 is the State-designated planning area for acute mental illness in this region of central Illinois. Four of the five hospitals with AMI services in HSA 2 are located in Peoria. OSF Saint Elizabeth Medical Center, the fifth, is the only AMI service not located in Peoria. It is the only AMI service in C-02, a three-county area with a population of 146,020.

iv) Health Resources and Services Administration (HRSA) reports document that the three counties are a Health Professional Shortage Area, contributing to access limitations. LaSalle County has a shortage of 3.31 Mental Health FTEs; Bureau and Putnam Counties have a shortage of 1.91 Mental Health FTEs. Their HPSA scores, respectively, are 15 and 17, on a scale of 0 to 26, with 26 being regarded as high priority need.

Health Professional Shortage Area data
Counties in C-02

Discipline	County	HPSA FTE shortage	HPSA score	Designation Update Date
Mental Health	LaSalle	3.31	15	9/9/2021
Mental Health	Bureau/Putnam	1.91	17	9/11/2021

Source: Health Resources and Services Administration;
data.HRSA.gov

The replacement of OSF Saint Elizabeth Medical Center will help address access limitations by offering a modern state-of-the-art facility that will help attract psychiatrists, psychologists, nurses and other personnel desiring to deliver health care in the Illinois Valley.

1110.200(c) Unnecessary Duplication/Maldistribution

Maldistribution for a service exists when a ratio of beds to population exceeds 1.5 times the Statewide average for that service. This test shows that the project does not result in a maldistribution of AMI beds within the Planning Area C-02 or within the geographic service area.

For the **State of Illinois**, the Statewide ratio is 0.322 beds per 1,000 population.

4,225 beds divided by 13,129,233 persons = 0.322 beds per 1,000 population

For the **Planning Area for the Project, C-02**, the beds to population ratio is 0.178 beds per 1,000 population.

26 beds divided by 146,020 persons = 0.178 beds per 1,000 population

(AMI beds: only OSF Saint Elizabeth Medical Center)

The project maintains the 26 beds, so the ratio before and after the project is the same.

1.5 times the Statewide average is 0.483. As a result, there is no maldistribution in Planning Area C-02 as a result of the project, since 0.178 is less than 0.483.

For the **21-mile radius area** from the project site, the ratio is 0.146 beds per 1,000 population.

26 beds divided by 177,076 persons = 0.146 beds per 1,000 population

As a result, there is no maldistribution in the 21-mile radius area, the Geographic Service Area, as a result of the project, since 0.146 is less than 0.483, which is 1.5 times the State ratio.

3) Impact on other area providers.

There are no other providers of AMI services in the Geographic Service Area defined by the 21-mile radius from the proposed hospital site.

1110.200(e) Staffing Availability

The proposed project is the replacement of the Acute Mental Illness unit at SEMC-Ottawa by a 26-bed unit at the new hospital adjacent to the existing campus. Staff at the existing service will be employed at the new unit upon its opening in late 2027. Processes and procedures are in place and all licensure and Joint Commission requirements will continue to be followed.

OSF Saint Elizabeth Medical Center has been successful in maintaining core staffing within AMI over the past six months. Recruitment and retention of physicians, advanced practice providers and front-line staff remains a focus for 2024 and beyond. Over the last two years, OSF SEMC-Ottawa decreased voluntary turnover from 22.3% in December 2021 to 10.8% in December 2023. OSF SEMC-Ottawa works closely with Illinois State University, Illinois Valley Community College and OSF Colleges of Nursing to provide clinical education as well as employment opportunities to students enrolled in degree programs.

Recruitment for ancillary and support staff including imaging, respiratory therapy and surgical technicians takes place at community-related job fairs in the area and at their respective schools and colleges. The Hospital continues to expand clinical sites to area schools as a method for recruitment. In addition, OSF often uses web-based programs and traditional sites and methods such as nurse.com, monster.com, careerbuilder.com, National Healthcare Career Network, Sun-Times Network, Chicago

Tribune, and job fairs. Salaries are competitive and OSF employees seeking career advancement benefit from educational support programs.

1110.200(f) Performance Requirements – Bed Capacity Minimum

The minimum size for a new AMI unit is 10 beds. The project with 26 AMI beds meets the minimum size performance requirements.

1110.200(g) Assurances

The letter on the following page confirms the applicants' understanding that the project will meet the utilization standards for Acute Mental Illness beds.



OSF HEALTHCARE

March 19, 2024

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

Re: Assurance, 1110.200(g) and 1110.210(g)
OSF Saint Elizabeth Medical Center - Ottawa

Dear Mr. Kniery:

Consistent with the requirements in 1110.200(g) and 1110.210(g), I hereby attest that it is my understanding that by the second year of operation of the replacement hospital, the Medical/Surgical unit and Acute Mental Illness service will achieve the occupancy standards of 80% and 85%, respectively, as set forth in 77 Ill. Adm. Code 1100.

If you have any questions, please contact me at 815-431-5456 or Mark Hohulin at 309-308-9656.

Sincerely,

Dawn Trompeter, President
OSF Saint Elizabeth Medical Center – Ottawa
1100 E. Norris Drive
Ottawa, IL 61350

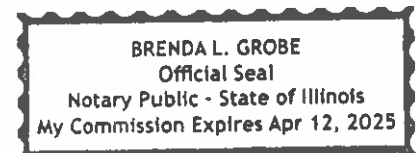
Notarization:

Subscribed and sworn to before me

this 19th day of March 2024

Brenda L. Grobe
Signature of Notary

Seal



March 19, 2024

Mr. John P. Kniery, Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street, 2nd Floor
Springfield, IL 62761

Dear Mr. Kniery,

Re: Commitment to refer 1,093 existing AMI patients
Commitment to refer 392 AMI admissions previously requested but not accommodated

I am a physician specializing in psychiatry. I am the Medical Director of Behavioral Health at OSF Saint Elizabeth Medical Center in Ottawa. I support the proposed project to replace OSF Saint Elizabeth Medical Center with a new and smaller hospital facility. I also support the shift of selected inpatient services from SEMC-Ottawa to the campus of Saint Elizabeth Medical Center-Peru.

In 2023, there were 1,093 Acute Mental Illness admissions at SEMC-Ottawa. This was an increase from 810 AMI admissions the year before. I pledge that this volume of 1,093 patients will be referred annually to the AMI service at the new SEMC-Ottawa following its opening in late 2027. The attached table lists the zip codes of residence for these patients. All of these patients were admitted at OSF Saint Elizabeth Medical Center and have not been committed to support any other AMI hospital service.

Over the past two years, there was an average of 612 requests per year for referral to the AMI unit at SEMC-Ottawa. These patients were not accepted due to lack of capacity. The new facility with single rooms will enable us to accommodate approximately 392 of these patients as part of our daily census at SEMC-Ottawa. A second patient origin table lists the zip codes of residence of these patients. A third table estimates where these patients were admitted, based on the distribution of where residents of the nearby counties received their AMI care. The balance of 220 of the 612 patients referenced above will be referred to the new AMI unit at Meadowview Behavioral Hospital being constructed in Peoria. (Dr. Leonardo Lopez's commitment letter dated November 8, 2023.)

This referral request count of 392 patients has not been used to support another permit application for any other hospital's AMI service.

Please contact me if you have any questions.

Sincerely,



Michael Glavin, MD
1100 E. Norris Drive
Ottawa, IL 61350
815-433-3100

State of Illinois
County of LaSalle
This instrument was acknowledged
before me on 3-19-2024
By Mary Kay Eccleston

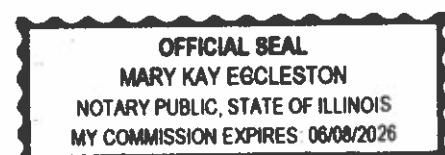


Table: Zip codes of patient residence

AMI Patients at OSF Saint Elizabeth Medical Center - Ottawa (2023)

Source: OSF Enterprise Explorer / Annual Hospital Questionnaire

Patient County	Patient Zip Code	Patient City	AMI Admissions
LA SALLE, IL	61350	OTTAWA	225
	61364	STREATOR	117
	61341	MARSEILLES	66
	61354	PERU	59
	61301	LA SALLE	52
	61342	MENDOTA	21
	61360	SENECA	13
	60551	SHERIDAN	11
	60518	EARLVILLE	10
	61348	OGLESBY	8
	61373	UTICA	4
	60470	RANSOM	5
		All Other	11
		Subtotal	602
BUREAU, IL	61362	SPRING VALLEY	27
	61356	PRINCETON	13
	61322	DEPUE	4
		All Other	12
		Subtotal	56
PUTNAM, IL	61327	HENNEPIN	3
	61326	GRANVILLE	3
	61363	STANDARD	1
	61335	MC NABB	1
		Subtotal	8
Sub Total C-02 Counties			666
Other Counties			
PEORIA, IL			93
TAZEWELL, IL			45
KNOX, IL			33
VERMILION, IL			32
COOK, IL			19
MCLEAN, IL			19
GRUNDY, IL			15
WINNEBAGO, IL			15
ROCK ISLAND, IL			13
HENRY, IL			11
CHAMPAIGN, IL			11
MARSHALL, IL			10
WOODFORD, IL			10
WARREN, IL			10
LIVINGSTON, IL			10
LEE, IL			8
All Other Counties			73
Sub Total All Other Counties			427
TOTAL			1,093

Table: Zip codes of patient residence - AMI patients

392 patients unable to be accepted by OSF SEMC-Ottawa

Source: OSF Enterprise Explorer

Patient County	Patient Zip Code	Patient City	Inpatient
LA SALLE, IL	61350	OTTAWA	86
	61364	STREATOR	43
	61341	MARSEILLES	25
	61354	PERU	21
	61301	LA SALLE	21
	61342	MENDOTA	7
	61360	SENECA	6
		All Other	17
		Subtotal	226
BUREAU, IL	61362	SPRING VALLEY	10
	61356	PRINCETON	6
		All Other	7
		Subtotal	23
PUTNAM, IL			3
Sub Total C-02 Counties			252
Other counties			
PEORIA, IL			31
TAZEWELL, IL			14
KNOX, IL			11
VERMILION, IL			10
COOK, IL			7
MCLEAN, IL			7
GRUNDY, IL			6
WINNEBAGO, IL			5
Subtotal specific counties outside C-02			91
All Other Counties			49
TOTAL			392

Hospitals where 392 patients received AMI care
(based on distribution of facilities where residents of C-02 received care)

Name of Hospital	Number of AMI Patients (Distribution based on where C-02 residents received AMI care)
Hartgrove Hospital, Chicago	33
Chicago Behavioral Health, Des Plaines	30
Streamwood Behavioral Health, Streamwood	25
Silver Oaks Behavioral Health, New Lenox	28
The Pavilion, Champaign	20
Lake Behavioral Hospital, Waukegan	17
Endeavor Linden Oaks, Naperville	14
U Chicago Glenoaks, Glenndale Heights	11
Riveredge Hospital, Forest Park	11
Carle Proctor, Peoria	11
Ascension St. Joseph, Joliet	8
Ascension Mercy, Aurora	8
Gateway Regional Medical Center, Granite City	7
subtotal	223
Other hospitals with 5 patients or less	169
Total	392

1110.270 Clinical Services that are not Categories of Service

Service (Ottawa)	# of Existing Units	# of Proposed Units
Surgery Department		
Operating Rooms	5	2
Procedure Rooms	2	1
Emergency Department		
Bays	9	10
Trauma rooms	2	2
Diagnostic Imaging		
x-ray - fluoroscopy	3	2
mammography	1	1
ultrasound	5	1
CT	1	1
MRI	1	1
Outpatient services		
Exams/treatment	14	8
Respiratory	2	2
Lab	1	1
Pharmacy	1	1

1110.270(b) Need Determination – Establishment

The project involves the replacement of OSF Saint Elizabeth Medical Center, 1100 East Norris Drive in Ottawa. Clinical services at the current hospital will be relocated to two locations: a) a new facility to be constructed on an adjacent property owned by OSF across Route 6, referred to as OSF Saint Elizabeth Medical Center-Ottawa ("SEMC-Ottawa") and b) OSF Saint Elizabeth Medical Center-Peru ("SEMC-Peru"), formerly St. Margaret's Health-Peru, acquired by OSF in November, 2023. The two hospital facilities will operate under one license at two locations. Upon opening of the replacement SEMC-Ottawa, the existing Saint Elizabeth Medical Center hospital will be discontinued (the subject of a separate CON permit application for discontinuation.) A separate CON permit application will address the expansion of medical/surgical, obstetric and ICU services at SEMC-Peru.

This permit application addresses the services that will remain in Ottawa at the new replacement facility.

1120.270(b)(1) Service to Planning Area Residents

As stated in the Medical/Services and AMI sections of this permit application, OSF has selected State Hospital Planning Area C-02 as the planning area for the project. C-02 is comprised of LaSalle County (containing Ottawa and Peru), Bureau County (containing Spring Valley), Putnam County, and the townships of Osceola and Elmira in Stark County.

SEMC will operate as one licensed hospital at two locations, Ottawa and Peru. The planning area is a consolidation of the patient origin data of the hospitals in Ottawa (SEMC-Ottawa) and SEMC-Peru

(formerly St. Margaret's Health-Peru). Collectively, the two hospitals had 7,821 inpatients and observation cases. 89.7% (rounded to 90%) of patients served at these two hospitals reside in the planning area, C-02.

The patient base for Other Clinical Services that are not Categories of Service is the same as the patient base for inpatient services at the two hospitals. As a result, it is anticipated that 90% of the Clinical Services will be associated with patients residing primarily in the service area C-02.

1120.270(b)(2) Service Demand

This section of the regulations requires applicants to meet one of four criteria. One of these criteria is documented Historical Referrals to Other Providers. The "Other Provider" that is the source of all referrals for these Clinical Services is the current OSF Saint Elizabeth Medical Center. Since the proposed project is the replacement of this existing hospital, all of the historic and proposed referrals of Clinical Services to be accommodated at the new SEMC-Ottawa are associated with patient volumes at the current SEMC-Ottawa. An exception is the relatively small volume of diagnostic imaging and other clinical services that are associated with the 392 AMI patients that were not able to be admitted at OSF SEMC-Ottawa because of current capacity constraints. As discussed in 1110.210, these 392 patients were seen at approximately 60 other hospitals in the past, and will be able to be accommodated at SEMC-Ottawa upon the completion of the replacement hospital.

The table in section (b)(4) below shows historic volumes of these Clinical Services for 2020 through 2023, and projections for 2028 and 2029, the 2 years after the replacement hospital opens in late 2027. The fact that the referenced patient volumes match the annual data submitted by SEMC-Ottawa in its Annual Hospital Questionnaires (AHQs) is offered as evidence that all of the services volumes are associated with SEMC-Ottawa.

The table acknowledges that the AHQs include both a) patient volumes at SEMC-Ottawa (within the hospital) as well as b) counts at SEMC-Ottawa outpatient centers in the Ottawa area. The table differentiates volumes done within the hospital proper, for comparison with future projections of services at the replacement hospital. The focus of this project is on services that have been and will be provided in the new hospital building.

Several of the clinical service lines are expected to continue at or near their current volumes. For example, the emergency room is expected to function at a similar level of activity in 2028 and 2029 as the current hospital emergency room. Certain of the diagnostic imaging volumes will decline, reflecting the lower medical/surgical inpatient census that will result when some of the census shifts to SEMC-Peru. That is the case for x-ray and ultrasound. Other imaging modalities are expected to remain at current volume levels: mammography, CT and MRI, due to their primarily outpatient utilization.

1110.270 (b)(3) Impact of the Proposed Project on Other Area Providers

All of the Clinical Service volumes in the different categories are expected to come from OSF Saint Elizabeth Medical Center once it is closed and decommissioned. As to the small volume of clinical services associated with the 392 AMI patients that had been seen at other hospitals, none of those hospitals were within the Geographic Service Area defined by the 21-mile radius of the new hospital site. In fact, there are no other AMI services within the 21-mile Geographic Service Area (GSA).

None of the Clinical Services patient volumes are associated with patients at other hospitals in the GSA: OSF Saint Paul Medical Center-Mendota, and OSF SEMC-Peru, (the former St. Margaret's Health-Peru hospital).

As a result, there is no impact on hospitals within the Geographic Service Area.

1110.270(b)(4) Utilization

The following table presents historic utilization and key rooms or units for the various categories of Clinical Service. The table also displays projected utilization and key rooms/units for the future hospital. State utilization standards are also presented in the table.

All services meet utilization standards. There are two specialized services worth noting:

The table shows 326 trauma cases in two rooms. While trauma rooms do not meet the standard when considered independently of the emergency rooms, the standard is met when they are consolidated. 326 trauma cases plus 21,941 ER visits totals 22,267 total cases. Divided by 2,000 visits per year, 22,267 total cases result in a need for 11.13 rooms, or 12 rooms, the total being requested.

Similarly, while the two rooms used for Respiratory Therapy are under the standard when considered independently, the case can be made that when their projected volume of 500 treatments per year in the two rooms is consolidated with the 17,600 other outpatient visits and treatments in the eight exam/treatment rooms, the total of 18,100 requires 9.05 rooms, or ten rooms, the total that is requested for Outpatient Services.

Table: Project Services Utilization - OSF Saint Elizabeth Medical Center - Ottawa
Sources: HFSRB Profiles and AHQs for 2020-2023

	Existing Units	Historic Utilization				Planned Units	Projected Utilization		State Standard	Met?
		2020	2021	2022	2023		2028	2029		
Surgical Department										
Operating rooms	5 ORs					2 ORs			>1500 hrs	Yes
inpatient cases		406	365	274	398		40	40		
inpatient hours		1,067	934	636	879		88	88		
outpatient cases		2,032	2,312	2,389	3,434		2,747	2,747		
outpatient hours		3,213	3,480	3,552	4,802		3,842	3,842		
total OR hours		4,280	4,414	4,188	5,681		3,930	3,930	>1500 hrs	Yes
Procedure rooms	2 rooms					1 room			1500 hrs	Yes
inpatient cases		193	207	170	266		0	0		
inpatient hours		253	295	240	378		0	0		
outpatient cases		1,354	1,536	1,623	2,266		2,266	2,266		
outpatient hours		1,431	1,626	1,622	2,190		2,190	2,190		
total hours		1,684	1,921	1,862	2,568		2,568	2,568	1500 hrs	Yes
Emergency Department										
emergency visits	9 bays	15,922	26,115	18,222	21,941	10 bays	21,941	21,941	2,000 / rm	Yes
trauma visits	2 rooms	43	89	245	326	2 rooms	326	326	2,000 / rm	Yes*
Diagnostic Imaging										
x-ray/fluoroscopy										
SEMC-Ottawa	3	12,630	12,095	12,459	15,617	2	12,459	12,459	>7500 visits	Yes
AHQ - all		27,654	30,547	30,934	39,291					
mammography										
SEMC-Ottawa	1	2,216	2,297	2,386	2,585	1	2,585	2,585	5,000 visits	Yes
AHQ - all		5,359	5,921	5,913	7,915					
ultrasound										
SEMC-Ottawa	5	5,701	6,945	7,623	9,144	1	6,500	6,500	3,100 visits	Yes
AHQ - all		8,234	9,365	9,898	12,439					
CT	1									
SEMC-Ottawa		7,382	8,694	9,425	13,113	1	13,113	13,113	7,000 visits	Yes
AHQ - all		10,699	12,786	14,500	19,284					
MRI	1									
SEMC-Ottawa		2,186	2,418	2,087	2,674	1	2,674	2,674	2,500 visits	Yes
AHQ - all		2,932	3,356	3,082	3,906					
Outpatient Visits										
Exam/Treatment	14			17,311	17,600	8	17,600	17,600	2,000 visits	Yes
AHQ - all		97,739	161,631	100,247	110,000					
Respiratory therapy	2				485	2	500	500	2,000 visits	Yes*

Note: When 326 trauma cases are consolidated with 21,941 ER visits, total cases are 22,267.

22,267 cases / 2,000 visits standard = 11.13 cases per room, rounded to 12 rooms, so State standard is met.

Similarly for Respiratory Therapy. Combining 500 treatments with 17,600 outpatient visits equals 18,100 visits.

18,100 visits / 2,000 visits standard = 9.05 rooms, or ten rooms, so the State standard is met.

1120.120 AVAILABILITY OF FUNDS

Audited Financial Statements are submitted separately from this permit application, attesting to the financial capability of OSF Healthcare System.

The project will be funded with an established line of credit. A letter from Michael Allen, Chief Financial Officer of OSF Healthcare System, is included in Attachment 37, in response to the Reasonableness of Financing Arrangements.

1120.130 FINANCIAL VIABILITY

The following report by Fitch Ratings affirms that OSF has a bond rating of A+. As a Result, the applicant meets the requirement for financial viability waiver.

RATING ACTION COMMENTARY

Fitch Affirms OSF HealthCare System's (IL) IDR at 'A+'; Outlook Stable

Wed 29 Mar, 2023 - 2:35 PM ET

Fitch Ratings - Chicago - 29 Mar 2023: Fitch Ratings has affirmed OSF HealthCare System's (OSF) Issuer Default Rating (IDR) and the ratings applied to revenue bonds issued by the Illinois Finance Authority on behalf of OSF at 'A+'.

The Rating Outlook is Stable.

RATING ACTIONS

ENTITY / DEBT ↕	RATING ↕			PRIOR ↕
OSF Healthcare System (IL)	LT IDR	A+ Rating Outlook Stable	Affirmed	A+ Rating Outlook Stable
OSF Healthcare System (IL) /General Revenues/1 LT	LT	A+ Rating Outlook Stable	Affirmed	A+ Rating Outlook Stable

VIEW ADDITIONAL RATING DETAILS

Analytical Conclusion

The 'A+' reflects OSF's leading market position its core primary service area (PSA) around Peoria, with assets distributed among multiple markets throughout Illinois. Liquidity ratios remained sound at FYE 2022 despite cash flow pressures and equity market volatility. The Stable Outlook considers Fitch's expectation that while macro labor and inflationary pressures will continue to compress operating margins, long term OSF should sustain an operating EBITDA margins generally in the 7% range and its liquidity position should strengthen over time.

SECURITY

Revenue bonds are secured by a security interest in the unrestricted receivables of the obligated group (OG). The OG represents the vast majority of assets and operating revenues.

KEY RATING DRIVERS**Revenue Defensibility - 'bbb'****Broad Reach with Market Lead in Peoria**

OSF has a broad reach across multiple markets in Illinois and the system is the distinct market leader in the core PSA around Peoria. OSF has exclusive or leading positions for many high-end services (e.g., OSF has the only children's hospital between Chicago and St. Louis). Still, many OSF markets are competitive. In the Peoria area (Central Region), OSF's flagship Saint Francis Medical Center competes with Carle Foundation (AA-), which is acquiring the acute care operations in Peoria from UnityPoint Health.

OSF also competes with Carle in the Eastern Region of Bloomington/Pontiac and Campaign/Urbana, where Carle is the market leader in the Urbana area, while OSF is the leader in Bloomington/Pontiac. OSF has one of three hospitals in Rockford, IL (the core of the Northern Region), competing with University of Wisconsin Health's SwedishAmerican Hospital and Mercy Health (A). The acquisition of LCOM in early calendar year 2020 introduced OSF to the competitive Chicago metro market.

Demographic indicators vary by local market. Population trends in many of OSF's more populous service areas are stagnant to declining, although the service area economy is considered to be generally stable. OSF's combined Medicaid and self pay consistently account for less than 25% of gross revenue (including 22.6% in FY22), even though OSF has a large children's hospital (children's hospitals tend to rely heavily on Medicaid).

Operating Risk - 'bbb'**Track Record of Profitability; Margins Compress in FY22**

OSF has a track record of profitability and sound operating EBITDA margins, although like most other hospitals in the U.S. the system faced pronounced operating pressure in FY22. Prior to the pandemic, OSF's operating EBITDA margin averaged around 8%. In FY20, pandemic related challenges resulted in a modest 4.0% operating EBITDA margin. Metrics rebounded in FY21 with a 7.4% operating EBITDA margin. Results compressed noticeably in FY22 with a 1.7% operating EBITDA margin. Despite this degree of margin compression, Fitch would characterize this as roughly in line with industry peers in 2022.

Fitch notes that OSF generally did not face volume pressures in FY22. While the system experienced a 3.4% decline in admissions, this was offset by a 12% increase in observations (resulting in a 0.1% increase in combined admissions/observations). Most other key volumes experienced growth, including unique patients, surgeries, and total outpatient visits.

Like all other healthcare providers in 2022, OSF faced significant labor pressures (combined salaries, benefits and agency costs increased nearly 11%) and generationally elevated inflation. Management also reports a

spike in malpractice expenses because of increased reserves expensed in 2022 related to actuarial adjustments. Per management calculations, OSF met its 1.1x debt service coverage covenant in FY22.

The Stable Outlook reflects Fitch's expectation that operating margins will show significant and sustained improvement over time. Management has budgeted an operating EBITDA margin in excess of 5% in FY23 with further improvement expected in FY24. OSF initiated an improvement plan, which includes streamlining leadership structure, significant reduction in agency costs, supply cost savings, reducing average length of stay (ALOS), targeting additional volume gain opportunities, and structural care delivery remodel.

Management is also pursuing FEMA funding, although this is not budgeted. Longer-term Fitch expects the operating EBITDA margin should be sustained in the 7% range. In unaudited 1Q23 metrics remained compressed with a 0.6% operating EBITDA margin; management's goal is to be profitable by 4Q23 or early FY24.

Capital Spending

OSF's capital spending plans are manageable. Capex has been robust in recent years, as the capital spending ratio averaged approximately 1.8x between fiscal years 2017 and 2022. Capex is starting to moderate, as management is expecting a capital spending ratio in the 1.3x-1.4x range. Capex is highlighted by the Comprehensive Cancer Center in Peoria (which includes a proton beam) as well as continued investments in OSF urgent care centers.

The Cancer Center is supported by considerable philanthropy and a portion is financed by prior bond proceeds. Management does not have new money debt plans in the near term, although Fitch expects a system of OSF's scope to access the capital markets from time-to-time.

Financial Profile - 'a'

Strong Capital-Related Ratios Despite Macro Pressures

OSF's financial profile remains strong in the context of its midrange revenue defensibility and operating risk assessments. Fitch expects capital-related ratios to be strong in the forward-looking stress case.

At FYE 2022 OSF's debt measured nearly \$1.9 billion and unrestricted liquidity was about \$2.1 billion (excluding payroll tax deferrals). OSF has a defined benefit (DB) Church pension. The DB plan was 71% funded compared to a projected benefit obligation (PBO) of just under \$1 billion at FYE 2022. Combined with direct debt, total adjusted debt measured just under \$2 billion at FYE 2022 (Fitch counts the portion of a DB pension plan below 80% funded when calculating adjusted debt). Net adjusted debt-to-adjusted EBITDA was favorably negative at FYE 2022. Liquidity remains robust despite investment volatility; cash on hand measured 202 days at FYE 2022 and does not pose an asymmetric risk to the financial profile.

Given Fitch's operating margin expectations, cash should continue to grow in a base case of the forward-looking scenario analysis. Even in a stress case, cash-to-adjusted debt should approach 120% by year three at which point net adjusted debt-to-adjusted EBITDA should be favorably negative.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to negative rating action/downgrade:

--Failure to show material operating improvement in the coming months, particularly if the operating EBITDA margin were expected to be sustained below 6% for an extended period;

--Compression in liquidity and capital-related ratios, particularly if cash-to-adjusted debt in the forward look failed to rebound well above 120%.

Factors that could, individually or collectively, lead to positive rating action/upgrade:

--Material rebound in operating metrics in the coming years, with an operating EBITDA margin sustained in the 8%-9% range;

--Improved liquidity, such that cash-to-adjusted debt exceeds 190% even in forward-looking stress case.

BEST/WORST CASE RATING SCENARIO

International scale credit ratings of Sovereigns, Public Finance and Infrastructure issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of three notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit <https://www.fitchratings.com/site/re/10111579>.

PROFILE**CREDIT PROFILE**

OSF is a large integrated health system headquartered in Peoria, IL. The system operates 15 acute-care hospitals in three regions: the Central Region, centered on Peoria, IL where the flagship OSF Saint Francis Medical Center referral center is located; the Eastern Region, inclusive of on Urbana, Danville, Bloomington, and the Chicago south suburbs; and the Western Region, centered on Galesburg and Rockford (and inclusive of suburban St. Louis operations). OSF's total audited operating revenue exceeded \$3.8 billion in audited FY22 (September 30 FYE).

In addition to the sources of information identified in Fitch's applicable criteria specified below, this action was informed by information from Lumesis.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

ESG CONSIDERATIONS

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/esg

FITCH RATINGS ANALYSTS**Mark Pascaris**

Director

Primary Rating Analyst

+1 312 368 3135

mark.pascaris@fitchratings.com

Fitch Ratings, Inc.

One North Wacker Drive Chicago, IL 60606

Kevin Holloran

Senior Director

Secondary Rating Analyst

+1 512 813 5700

kevin.holloran@fitchratings.com

Emily Wadhwani

Senior Director

Committee Chairperson

+1 312 368 3347

emily.wadhwani@fitchratings.com

MEDIA CONTACTS**Sandro Scenga**

New York

+1 212 908 0278

sandro.scenga@thefitchgroup.com

Additional information is available on www.fitchratings.com**PARTICIPATION STATUS**

The rated entity (and/or its agents) or, in the case of structured finance, one or more of the transaction parties participated in the rating process except that the following issuer(s), if any, did not participate in the rating process, or provide additional information, beyond the issuer's available public disclosure.

APPLICABLE CRITERIA

U.S. Not-For-Profit Hospitals and Health Systems Rating Criteria (pub. 18 Nov 2020) (including rating assumption sensitivity)

Public Sector, Revenue-Supported Entities Rating Criteria (pub. 01 Sep 2021) (including rating assumption sensitivity)

APPLICABLE MODELS

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

Portfolio Analysis Model (PAM), v2.0.0 (1)

ADDITIONAL DISCLOSURES

Dodd-Frank Rating Information Disclosure Form

Solicitation Status

Endorsement Policy

ENDORSEMENT STATUS

Illinois Finance Authority (IL)

EU Endorsed, UK Endorsed

DISCLAIMER & DISCLOSURES

All Fitch Ratings (Fitch) credit ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: <https://www.fitchratings.com/understandingcreditratings>. In addition, the following <https://www.fitchratings.com/rating-definitions-document> details Fitch's rating definitions for each rating scale and rating categories, including definitions relating to default. ESMA and the FCA are required to publish historical default rates in a central repository in accordance with Articles 11(2) of Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 and The Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019 respectively.

Published ratings, criteria, and methodologies are available from this site at all times. Fitch's code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the Code of Conduct section of this site. Directors and shareholders' relevant interests are available at <https://www.fitchratings.com/site/regulatory>. Fitch may have provided another permissible or ancillary service to the rated entity or its related third parties. Details of permissible or ancillary service(s) for which the lead analyst is based in an ESMA- or FCA-registered Fitch Ratings company (or branch of such a company) can be found on the entity summary page for this issuer on the Fitch Ratings website.

In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the

market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001. Fitch Ratings, Inc. is registered with the U.S. Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization (the "NRSRO"). While certain of the NRSRO's credit rating subsidiaries are listed on Item 3 of Form NRSRO and as such are authorized to issue credit ratings on behalf of the NRSRO (see <https://www.fitchratings.com/site/regulatory>), other credit rating subsidiaries are not listed on Form NRSRO (the "non-NRSROs") and therefore credit ratings issued by those subsidiaries are not issued on behalf of the NRSRO. However, non-NRSRO personnel may participate in determining credit ratings issued by or on behalf of the NRSRO.

dv01, a Fitch Solutions company, and an affiliate of Fitch Ratings, may from time to time serve as loan data agent on certain structured finance transactions rated by Fitch Ratings.

Copyright © 2023 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Fax: (212) 480-4435. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved.

READ LESS

SOLICITATION STATUS

The ratings above were solicited and assigned or maintained by Fitch at the request of the rated entity/issuer or a related third party. Any exceptions follow below.

ENDORSEMENT POLICY

Fitch's international credit ratings produced outside the EU or the UK, as the case may be, are endorsed for use by regulated entities within the EU or the UK, respectively, for regulatory purposes, pursuant to the terms of the EU CRA Regulation or the UK Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019, as the case may be. Fitch's approach to endorsement in the EU and the UK can be found on Fitch's Regulatory Affairs page on Fitch's website. The endorsement status of international credit ratings is provided within the entity summary page for each rated entity and in the transaction detail pages for structured finance transactions on the Fitch website. These disclosures are updated on a daily basis.

US Public Finance

Healthcare and Pharma

North America

United States

1120.140 ECONOMIC FEASIBILITY

- A. Reasonableness of Financing Arrangements *and*
- B. Conditions of Debt Financing

See the following letter by Michael Allen, Chief Financial Officer, OSF Healthcare System.

- C. Reasonableness of Project and Related Costs

See the following table of capital construction and modernization costs for the clinical and non-clinical components of the project. Also included in this section is a copy of the table *Project Costs and Sources of Funds*, and accompanying narrative explanations of the line items of cost.

- D. Projected Operating Cost

Table follows in this section.

- E. Total Effect of the Project on Capital Costs

Table follows in this section.



OSF HEALTHCARE

March 21, 2024

Ms. Debra Savage, Chairwoman
Illinois Health Facilities and Services Review Board
525 West Jefferson Street - 2nd Floor
Springfield, IL 62761

Re: Financing Arrangements
OSF Saint Elizabeth Medical Center – Ottawa, Hospital Replacement Project

Dear Chairwoman Savage:

My name is Michael Allen. As Chief Financial Officer, OSF Healthcare System, I attest to the fact that the selected form of debt financing will be at the lowest cost available, or if not, it will be more advantageous due to other terms, such as pre-payment privileges, lack of security interest, loan timing, or other reasons.

If you have any questions, please contact Mark Hohulin, Senior Vice President, Healthcare Analytics, at 309-308-9656 or at mark.e.hohulin@osfhealthcare.org.

Sincerely,

Michael M. Allen, Chief Financial Officer
OSF Healthcare System
124 S.W. Adams Street
Peoria, IL 61602

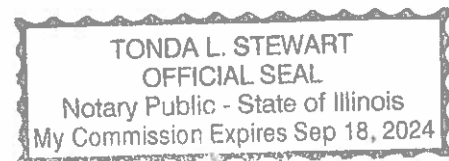
Notarization:

Subscribed and sworn to before me

this 21st day of March 2024

Signature of Notary

Seal



Attachment 37

C. Reasonableness of Project and Related Costs

COST AND SQUARE FOOT BY DEPARTMENT

Department	A	B	C	D	E	F	G	H	I	As Is
	Cost / Sq Ft			DGSF		DGSF	Const \$	Mod \$	Total Cost	Sq Ft
	New	Mod	New	Circ %	Mod	Circ %	(A x C)	(B x E)	(G + H)	
CLINICAL										
Medical/Surgical	\$550.87		6,846	19%			\$3,771,256		\$3,771,256	
Acute Mental Illness	\$556.54		14,518	21%			\$8,079,848		\$8,079,848	
Surgery	\$574.42		10,406	21%			\$5,977,415		\$5,977,415	
Emergency Department	\$529.68		6,716	23%			\$3,557,331		\$3,557,331	
Diagnostic Imaging	\$580.83		4,234	22%			\$2,459,234		\$2,459,234	
Outpatient Services	\$518.55		2,476	22%			\$1,283,930		\$1,283,930	
Lab	\$537.39		1,512	18%			\$812,534		\$812,534	
Pharmacy	\$523.98		1,393	17%			\$729,904		\$729,904	
Clinical subtotal	\$554.49		48,101	20%			\$26,671,452		\$26,671,452	
NON-CLINICAL										
Lobby/reception	\$956.03		2,792				\$2,669,236		\$2,669,236	
Waiting areas	\$967.72		3,634				\$3,516,694		\$3,516,694	
Food service - kitchen, cafeteria	\$998.48		3,716				\$3,710,352		\$3,710,352	
Public restrooms	\$990.35		966				\$956,678		\$956,678	
Administration	\$965.26		859				\$829,158		\$829,158	
Managerial Offices	\$959.89		1,805				\$1,732,601		\$1,732,601	
Lockers and Lounges	\$974.17		3,243				\$3,159,233		\$3,159,233	
Conference Rooms	\$981.54		476				\$467,213		\$467,213	
Mech, electrical, bldg systems	\$2,134.61		4,900				\$10,459,589		\$10,459,589	
Housekeeping/maintenance	\$924.38		1,500				\$1,386,570		\$1,386,570	
Chapel/pastoral care	\$1,029.70		554				\$570,454		\$570,454	
Public circulation	\$968.23		7,054				\$6,829,894		\$6,829,894	
Stairs/elevators	\$1,248.94		2,550				\$3,184,797		\$3,184,797	
Storage	\$864.72		1,338				\$1,156,995		\$1,156,995	
Materials management	\$893.79		3,797				\$3,393,704		\$3,393,704	
Subtotal Non-clinical	\$1,123.50		39,184				\$44,023,168		\$44,023,168	
TOTAL CONSTRUCTION	\$809.93		87,285				\$70,694,620		\$70,694,620	

Note: Circulation space for non-clinical areas is included in its own line item.

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 Costs	\$603,200	\$996,800	\$1,600,000
Site Survey and Soil Investigation	18,850	31,150	50,000
Site Preparation	750,000	5,795,786	6,545,786
Off Site Work	100,000	650,000	750,000
New Construction Contracts	26,671,452	44,023,168	70,694,620
Modernization Contracts			
Contingencies	2,667,145	4,402,317	7,069,462
Architectural/Engineering Fees	2,234,856	3,693,144	5,928,000
Consulting and Other Fees	1,328,925	2,196,075	3,525,000
Movable or Other Equipment (not in construction contracts)	8,334,565	5,510,435	13,845,000
Bond Issuance Expense (project related)	855,774	1,384,183	2,239,957
Net Interest Expense During Construction (project related)	4,222,400	6,977,600	11,200,000
Fair Market Value of Leased Space or Equipment			
Other Costs to Be Capitalized			
IT	682,370	1,127,630	1,810,000
Artwork	22,620	37,380	60,000
Signage	10,240	109,760	120,000
Decommissioning/demolition		12,500,000	12,500,000
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$48,502,397	\$89,435,428	\$137,937,825
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$0	\$12,500,000	\$12,500,000
Pledges			
Gifts and Bequests			
Bond Issues (project related)	\$48,502,397	\$76,935,428	\$125,437,825
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$48,504,397	\$89,435,428	\$137,937,825

Project Costs and Sources of Funds

Narrative Descriptions of Line Items

Item 1. Preplanning Costs - \$1,600,000

These costs include the evaluation of facility deficiencies of the 1972 Saint Elizabeth Medical Center building, market analyses, and feasibility studies and background work associated with the consideration of alternative facility plans. The work also included legal and zoning investigation, Phase 1 cultural and environmental assessments of the site of the new hospital, initial traffic and parking studies, and site planning.

Preplanning costs assigned to clinical uses total \$603,200. This amount is 1.6% of \$37,673,162, the total of \$26,671,452 for clinical construction plus \$2,667,145 clinical contingency plus \$8,334,565 clinical equipment. As a result, it meets the State standard, under 1.8%.

Item 2. Site Survey and Soil Investigation - \$50,000

This work includes soil borings and testing and geotechnical work; property survey.

Item 3. Site Preparation - \$6,545,786

Site work includes earthwork involving site vegetation clearance and removal, hauling in and placing fill material to build up the site, removal and replacement of unsuitable soil material, grade leveling, irrigation and drainage systems, and retention pond configuration. Additional costs are related to road construction within the site, utility infrastructure installation, asphalt paving for parking, concrete sidewalks, a helipad, and landscaping.

The bulk of this work is non-clinical; \$750,000 is allocated as clinical cost.

Item 4. Off-Site Work - \$750,000

This budget includes the project's contribution to public improvements such as roadway changes including turn lanes, signage, and signalization.

The total site related work items 2, 3 and 4 is \$7,345,786. \$868,850 of this amount is assigned to clinical. \$868,850 is 3.0% of the total \$29,338,597, the sum of clinical construction (\$26,671,452) plus clinical contingency (\$2,667,145). It meets the State standard, under 5.0%.

Item 5. New Construction Contracts - \$70,694,620

Cost of construction of the two-story building is \$70,694,620. This cost includes foundation and slab, core and shell, structure, façade, roofing, doors and windows, thermal and moisture protection, fixed

equipment (other than medical equipment referenced below), interior buildout and finishes, and contractor's overhead. Fire protection, plumbing, heating and air conditioning, and electrical systems are included.

Of the total construction cost, \$26,671,452 is allocated to clinical uses. With a total of 48,101 dgsf of clinical space, the average cost per clinical square foot is \$554.49.

Of the total \$554.49 per sq ft, approximately \$48 per sq ft is attributed to construction requirements and conditions that are not associated with an average hospital construction project. Two specific factors are as follows:

1. Site adjacent to the Fox River. The site of the proposed hospital is alongside the Fox River on a property that was formerly used as a clay pit and strip mine which was subsequently filled. The subsurface soil conditions and the proximity to the river result in the need for deeper foundations, adding approximately \$20 per sq ft to the total construction cost. For the clinical construction cost, this amounts to an additional \$960,000 to \$1 million in cost.
2. Hyper cost escalation. Construction of healthcare and other facilities have been experiencing an unprecedented rate of escalation, exceeding the standard 3% per year average. The contract costs currently include an 8% escalation above the estimated costs to account for unknown pricing and labor increases. This factor is based on OSF's experience with four projects in central and northern Illinois in the past three years: cost estimates have risen by as much as 20 – 25% for projects under consideration, and none of the increase is attributed to larger scope. The 5% difference between 8% and 3% equates to a premium of over \$3.5 million within the \$70,694,620 total construction cost. For the clinical construction component, the premium is about \$1.33 million, or \$28 per clinical sq ft.

In summary, together these complexities add a premium of about \$2,300,000 (approximately \$48 per sq ft) to the cost of clinical construction. These factors imply that the \$554.49 clinical cost per sq ft for the Ottawa replacement hospital project compares to a level of \$506 per clinical sq ft, comparable to the standard of \$510.34 based on RS Means projected to the midpoint of construction for this project.

Contingencies - \$7,069,462

Contingencies are allowances for unforeseen circumstances, such as delays in shipping and receipt of materials and supplies that affect the construction schedule, escalation above anticipated pricing of materials and labor, or site conditions resulting in plan modification.

The total construction contingency is 10% of the total construction cost. The clinical construction contingency of \$2,667,145 is set at 10% of clinical construction costs.

Item 8. Architectural and Engineering Fees - \$5,928,000

A/E fees include the functional program and space plan, preliminary design, schematic design, design development, construction document services, bidding and negotiation, and construction administration services. Site related design and engineering services are also included in this amount. The cost of A/E services is \$5,928,000 of which \$2,234,856 is allocated to clinical uses.

For clinical construction, A/E services of \$2,234,856 amounts to 7.6% of the total \$29,338,597 for clinical construction plus clinical contingency. This amount is consistent with the State standard's range of 5.48-8.22% for hospital facility projects with construction and contingency totaling under \$30,000,000.

Item 9. Consulting and Other Fees - \$3,525,000

This work includes specialty consultants (such as equipment planning, exterior building envelope) and construction management. It also includes regulatory approvals including Certificate of Need consulting, CON and IDPH fees, utility fees during construction, building permit fees, and commissioning fees.

Item 10. Moveable Equipment not in construction contracts - \$13,845,000

The total amount for equipment and furnishings is \$13,845,000, of which \$8,334,565 is associated with clinical services.

Clinical area furnishings include the following:

Diagnostic imaging:	\$1,425,000
X-ray	
Ultrasound	
Mammography	
CT scanning (relocated from existing hospital)	
MRI (relocated from existing hospital)	
Surgical ORs and Procedure Room	\$4,300,000
Balance of equipment and furnishings:	\$2,609,565
Emergency room furnishings and equipment	
Laboratory equipment	
Inpatient beds - med/surg and Acute Mental Illness	
Furnishings – patient room TVs, recliners, chairs and tables, carts and cabinets	
Miscellaneous other	

Non-clinical equipment and furnishings include public area furnishings, waiting areas, conference rooms, and administrative and staff areas, desks and work stations.

Item 11. Bond Issuance Expense (project related) - \$2,239,957

This line item covers the cost of securing loans in support of the project capital cost.

Item 12: Net Interest Expense During Construction (project related) - \$11,200,000

Loan interest for the period through December 31, 2027 is estimated at \$11,200,000.

Item 13. Fair Market Value of Leased Space or Equipment: NA

There is no leasing of space or equipment associated with the project.

Item 14. Other Costs to be Capitalized - \$14,490,000

Information technology includes computers, peripherals, printers, applications / licensing, network equipment, cabling and audio visual.	\$1,810,000
--	-------------

Artwork for lobby and public areas, registration, clinical areas including patient rooms and waiting areas, exam rooms.	\$60,000
---	----------

Signage – external site and building signage, interior wayfinding, and room identification.	\$120,000
---	-----------

Demolition and site work - existing Saint Elizabeth Medical Center. This work includes decommissioning, site grading and landscaping, to be compatible with the existing support facilities that will remain after the hospital is demolished.	\$12,500,000
--	--------------

D. Project Operating Costs

Estimated Project Start Up Operating Cost
(first year) \$ 61,283,171

Project Direct Operating Expenses – 2 years after
project completion (Year 2029)

	Replacement Hospital
Total Operating Costs	\$62,237,718
Equivalent Patient Days	44,136
Direct Cost per Equivalent Patient Day	\$1,410

E. Total Effect of the Project on Capital Costs

Projected Capital Costs – two years after project
completion (2029)

	Project, 2029	Total hospital, 2029
Equivalent Patient Days (all SEMC-Ottawa)	44,136	44,136
Total Project Capital Cost	\$123,662,163	--
Useful Life	40 building/7 FF&E	--
Total Annual Depreciation	\$2,530,027	\$2,530,027
Depreciation Cost per Equivalent Patient Day	\$57.32	\$57.32

SECTION X. Safety Net Impact Statement

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.

Health safety net services have been defined as services provided to patients who are low-income and otherwise vulnerable, including those uninsured and covered by Medicaid. (Agency for Healthcare Research and Quality, Public Health Services, U.S. Department of Health and Human Services, "The Safety Net Monitoring Initiative," AHRQ Pub. No 03-P011, August, 2003.)

The project is the replacement of OSF Saint Elizabeth Medical Center due to facility and infrastructure deficiencies at the current 1972 hospital. The new hospital will include a downsized medical/surgical service and replacement of the 26 acute mental illness beds. The new emergency department will house 10 treatment stations and two trauma rooms. Outpatient and diagnostic services will be available at the new hospital. With the acquisition of St. Margaret's Health-Peru, SEMC will operate as one licensed facility at two campuses.

The new hospital continues OSF's commitment to subsidize and strengthen safety net services. OSF Healthcare System provides several services in Planning Area C-02 that are important safety net services. These include emergency medical care, inpatient and outpatient behavioral health, outpatient clinic services, pharmaceuticals and other medical services. Specifically, continuation of the Acute Mental Illness service qualifies SEMC for safety net reimbursement, allowing it to continue to meet this special need in the Illinois Valley. SEMC's AMI program is the only inpatient AMI service in State Planning Area C-02, a three-county area with a population of 146,020.

LaSalle County ranks at 0.43, a low to moderate condition score on the CDC's Social Vulnerability Index Scores range from 0 (least vulnerability) to 1 (highest vulnerability). The Index is a tool developed and used by the Centers for Disease Control and Prevention, and incorporates factors such as high poverty, unemployment, minority status, crowded households, low percentage of vehicle ownership, and disability in measuring social vulnerability. By comparison, Bureau County to the west has a score of 0.29; Putnam County's score is 0.03. A significant number of persons cared for at OSF Saint Elizabeth Medical Center are in special need due to these conditional factors.

According to the 2022 Community Health Needs Assessment, the population of LaSalle County decreased over the last 5 years by 1.8%, similar to most counties in Illinois. The elderly population increased by 10.2%. An unemployment rate of 9.4% slightly exceeds the Illinois average of 8% (year 2020). The CHNA concluded that the greatest health needs are healthy behaviors and obesity and mental health. The majority of people exercise less than two times per week and consume two or fewer servings of fruits/vegetables per day. Almost half of the respondents experienced depression or stress in the last 30 days. Risk factors for heart disease are increasing.

OSF Saint Elizabeth Medical Center will continue to play a significant role in addressing access to quality health care and racial and health care disparities especially in rural areas of the county. Eliminating health disparities is fundamental to the well-being, productivity and viability of the entire nation. However, this is impossible to achieve unless every entity does its part. OSF does its part in many ways. Through its participation in the Community Gardens program, it enables access to healthy fresh fruit and vegetables given to families and individuals in need, to local food banks, and to community agencies.

This program not only covers Ottawa, but extends to Streator and Mendota as well. SEMC-Ottawa is active in several programs aimed at addressing active living, obesity and mental health issues among the populations in the area. It has promoted the University of Illinois walking guide for Ottawa, Streator and Mendota, advocating the program on digital screens in patient waiting rooms. Hospital staff have been active in nutrition education as part of the healthy living programming. The hospital also uses Social Determinates of Health (SDOH) in screening patients and connecting them with community-based organizations.

Approximately 25% of inpatients and outpatients at OSF Saint Elizabeth Medical Center are Medicaid; charity care as a percent of net revenue in 2022 was 1.3%, comparable to the Statewide average for hospitals. OSF upholds the principle that all people have a right to needed health care, and the hospitals are open to persons of every faith and ethnic background, regardless of ability to pay. There are a range of financial assistance programs based on patients' needs.

Some of SEMC's work is highlighted in the Fiscal Year 2022 community benefits report by OSF.

Highlights of the Community Benefits report are:

- OSF Saint Elizabeth Medical Center provided \$20,145,491 in uncompensated community benefit.
- Charity care (at cost) of \$1,697,135.
- OSF Saint Elizabeth Medical Center government-sponsored indigent health care of \$13,822,009.
- \$3,412,010 given as subsidized health care in 2022.
- OSF Saint Elizabeth Medical Center donated \$ 22,544 to local agencies in 2022.

The entire OSF system of 16 hospitals, the multi-specialty group practice, and the homecare service provided more than \$600 million in community benefit services in 2021.

Commitment to addressing diversity, equity and inclusion is broad within OSF system organizations – in hiring practices and human resources programs (for training, advancement and development of leadership skills), governance, and community involvement. These practices and programs apply especially to treating a diversity of patients, and being especially attentive to addressing populations with health care and social disparities.

The inpatient payor mix of SEMC is projected to be as follows:

Medicare:	56.4%
Medicaid:	21.9%
Commercial:	19.0%
Self Pay / Other:	2.7%
TOTAL	100.0%

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

The plan for the replacement of OSF Saint Elizabeth Medical Center is part of OSF's regional plan for health care delivery, in and beyond State Planning Area C-02. In part, the plan responds to the recent closures of two St Margaret's Health hospitals, in Peru and Spring Valley. The hospital closures created a deficit of capacity in the Illinois Valley, a threat to access to safety net services for residents of the I-80 corridor. The plan to replace SEMC in Ottawa is part of a two-hospital plan, enabled by OSF Healthcare System's purchase of St Margaret's Health-Peru in November, 2023. SEMC will operate as one licensed facility in two locations – the replacement hospital at SEMC-Ottawa and the converted hospital in Peru, now called SEMC-Peru. Several of the inpatient clinical services now at SEMC-Ottawa will be relocated to SEMC-Peru, specifically ICU, obstetrics and an expanded medical/surgical service. The result is a scaled down state-of-the-art hospital in Ottawa and expanded inpatient services in Peru.

The regional plan is patterned as a hub-and-spoke model, with SEMC's two campus as the hub, and OSF Saint Paul Medical Center in Mendota, OSF Saint Clare Medical Center in Princeton and OSF Center for Health in Streator (outpatient) as the spokes. Saint Paul and Saint Clare are Critical Access hospitals, and play special roles in the delivery of health care services needed in the region. The bed capacities of the Ottawa and Peru hospitals are smaller than the capacity of the previous three hospitals at Ottawa, Peru and Spring Valley. As a result, each of the OSF hospitals and the Streator Center will have a sufficient patient base to serve in their individual capacities.

The project will have no adverse impact on another hospital's ability to provide safety net services in this area.

The AMI inpatient service will feature all 26 beds in single bed rooms. The present facility at SEMC-Ottawa has 22 of the 26 beds in double occupancy rooms, which has significantly restricted the ability to accept requests for referrals and transfers of patients. The ability to accept more patients will support the work of behavioral health clinicians, counselors and agencies in the communities in the Planning Area. Through the process of initial assessments, the hospital will match a person's specific mental health needs with community services. The hospital will continue its longstanding outpatient services. The AMI program at SEMC-Ottawa will continue to integrate into the existing network of providers.

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

Upon the opening of the replacement SEMC-Ottawa, the present 1972-built hospital will be discontinued and decommissioned. By then, 45 medical/surgical beds will be opened at SEMC-Peru, and 12 medical/surgical beds will be re-established at the replacement SEMC in Ottawa. The combined 57 beds are an increase of 3 medical/surgical beds compared to the current 54 authorized beds at SEMC-Ottawa.

The new 8-bed ICU bed unit at SEMC-Peru will replace the 5 ICU beds being discontinued in Ottawa; the 11 OB beds at SEMC Peru will replace the 12 OB bed unit being discontinued at Ottawa. Consequently, the combined SEMC Ottawa and Peru campus will have a bed capacity that will not draw patients served at other hospitals in the area, nor will it overwhelm those hospitals by not having sufficient capacity to accommodate its proportion of patients in the I-80 corridor.

4. Additional information on Safety Net Services.

A. For the three fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by the 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 the appropriate methodology specified by the Board.

B. For the three 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.

Safety Net Information per PA 96-0031 For OSF Healthcare System CHARITY CARE			
Charity (# of patients)	2020	2021	2022
Inpatient	1,231	945	857
Outpatient	22,945	28,323	25,162
Total	24,176	29,268	26,019
Charity (cost in dollars)			
Inpatient	\$18,862,734	\$18,306,320	\$19,446,244
Outpatient	\$22,422,101	\$22,263,569	\$34,769,329
Total	\$41,284,835	\$40,569,889	\$54,215,573
MEDICAID			
Medicaid (# of patients)	2020	2021	2022
Inpatient	14,074	15,608	15,168
Outpatient	307,481	427,556	506,719
Total	321,555	443,164	521,887
Medicaid (revenue)			
Inpatient	\$253,442,281	\$274,688,101	\$337,605,609
Outpatient	\$131,986,088	\$201,739,577	\$242,779,460
Total	\$385,428,369	\$476,427,678	\$580,385,069

Safety Net Information per PA 96-0031 For OSF Saint Elizabeth Medical Center CHARITY CARE			
Charity (# of patients)	2020	2021	2022
Inpatient	83	64	49
Outpatient	1,570	1,846	1,353
Total	1,653	1,910	1,402
Charity (cost in dollars)			
Inpatient	\$568,753	\$560,122	\$445,277
Outpatient	\$1,541,219	\$1,214,599	\$1,492,881
Total	\$2,109,972	\$1,774,721	\$1,938,158
MEDICAID			
Medicaid (# of patients)	2020	2021	2022
Inpatient	1,009	926	892
Outpatient	32,300	38,114	37,432
Total	33,309	39,040	38,324
Medicaid (revenue)			
Inpatient	\$6,987,331	\$9,569,034	\$13,393,731
Outpatient	\$9,945,687	\$20,793,143	\$25,818,435
Total	\$16,933,018	\$30,362,177	\$39,212,166

SECTION X.

CHARITY CARE – OSF Healthcare System

	2020	2021	2022
Net Patient Revenue	\$2,383,901,200	\$2,978,991,756	\$3,211,070,549
Amount of Charity Care (charges)	\$201,864,109	\$195,002,654	\$217,695,250
Cost of Charity Care	\$41,284,835	\$40,569,889	\$54,215,573

CHARITY CARE – Saint Elizabeth Medical Center

	2020	2021	2022
Net Patient Revenue	\$106,934,344	\$133,447,766	\$145,655,093
Amount of Charity Care (charges)	\$9,768,389	\$8,423,717	\$8,195,172
Cost of Charity Care	\$2,109,972	\$1,774,721	\$1,938,158