25-003

RECEIVED

JAN 24 2025

HEALTH FACILITIES & SERVICES REVIEW BOARD

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: Advocate Trinity Hospital		
Street Address: *See* Legal Description of Site (page 11)		
City and Zip Code: Chicago (*See* Legal Description of Site (page 11))		
County: Cook	Health Service Area: 6	Health Planning Area: A-03

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

Exact Legal Name: Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital
Street Address: *See* Legal Description of Site (page 11)
City and Zip Code: Chicago (*See* Legal Description of Site (page 11))
Name of Registered Agent: The Corporation Company
Registered Agent Street Address: 600 S. 2nd Street Suite 104
Registered Agent City and Zip Code: Springfield, IL 62704
Name of President: Dia Nichols
President Street Address: 2025 Windsor Drive
President City and Zip Code: Oak Brook, IL 60523
President Telephone Number: 847-723-8446

Type of Ownership of Applicants

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

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

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

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Dr. Michelle Y. Blakely PhD FACHE
Title: President
Hospital Name: Advocate Trinity Hospital
Address: 2320 E. 93rd Street Chicago, IL 60617
Telephone Number: 773-967-5001
E-mail Address: michelle.blakely@aah.org
Fax Number: 773-967-4191

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

Name: Myndee Gomberg Balkan
Title: Director, Health Facilities Planning
Company Name: Advocate Health
Address: c/o Administration Dept. Advocate Condell Medical Center 801 S. Milwaukee Ave. Libertyville, IL 60048
Telephone Number: 847-721-0376
E-mail Address: myndee.balkan@aah.org
Fax Number: N/A

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

Name: Laura Parisi
Title: Director, Design and Construction
Company Name: Advocate Health
Address: 4440 W. 95th Street Oak Lawn, IL 60453
Telephone Number: 773-304-6068
E-mail Address: laura.parisi@aah.org
Fax Number: N/A

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

Name: Dan Lawler
Title: Owner
Company Name: Lawler Law Office
Address: 1251 N. Eddy Street, South Bend, IN 46617
Telephone Number: 708-668-3832
E-mail Address: dan@lawler.law
Fax Number: N/A

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Advocate Trinity Hospital
Street Address: *See* Legal Description of Site (page 11)
City and Zip Code: Chicago (*See* Legal Description of Site (page 11))
County: Cook Health Service Area: 6 Health Planning Area: A-03

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

Exact Legal Name: Advocate Aurora Health, Inc.
Street Address: 2025 Windsor Drive
City and Zip Code: Oak Brook, IL 60523
Name of Registered Agent: The Corporation Company
Registered Agent Street Address: 600 S. 2nd Street Suite 104
Registered Agent City and Zip Code: Springfield, IL 62704
Name of President: Gabrielle Finley-Hazle
President Street Address: 2025 Windsor Drive
President City and Zip Code: Oak Brook, IL 60523
President Telephone Number:

Type of Ownership of Applicants

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

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

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

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Dr. Michelle Y. Blakely PhD FACHE
Title: President
Hospital Name: Advocate Trinity Hospital
Address: 2320 E. 93rd Street Chicago, IL 60617
Telephone Number: 773-967-5001
E-mail Address: michelle.blakely@aah.org
Fax Number: 773-967-4191

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

Name: Myndee Gomberg Balkan
Title: Director, Health Facilities Planning
Company Name: Advocate Health
Address: c/o Administration Dept. Advocate Condell Medical Center 801 S. Milwaukee Ave. Libertyville, IL 60048
Telephone Number: 847-721-0376
E-mail Address: myndee.balkan@aah.org
Fax Number: N/A

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

Name: Laura Parisi
Title: Director, Design and Construction
Company Name: Advocate Health
Address: 4440 W. 95th Street Oak Lawn, IL 60453
Telephone Number: 773-304-6068
E-mail Address: laura.parisi@aah.org
Fax Number: N/A

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

Name: Dan Lawler
Title: Owner
Company Name: Lawler Law Office
Address: 1251 N. Eddy Street, South Bend, IN 46617
Telephone Number: 708-668-3832
E-mail Address: dan@lawler.law
Fax Number: N/A

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Advocate Trinity Hospital
Street Address: *See* Legal Description of Site (page 11)
City and Zip Code: Chicago (*See* Legal Description of Site (page 11))
County: Cook Health Service Area: 6 Health Planning Area: A-03

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

Exact Legal Name: Advocate Health, Inc.
Street Address: 1000 Blythe Boulevard
City and Zip Code: Charlotte, NC 28203
Name of Registered Agent: The Corporation Company
Registered Agent Street Address: 600 S. 2nd Street Suite 104
Registered Agent City and Zip Code: Springfield, IL 62704
Name of Chief Executive Officer: Eugene Woods
CEO Street Address: 1000 Blythe Boulevard
CEO City and Zip Code: Charlotte, NC 28203
CEO Telephone Number:

Type of Ownership of Applicants

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

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

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

Primary Contact [Person to receive ALL correspondence or inquiries]

Name: Dr. Michelle Y. Blakely PhD FACHE
Title: President
Hospital Name: Advocate Trinity Hospital
Address: 2320 E. 93rd Street Chicago, IL 60617
Telephone Number: 773-967-5001
E-mail Address: michelle.blakely@aah.org
Fax Number: 773-967-4191

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

Name: Myndee Gomberg Balkan
Title: Director, Health Facilities Planning
Company Name: Advocate Health
Address: c/o Administration Dept. Advocate Condell Medical Center 801 S. Milwaukee Ave. Libertyville, IL 60048
Telephone Number: 847-721-0376
E-mail Address: myndee.balkan@aah.org
Fax Number: N/A

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

Name: Laura Parisi
Title: Director, Design and Construction
Company Name: Advocate Health
Address: 4440 W. 95th Street Oak Lawn, IL 60453
Telephone Number: 773-304-6068
E-mail Address: laura.parisi@aah.org
Fax Number: N/A

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

Name: Dan Lawler
Title: Owner
Company Name: Lawler Law Office
Address: 1251 N. Eddy Street, South Bend, IN 46617
Telephone Number: 708-668-3832
E-mail Address: dan@lawler.law
Fax Number: N/A

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: James Kokaska
Title: Vice President, Planning, Design & Construction
Company Name: Advocate Health, Inc
Address: 2025 Windsor Drive, Oak Brook IL 60523
Telephone Number: 708-473-4692
E-mail Address: james.kokaska@aah.org
Fax Number: N/A

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Advocate Health and Hospitals Corporation
Address of Site Owner: 2025 Windsor Drive, Oak Brook, IL 60523
Street Address or Legal Description of the Site: *See* Legal Description of Site (page 11) **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 <u>ATTACHMENT 2,</u> 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: Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital

Address: *See* Legal Description of Site (page 11)

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

- Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.
- **Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.**

APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Organizational Relationships

Provide (for each applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

APPEND DOCUMENTATION AS <u>ATTACHMENT 4,</u> IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements, please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at **www.FEMA.gov** or **www.illinoisfloodmaps.org**. **This map must be in a readable format**. In addition, please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2006-5 (**http://www.hfsrb.illinois.gov**). **NOTE:** A SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM has been added at the conclusion of this Application for Permit that must be completed to deem a project complete.

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

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

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

DESCRIPTION OF PROJECT

1. Project Classification

[Check those applicable - refer to Part 1110.20 and Part 1120.20(b)]

Part 1110 Classification :

☒ Substantive

☐ Non-substantive

2. Narrative Description

In the space below, provide a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

Advocate Health and Hospitals Corporation ("AHHC") d/b/a Advocate Trinity Hospital and Advocate Aurora Health, Inc. and Advocate Health, Inc. (together, the "Applicants") propose to establish a new acute care hospital in Chicago, IL (*see* Legal Description of Site, below). The land and building will be owned by AHHC.

This new hospital will replace Advocate Trinity Hospital, currently located at 2320 East 93rd Street, Chicago 60617, in Hospital Planning Area A-03, which will be discontinued pursuant to a separate permit application to discontinue. The new replacement hospital will be located in the same Hospital Planning Area (A-03) as the existing Advocate Trinity Hospital.

The Categories of Service at the new replacement hospital include:

- 36 Medical-Surgical beds
- 4 Intensive Care Unit beds
- 1 Cardiac Catheterization Lab

The Other Clinical services include:

- 8 Observations stations
- 3 Operating Rooms
- 2 GI/Endoscopy Procedure Rooms
- 5 Stage 1 Recovery Stations
- 17 Stage 2 Recovery Stations
- 16 Emergency Department Stations
- 2 General Radiology Units
- 2 Ultrasound Units
- 1 CT Scan Unit
- 1 MRI
- 1 Nuclear Medicine Unit
- 2 Stress/Echo
- 4 Dialysis Bays
- Laboratory Service
- Pharmacy Service

The establishment of this replacement hospital and discontinuation of the outdated facility are part of a broader strategic vision and plan to improve access to care and health care outcomes

on the South Side through an expansive ambulatory program in the area referred to as the Ambulatory Forward model+ which is addressed in detail in Attachment 12, Purpose of the Project. Only the replacement hospital is the subject of this permit application.

Out of a desire for transparency, with our community and general public of what will be in the hospital, in the public announcement of this project on December 17, 2024, Advocate Health Care announced a 52-bed facility, including 36 medical surgical beds, 4 ICU beds, 8 dedicated observation stations, and 4 dialysis bays. For purposes of this application, this is a 40 licensed bed hospital with 36 medical surgical beds and 4 ICU beds.

The total cost of the project is $319,557,482 and total project square footage is 183,000 gsf. The anticipated completion date is June 25, 2029.

The project is classified as substantive as it proposes to establish a new health care facility as defined in 20 IL CS 3690/3 and 77 Ill. Adm. Code 1110.20(c)(1)(A)(i).

Legal Description of Site

2024-32572-001

23 ACRE PARCEL

THAT PART OF BLOCK 1 IN ILLINOIS STEEL COMPANY'S SOUTH WORKS RESUBDIVISION OF LOT, PIECES AND PARCELS OF LAND IN SECTION 32, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH AND WEST OF S. DuSABLE LAKE SHORE DRIVE (SOUTH AVENUE O) AS DEDICATED PER DOCUMENT NO. 06068324023, RECORDED MARCH 9, 2006, AND DOCUMENT NO. 0832645125, RECORDED NOVEMBER 21, 2008; AND LYING EAST AND NORTH OF A LINE DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE WEST LINE OF BLOCK 1 AFORESAID, BEING ALSO THE EAST LINE OF SOUTH BRANDON AVENUE, WITH THE SOUTHERLY LINE OF S. DuSABLE LAKE SHORE DRIVE (SOUTH AVENUE O) AFORESAID; THENCE SOUTH 71 DEGREES 07 MINUTES 49 SECONDS EAST (ASSUMED) ALONG SAID SOUTHERLY LINE 29.27 FEET TO THE **POINT OF BEGINNING**; THENCE SOUTH 27 DEGREES 03 MINUTES 15 SECONDS WEST 57.45 FEET TO A POINT ON THE WEST LINE OF BLOCK 1 AFORESAID, BEING POINT #1311 (STATION 168+60.75) PER DOCUMENT NO. 0832645125 AFORESAID; THENCE SOUTH 01 DEGREES 28 MINUTES 50 SECONDS EAST ALONG THE WEST LINE OF BLOCK 1 AFORESAID, BEING ALSO THE EAST LINE OF SOUTH BRANDON AVENUE, 901.83 FEET; THENCE NORTH 88 DEGREES 25 MINUTES 05 SECONDS EAST 1579.87 FEET TO A POINT ON THE WEST LINE OF S. DuSABLE LAKE SHORE DRIVE (SOUTH AVENUE O) AFORESAID, SAID POINT BEING 90.00 FEET ALONG THE ARC OF A CIRCLE HAVING A RADIUS OF 685.00 FEET CONCAVE SOUTHWESTERLY AND WHOSE CHORD BEARS NORTH 06 DEGREES 36 MINUTES 32 SECONDS WEST, A DISTANCE OF 692.82 FEET, NORTH OF POINT #1333 (STATION 147+70.68) PER DOCUMENT NO. 0832645125 AFORESAID, AND THE POINT OF TERMINUS, IN COOK COUNTY, ILLINOIS.

CONTAINING 1,001,874 SQUARE FEET OR 23.0 ACRES.

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.			

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: $15,000,000
Fair Market Value: $15,000,000

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 $1,420,000

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.

Indicate the stage of the project's architectural drawings:

☐ None or not applicable ☒ Preliminary
☐ Schematics ☐ Final Working

Anticipated project completion date (refer to Part 1130.140): June 25, 2029

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

☐ Purchase orders, leases or contracts pertaining to the project have been executed.
☐ Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies
☒ Financial Commitment will occur after permit issuance.

APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals [Section 1130.620(c)]

Are the following submittals up to date as applicable?
☒ Cancer Registry
☒ APORS
☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☒ All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the **Departmental Gross Square Feet (DGSF)** or the **Building Gross Square Feet** (**BGSF)** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the departments or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Not Reviewable Space [i.e., non-clinical]: *means an area for the benefit of the patients, visitors, staff, or employees of a health care facility and not directly related to the diagnosis, treatment, or rehabilitation of persons receiving services from the health care facility. "Non-clinical service areas" include, but are not limited to, chapels; gift shops; newsstands; computer systems; tunnels, walkways, and elevators; telephone systems; projects to comply with life safety codes; educational facilities; student housing; patient, employee, staff, and visitor dining areas; administration and volunteer offices; modernization of structural components (such as roof replacement and masonry work); boiler repair or replacement; vehicle maintenance and storage facilities; parking facilities; mechanical systems for heating, ventilation, and air conditioning; loading docks; and repair or replacement of carpeting, tile, wall coverings, window coverings or treatments, or furniture. Solely for the purpose of this definition, "non-clinical service area" does not include health and fitness centers.* [20 ILCS 3960/3]

		Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
Dept. / Area	**Cost**	**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: Advocate Trinity Hospital		**CITY: Chicago**			
REPORTING PERIOD DATES:		**From: to: Jan. 1, 2023 to Dec. 31, 2023**			
Category of Service	**Authorized Beds**	**Admissions**	**Patient Days**	**Bed Changes**	**Proposed Beds**
Medical/Surgical	158	3,572	29,563	-122	36
Obstetrics	23	758	2,096	-23	0
Pediatrics					
Intensive Care	24	1,356	3,074	-20	4
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness					
Neonatal Intensive Care					
General Long-Term Care					
Specialized Long-Term Care					
Long Term Acute Care					
Other ((identify)					
TOTALS:	205	5,686	34,733	-165	40

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

SIGNATURE	SIGNATURE
Dia Nichols PRINTED NAME	Jim Slinkman PRINTED NAME
President PRINTED TITLE	Assistant Secretary PRINTED TITLE
Notarization: Subscribed and sworn to before me this _____ day of _____	Notarization: Subscribed and sworn to before me this 5th day of December 2024
Signature of Notary	Signature of Notary
Seal	Seal

"OFFICIAL SEAL"
MICHAEL E EBNER
Notary Public - State of Illinois
My Commission Expires June 04, 2025

*Insert the EXACT legal name of the applicant

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

SIGNATURE	SIGNATURE
Dia Nichols PRINTED NAME	Jim Slinkman PRINTED NAME
President PRINTED TITLE	Assistant Secretary PRINTED TITLE
Notarization: Subscribed and sworn to before me this 6 day of December	Notarization: Subscribed and sworn to before me this _____ day of _____
Signature of Notary	Signature of Notary
Seal OFFICIAL SEAL NANCY J BUEHRER NOTARY PUBLIC, STATE OF ILLINOIS My Commission Expires 4/29/26	Seal

*Insert the EXACT legal name of the applicant

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

SIGNATURE

Dia Nichols
PRINTED NAME

Vice President
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 2 day of December

Signature of Notary

OFFICIAL SEAL
NANCY J BUEHRER
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires 4/29/26

Seal

SIGNATURE

Brett J. Denton
PRINTED NAME

Secretary
PRINTED TITLE

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

Signature of Notary

Seal

*Insert the EXACT legal name of the applicant

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

SIGNATURE	SIGNATURE
Dia Nichols PRINTED NAME	Brett J. Denton PRINTED NAME
Vice President PRINTED TITLE	Secretary PRINTED TITLE
Notarization: Subscribed and sworn to before me this _____ day of _____	Notarization: Subscribed and sworn to before me this 9th day of December, 2024
Signature of Notary	Signature of Notary – Expires 1·28·2028 State of North Carolina County of Mecklenburg
Seal	Seal

*Insert the EXACT legal name of the applicant

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

SIGNATURE	SIGNATURE
Brett J. Denton PRINTED NAME	Bradley A. Clark PRINTED NAME
Secretary PRINTED TITLE	Treasurer PRINTED TITLE
Notarization: Subscribed and sworn to before me this _____ day of _____	Notarization: Subscribed and sworn to before me this 13 day of Dec. 2024
Signature of Notary	Signature of Notary
Seal	Seal

SAMANTHA JEFFERSON NOTARY PUBLIC MECKLENBURG COUNTY, NC My Commission Expires 11-12-2028

*Insert the EXACT legal name of the applicant

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

SIGNATURE	SIGNATURE
Brett J. Denton PRINTED NAME	Bradley A. Clark PRINTED NAME
Secretary PRINTED TITLE	Treasurer PRINTED TITLE
Notarization: Subscribed and sworn to before me this 9th day of December, 2024	Notarization: Subscribed and sworn to before me this _____ day of _____
Signature of Notary Expires 1-28-28 State of NC County of Mecklenburg	Signature of Notary
Seal	Seal

*Insert the EXACT legal name of the applicant

SECTION III. BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

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 <u>ATTACHMENT 11</u>, 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.

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
☒ **Medical/Surgical**	**158***	**36**
☐ **Obstetric**		
☐ **Pediatric**		
☒ **Intensive Care**	**24***	**4**

*Existing Advocate Trinity Hospital inventory

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	

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.200(c)(3) - Impact of Project on Other Area Providers	X		
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 ATTACHMENT 19, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

E. Criterion 1110.225 - Cardiac Catheterization

1. Applicants proposing to establish, expand and/or modernize the Cardiac Catheterization category of service must submit the following information.

2. Indicate bed capacity changes by Service: Indicate # of beds changed by action(s):

Category of Service	# Existing Rooms	# Proposed Rooms
Cardiac Catheterization	**2***	**1**

*Existing Trinity Hospital Location. Currently operating 1 unit/room.

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

1. Criterion 1110.225(a), Peer Review

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

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

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

a. A map (on 8 1/2" x 11" paper) showing the location of the other hospitals providing cardiac catheterization services within the planning area.

b. The number of cardiac catheterizations performed for the last 12 months at each of the hospitals shown on the map.

c. Provide the number of patients transferred directly from the applicant's hospital to another facility for cardiac catheterization services in each of the last three years.

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

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

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

b. Copies of the responses received from the facilities to which the letter was sent.

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

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

5. Criterion 1110.225(e), Support Services

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

6. Criterion 1110.225(f), Laboratory Location

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

7. Criterion 1110.225(g), Staffing

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

8. Criterion 1110.225(h), Continuity of Care

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

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

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

a. A copy of a fully executed affiliation agreement between the two facilities involved.

b. Names and positions of the shared staff at the two facilities.

c. The volume of open-heart surgeries performed for the latest 12-month period at the existing operating program.

d. A cost comparison between the proposed project and expansion at the existing operating program.

e. The number of cardiac catheterization procedures performed in the last 12 months at the operating program.

f. The number of catheterization laboratories at the operating program.

g. The projected cardiac catheterization volume at the proposed facility annually for the next 2 years.

h. The basis for the above projection.

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

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
ED stations	**27***	**16**
Observation Stations	**0***	**8**
Surgical Operating Suite Class C	**6***	**3**
GI/Endoscopy Procedure Rooms	**4***	**2**
GI Pre-Post Recovery	**14****	**0****
PACU/Phase I Recovery	**7***	**5**
Pre-Op/Phase II Recovery	**7***	**17**
CT scan	**2***	**1**
MRI	**1***	**1**
Nuclear Medicine	**2***	**1**
Stress/Echo	**4***	**2**
Dialysis (3 semi, 1 private)	**4***	**4**
Lab	**1***	**1**
Pharmacy	**1***	**1**

*existing key rooms indicate current Advocate Trinity Hospital location
Replacement Trinity Hospital will have a combined pre-post recovery unit for GI and Operating Suites.

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 <u>ATTACHMENT 31,</u> IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

The following Sections DO NOT need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18-month period prior to the submittal of the application):

- **Section 1120.120 Availability of Funds − Review Criteria**
- **Section 1120.130 Financial Viability − Review Criteria**
- **Section 1120.140 Economic Feasibility − Review Criteria, subsection (a)**

VII. 1120.120 - AVAILABILITY OF FUNDS

The applicant shall document those financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable [**Indicate the dollar amount to be provided from the following sources]:**

$93,810,786	a)	Cash and Securities − statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion.
_____	b)	Pledges − for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated timetable of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
_____	c)	Gifts and Bequests − verification of the dollar amount, identification of any conditions of use, and the estimated timetable of receipts.
$225,746,696	d)	Debt − a statement of the estimated terms and conditions (including the debt time, variable or permanent interest rates over the debt time, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including: 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated. 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate. 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc. 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options,

	any capital improvements to the property and provision of capital equipment. 5) For any option to lease, a copy of the option, including all terms and conditions. e) Governmental Appropriations − a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent. f) Grants − a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt. g) All Other Funds and Sources − verification of the amount and type of any other funds that will be used for the project.
$319,557,482	**TOTAL FUNDS AVAILABLE**

APPEND DOCUMENTATION AS <u>ATTACHMENT 34.</u> IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VIII. 1120.130 - FINANCIAL VIABILITY

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

Financial Viability Waiver

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

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

See Section 1120.130 Financial Waiver for information to be provided

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

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

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

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

Variance

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

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

SECTION IX. 1120.140 - ECONOMIC FEASIBILITY

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

A. Reasonableness of Financing Arrangements

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

1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or

2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:

A) A portion or all the cash and equivalents must be retained in the balance sheet asset accounts to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or

B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

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

1) That the selected form of debt financing for the project will be at the lowest net cost available.

2) That the selected form of debt financing will not be at the lowest net cost available but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors.

3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

1.Identify each department or area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).
2.

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	Cost/Square Foot Mod.	Gross Sq. Ft. New	Gross Sq. Ft. Circ.*	Gross Sq. Ft. Mod.	Gross Sq. Ft. 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: Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital
   (Address): *See* Legal Description of Site (page 11)
   (City): Chicago (State): IL (County): Cook

2. Project Location:
   (Address): *See* Legal Description of Site (page 11)
   (City): Chicago (State): IL (County): Cook
   (Township): 38 (Section): 32

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 __X_

IS THE PROJECT SITE LOCATED IN THE 500-YEAR FLOOD PLAIN? No

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

INDEX OF ATTACHMENTS

ATTACHMENT 1
TYPE OF OWNERSHIP OF APPLICANTS

Illinois Certificates of Good Standing for the applicants are provided with Attachment 1, below:

Advocate Health and Hospitals Corporation

IL Certificate of Good Standing

Advocate Aurora Health, Inc.

IL Certificate of Good Standing

Advocate Health, Inc.

IL Certificate of Good Standing

File Number 1004-695-5

STATE OF ILLINOIS

OFFICE OF THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

I, Alexi Giannoulias, *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*

ADVOCATE HEALTH AND HOSPITALS CORPORATION, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON SEPTEMBER 12, 1906, 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* 25TH *day of* NOVEMBER *A.D.* 2024 .

Authentication #: 2433002084 verifiable until 11/25/2025
Authenticate at: https://www.ilsos.gov

Alexi Giannoulias
SECRETARY OF STATE

File Number 7155-851-7

STATE OF ILLINOIS

OFFICE OF

THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

I, **Alexi Giannoulias,** *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*

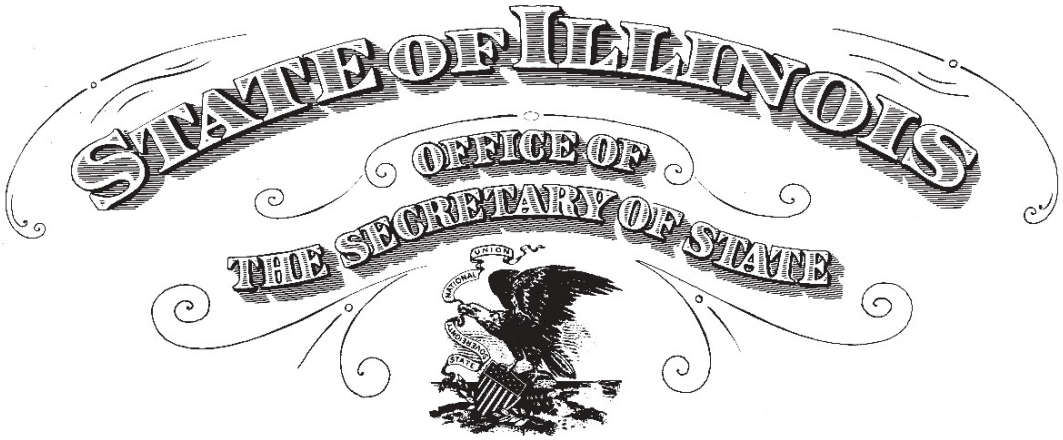
ADVOCATE AURORA HEALTH, INC., INCORPORATED IN DELAWARE AND LICENSED TO CONDUCT AFFAIRS IN THIS STATE ON APRIL 03, 2018, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO CONDUCT AFFAIRS 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* 25TH *day of* NOVEMBER *A.D.* 2024 .

Authentication #: 2433001820 verifiable until 11/25/2025
Authenticate at: https://www.ilsos.gov

Alexi Giannoulias
SECRETARY OF STATE

File Number 7376-313-4



To all to whom these Presents Shall Come, Greeting:

I, **Alexi Giannoulias,** *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*

ADVOCATE HEALTH, INC., INCORPORATED IN DELAWARE AND LICENSED TO CONDUCT AFFAIRS IN THIS STATE ON JUNE 28, 2022, 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 A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO CONDUCT AFFAIRS 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* 25TH *day of* NOVEMBER *A.D.* 2024 .

Authentication #: 2433002054 verifiable until 11/25/2025
Authenticate at: https://www.ilsos.gov

Alexi Giannoulias
SECRETARY OF STATE

ATTACHMENT 2
LETTER OF INTENT TO PURCHASE SITE

Included with this Attachment 2 is a signed letter of intent to purchase the site by Advocate Health and Hospitals Corporation.

RELATED

January 17, 2025

Collin Lane
Advocate Health
P.O. Box 32861
Charlotte, NC 28232-2861

Re: ***Letter of Intent for the Sale of Property of 23-acre property commonly known as 7931 S Brandon Ave, Chicago Illinois 60617 as depicted on the attached Exhibit A (part of PIN 21-32-100-012-0000) ("Property")***

Dear Collin Lane,

Based upon our ongoing discussions, this letter of intent ("LOI") is provided to summarize the terms upon which we may negotiate the transfer of the Property within Related's 420-acre development site, 8080 Lake Shore Drive ("Campus"), for the development of Advocate Health's new hospital and medical facilities. The Property referenced for the purposes of this LOI is bordered by Brandon Avenue to the west, DuSable Lake Shore Drive to the north and east, and 81st Street to the south in Chicago, Illinois. It is intended that Related will develop the Campus into an approximately 60 million square foot mixed-use innovation campus through several phases including a quantum computing innovation hub, commercial, industrial, and other related uses and amenities. The terms and conditions outlined in this LOI are non-binding and intended to guide the parties in the negotiation of potential definitive documentation to consummate the transaction (the "Definitive Agreements").

1. Seller:	Related Chicago 8080 LLC, a Delaware limited liability company or its affiliate entity.
2. Purchaser:	Advocate Health and Hospitals Corporation or its affiliate entity.
3. The Property:	A 23-acre land parcel, bounded by DuSable Lake Shore Drive to the north and east and Brandon Ave to the west and a line drawn parallel to 81st St to the south, as legally described on Exhibit A attached hereto (the "Property"). The acquisition of the Property will include all of Seller's rights, title and interest in the real estate, together with easements, common area rights, appurtenances and any development rights thereto. The Property shall also include access to DuSable Lake Shore Drive and 81st St. curb cut through an easement agreement and the parties shall collaborate to connect the Property to that curb cut. Purchaser shall acquire the Property in its As-Is, Where-Is condition. During the Due Diligence Period (hereinafter defined), Purchaser will identify a design team and the parties shall collaborate on the layout and master planning of the Property along with adjacent parcels, however, the property line and access shall not change unless agreed to by Purchaser in its sole discretion. It being understood that Seller wishes to develop ancillary uses such as retail and office buildings that are complimentary to Purchaser's use on the adjacent parcels. Purchaser and Seller will also work to identify necessary infrastructure, including access to 81st Street and DuSable Lake Shore Drive and other roadways that are necessary to connect the Property to surrounding streets.

4. Purchase Price:	The purchase price for the Property shall be determined on a per square foot basis. The purchase price assumes that the Property consists of 23 acres (1,001,880 square feet) at a rate of $14.972 per square foot, resulting in a purchase price of $15,000,000 (the "Maximum Purchase Price"). This is the final sale price and no additional Seller credits will be provided. The Property will be delivered to Purchaser unencumbered by any financing, tax, management or construction liens, rights of first offer, rights of first refusal, or purchase options, or any other encumbrances that would otherwise prevent the conveyance of the fee-simple, unencumbered interest in the Property.

5. Due Diligence and Governmental Approval Periods:	For a period of ninety (90) days (the "Due Diligence Period"), Purchaser, its employees, agents, representatives, contractors, architects, engineers and consultants will have the right and license to enter upon the Property for the sole purpose of conducting any tests, surveys, environmental studies, investigations, or analyses as Purchaser may deem appropriate, including, without limitation, determining the feasibility of the Property for Purchaser's Intended Use (as defined below). Purchaser shall have one hundred and eighty (180) days following the expiration of the Due Diligence Period (the "Governmental Approval Period") to begin the approval process with the Illinois Health Facilities and Services Review Board ("HFSRB"), City of Chicago, and other governmental entities for zoning purposes, site plan and permitting submittal and entitlements to the site for said intended uses. Purchaser will indemnify Seller and restore the Property to substantially the same pre-existing condition upon termination.
6. Governmental Approval Extension Period:	Purchaser shall have the option to extend its Governmental Approval Period for three (3) thirty (30) day extensions with Seventy-Five Thousand ($75,000) of the earnest money becoming non-refundable but applicable to the purchase price for each extension.
7. Governmental Approval Period Transparency:	Upon the request of Seller, but no more than every sixty (60) days, Purchaser shall update Seller on the status of the Certificate of Need ("CON") process with the Illinois Health Facilities and Services Review Board, as well as any other governmental approval processes, including but not limited to zoning, site plan, permitting, and entitlement applications with the City of Chicago or any other relevant governmental entities. Seller agrees to cooperate in good faith with Purchaser, providing any necessary assistance or documentation required to facilitate Purchaser's efforts to secure the CON or other governmental approvals. Such cooperation may include, but is not limited to, executing documents, attending meetings, and providing access to the Property, as reasonably required by Purchaser.
8. Definitive Agreements:	The Definitive Agreements include (i) a Purchase and Sale Agreement (the "PSA") that is acceptable to both parties, and (ii) if the parties mutually agree an allocation of development rights specified in the Waterway Planned Development (WPD number to be included once approved) enacted by the City creating required land use entitlements and government approvals for 8080 Lake Shore Drive. Such documentation will contain additional restrictions against the Campus for competing third party medical uses.

9. Earnest Money:	Within ten (10) business days after the effective date of the PSA, Purchaser shall deposit the sum of **$300,000** (the "Earnest Money") into a joint order escrow account. Prior to the expiration of the Due Diligence Period (90 days), Purchaser, in its sole discretion, shall have the right to terminate the PSA without liability and receive a full refund of the Earnest Money. Upon expiration of the Due Diligence Period and commencement of the Government Approval Period (as defined above), **$75,000** of the Earnest Money shall be become non-refundable. All Earnest Money shall be credited against the Purchase Price at Closing.

10. Closing Conditions:	In addition to other customary closing conditions for real property purchases, Purchaser's obligation to close the transaction shall be conditioned on all of the following: a. The parties shall have negotiated and be prepared to execute and deliver the Definitive Agreements; b. Approval of HFSRB's Certificate of Need to construction a new healthcare campus c. Approval of 8080 Lake Shore Drive's Planned Development amendments (if necessary) to accommodate the medical campuses use, which Seller will cooperate with Purchaser to pursue, along with any other required entitlements and approvals from all relevant governmental authorities to commence construction on the following: i. Advocate Health's multi-phased hospital buildings and site-plan of a configuration to be determined by Purchaser in its sole discretion
11. Repurchase Right:	The Seller hereby retains an irrevocable, exclusive option to repurchase the Property (the "Repurchase Right") from the Purchaser at the same Purchase Price upon the occurrence of any of the following events (the "Repurchase Events"): 1. The Purchaser fails to commence construction of the Phase I Hospital depicted on Exhibit A within five (5) years from the Closing Date. 2. The Purchaser attempts to sell, transfer, or convey the Property, or any part thereof to any unrelated entity, without prior written consent from the Seller within two (2) years from the Closing Date.
12. Site Plan and Design Rights:	During the Due Diligence and Governmental Approval Period, Purchaser shall share proposed site plans and design with Seller for the proposed medical campus on the Property. Purchaser and Seller will engage in regular consultations and meetings regarding the site plan. At a minimum, the final site plan shall include: 1. Two access points to the Property along South DuSable Lake Shore Drive, (directly to Farragut Dr. and indirectly to 83rd St.) providing sufficient ingress and egress for medical campus operations. 2. Prominent frontage along South DuSable Lake Shore Drive, ensuring visibility and accessibility. 3. The final site plan design shall be complimentary to future Advocate Health expansion and private medical office development. Seller shall have the opportunity to consult on the final exterior design of the buildings to ensure alignment with the overall aesthetic and architectural vision of the larger Campus Development, as well as harmony with the community's expectations as expressed during the entitlement process. Purchaser and Seller agree to work in good faith to create a cohesive design for the medical campus that complements the broader development's design intent, including considerations of building materials, façade treatments, and overall architectural style. Both parties agree to use reasonable efforts to consult on the site plan and exterior design of the phased medical campus within the Due Diligence and Governmental

	Approval Period. Any material changes to the agreed-upon site plan or exterior design shall require the parties to consult on said material changes, which shall not be unreasonably withheld, delayed, or conditioned. This requirement shall survive Purchaser's closing on the Property.

13. Shared Utility and Infrastructure Costs:	Upon finalization of the site plan, if Purchaser and Seller mutually agree to reduce or eliminate stormwater storage, retention ponds, or other open space on the Property by sharing such facilities or utilities with the Campus, Purchaser agrees to pay a proportionate share of the costs associated with the development, maintenance, and operation of such shared facilities. This includes, but is not limited to, stormwater management systems, retention ponds, and any other related infrastructure. Purchaser's proportionate share shall be determined based on a fair allocation of costs, considering the relative use or benefit of the shared facilities or infrastructure by the medical campus. Such allocation shall be agreed upon by both parties in good faith and documented in a separate agreement prior to closing. Furthermore, upon finalization of the site plan, if Purchaser and Seller agree to share utility costs, Purchaser agrees to pay a proportionate share of any other utilities or infrastructure they draw from or share with the Campus, including, but not limited to, water, sewer, electricity, natural gas, and telecommunications services. The proportionate share for these utilities shall be calculated based on Purchaser's actual usage or benefit, as reasonably determined by the parties. Both parties agree to work in good faith to establish and document the allocation of shared utility and infrastructure costs in a timely manner, and any necessary agreements regarding such shared facilities shall be executed prior to or at closing.
14. Closing Date:	The Closing will occur within thirty (30) days following the earlier of (i) the date on which the Closing Conditions set forth above have been satisfied (or otherwise waived by Purchaser), and (ii) the expiration date of the Governmental Approval Period (as may be extended). At Closing, Purchaser shall pay Seller the Purchase Price, plus or minus customary prorations.

15. Closing Costs:	As is local custom, Seller shall pay the costs of recording any corrective instruments or lien releases, the Illinois State and Cook County transfer taxes, the "CTA portion" of the City of Chicago transfer tax, half of the closing and escrow fees charged by the Chicago Title Insurance Company for conducting closing, the base cost of Purchaser's owner's policy of title insurance (including extended coverage, provided Purchaser procures a current survey), and any title endorsements required to cure unpermitted title exceptions. Purchaser shall pay the fee for recordation of the Deed and any mortgage, the "City portion" of the City of Chicago transfer tax if any, half of the closing and escrow fees charged by the Escrow Agent for conducting closing, the cost of any endorsements (other than title endorsements required to cure unpermitted encumbrances) to Purchaser's owner's policy of title insurance, the cost of any loan policies and endorsements thereto, closing costs related to Purchaser's lender, if any, and the cost of the Survey. Purchaser shall be fully responsible for all costs related to Purchaser's due diligence and inspections. Purchaser and Seller shall each be responsible for its own attorneys' fees.

16. Real Estate Taxes:	All real estate taxes and other assessments due and payable, past due real estate taxes and other assessments, and accrued but not yet due real estate taxes and other assessments shall be paid by Seller at or prior to closing. All real estate taxes not yet due and payable shall be prorated at Closing based on 105% of the most recent ascertainable tax bills for the Property.
17. Representations and Warranties:	Seller shall provide representations and warranties customary for transactions of this size and type, including, but not limited to, representation that heavy industrial use has been the sole historical function of the property. Seller represents to Purchaser, among other matters, that (i) Seller is or will be the sole owner of the Property, and has the ability to consummate the transactions contemplated hereby, and (ii) no notice received from governmental authorities prior to closing with respect to violation of any law, or ordinance regulating the operation or use of the Property. Seller will not make any representations or warranties regarding the environmental status of the Property. However, upon Purchaser's request, Seller will make its environmental consultant and related reports available. Seller will advise Buyer of any lawsuits that are current, pending, or threatened. Seller shall cooperate with Purchaser and take all actions necessary, proper or advisable for Purchaser to obtain the necessary hospital and medical facilities approvals for closing of the purchase of the Property to occur.
18. Default:	In the event Purchaser fails to close under the terms of the PSA, the Earnest Money plus reimbursement of out of pocket costs, including attorney fees (subject to the timelines and amounts described herein) shall be paid to Seller as liquidated damages, as Seller's sole and exclusive remedy. In the event that Seller fails to close under the terms of the PSA, Purchaser shall be entitled to, at the Purchaser's sole election, (i) the return of the Earnest Money plus reimbursement of out of pocket costs, including attorney fees, or (ii) specific performance.

19. Brokerage:	Seller and Purchaser acknowledge that CBRE, Inc. (the "Brokerage") is providing brokerage services to both parties. The total brokerage commission payable for these services shall be 4% of the Maximum Purchase Price less any credit at closing, which will be shared between the Seller's and Purchaser's representatives and paid by the Seller. The specific terms of the brokerage commission shall be detailed in a separate agreement between the Seller and the Brokerage.
20. Exclusivity:	Upon execution of this LOI, Purchaser and Seller will negotiate the Definitive Agreements in good faith based upon the terms set forth herein. During such negotiations, Seller will not negotiate with any other party for the sale or other disposition of the Property. Seller and Purchaser will instruct their respective counsels to promptly prepare and negotiate the Contract. Purchaser and Seller agree that each party shall be responsible for its own costs and expenses incurred in connection with the transaction.
21. Confidentiality:	The parties will maintain the confidentiality of the terms of the transaction and the contents of this LOI, except that both parties may disclose the terms hereof to its consultants and advisors, or as necessary or required to be disclosed in connection with the due diligence investigations, or to the City of Chicago (or their respective staffs) and the HSFRB.

Purchaser and Seller agree that this LOI serves only as an outline of the general terms and conditions of the proposed transaction, this LOI includes only some of the terms typically included in a transaction of this nature, and this LOI is not and shall not be construed as a contract of sale. Completion of this transaction herein described is subject to the negotiation and execution of the mutually acceptable Definitive Agreements, the terms of which, if executed by both parties, shall govern the rights and obligations of Seller and Purchaser.

The parties acknowledge and agree that neither party shall be legally bound to the other by reason of this LOI or the acceptance thereof, nor shall any rights, liabilities or obligations, express or implied, be created hereby or thereby. It shall be and remain in the sole discretion of either party whether or not to enter into the transaction contemplated by this LOI and not until the Definitive Agreements have been fully executed will there be any legally binding obligations of the parties with respect to the transaction contemplated herein. This LOI supersedes any prior discussions or agreements, written or oral, between the parties regarding the transaction contemplated by this LOI.

We look forward to partnering together to create a new Advocate Health Medical Campus adjacent to the country's preeminent quantum computing, data, and innovation district, 8080 Lake Shore Drive, on the South Side of Chicago.

Sincerely,

Curt R. Bailey
President, Related Midwest

Executed as of the 17 day of January, 2025.

Purchaser:

Advocate Health and Hospitals Corporation or its affiliate entity:

By:_____
Name: Collin Lane
Title: Senior Vice President, Shared Support & Ancillary Services

1/17/2025 | 12:19:03 PM EST

Agreed and accepted this _____ day of _____, 2025:

Seller:

RELATED CHICAGO 8080 LLC,
a Delaware limited liability company or its affiliate entity:

By:_____
Name: Curt R. Bailey
Title: Authorized Representative

Exhibit A

Legal Description

23 ACRE PARCEL

THAT PART OF BLOCK 1 IN ILLINOIS STEEL COMPANY'S SOUTH WORKS RESUBDIVISION OF LOT, PIECES AND PARCELS OF LAND IN SECTION 32, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH AND WEST OF S. DuSABLE LAKE SHORE DRIVE (SOUTH AVENUE O) AS DEDICATED PER DOCUMENT NO. 06068324023, RECORDED MARCH 9, 2006, AND DOCUMENT NO. 0832645125, RECORDED NOVEMBER 21, 2008; AND LYING EAST AND NORTH OF A LINE DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE WEST LINE OF BLOCK 1 AFORESAID, BEING ALSO THE EAST LINE OF SOUTH BRANDON AVENUE, WITH THE SOUTHERLY LINE OF S. DuSABLE LAKE SHORE DRIVE (SOUTH AVENUE O) AFORESAID; THENCE SOUTH 71 DEGREES 07 MINUTES 49 SECONDS EAST (ASSUMED) ALONG SAID SOUTHERLY LINE 29.27 FEET TO THE **POINT OF BEGINNING**; THENCE SOUTH 27 DEGREES 03 MINUTES 15 SECONDS WEST 57.45 FEET TO A POINT ON THE WEST LINE OF BLOCK 1 AFORESAID, BEING POINT #1311 (STATION 168+60.75) PER DOCUMENT NO. 0832645125 AFORESAID; THENCE SOUTH 01 DEGREES 28 MINUTES 50 SECONDS EAST ALONG THE WEST LINE OF BLOCK 1 AFORESAID, BEING ALSO THE EAST LINE OF SOUTH BRANDON AVENUE, 901.83 FEET; THENCE NORTH 88 DEGREES 25 MINUTES 05 SECONDS EAST 1579.87 FEET TO A POINT ON THE WEST LINE OF S. DuSABLE LAKE SHORE DRIVE (SOUTH AVENUE O) AFORESAID, SAID POINT BEING 90.00 FEET ALONG THE ARC OF A CIRCLE HAVING A RADIUS OF 685.00 FEET CONCAVE SOUTHWESTERLY AND WHOSE CHORD BEARS NORTH 06 DEGREES 36 MINUTES 32 SECONDS WEST, A DISTANCE OF 692.82 FEET, NORTH OF POINT #1333 (STATION 147+70.68) PER DOCUMENT NO. 0832645125 AFORESAID, AND THE POINT OF TERMINUS, IN COOK COUNTY, ILLINOIS.

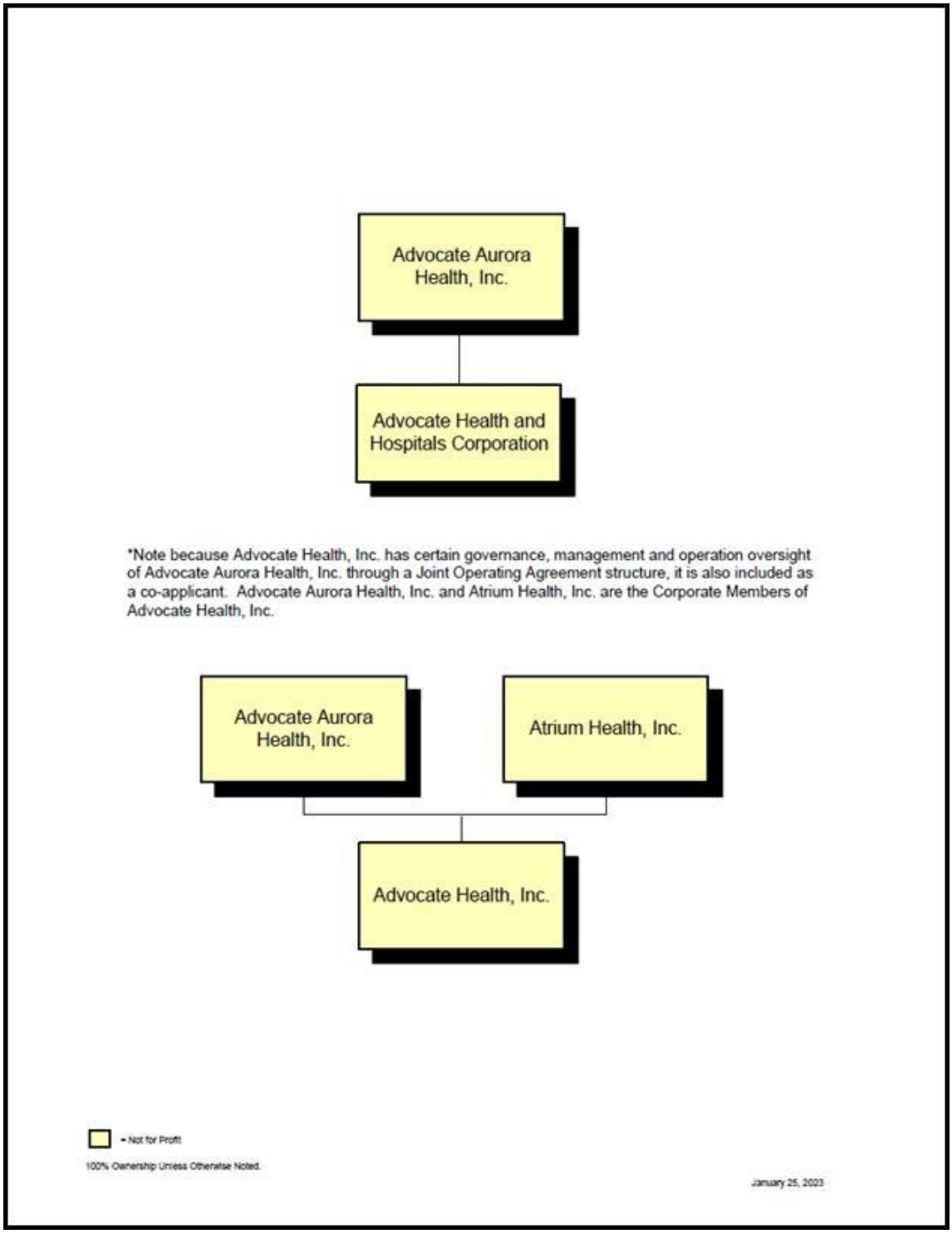
ATTACHMENT 3
OPERATING ENTITY/LICENSEE

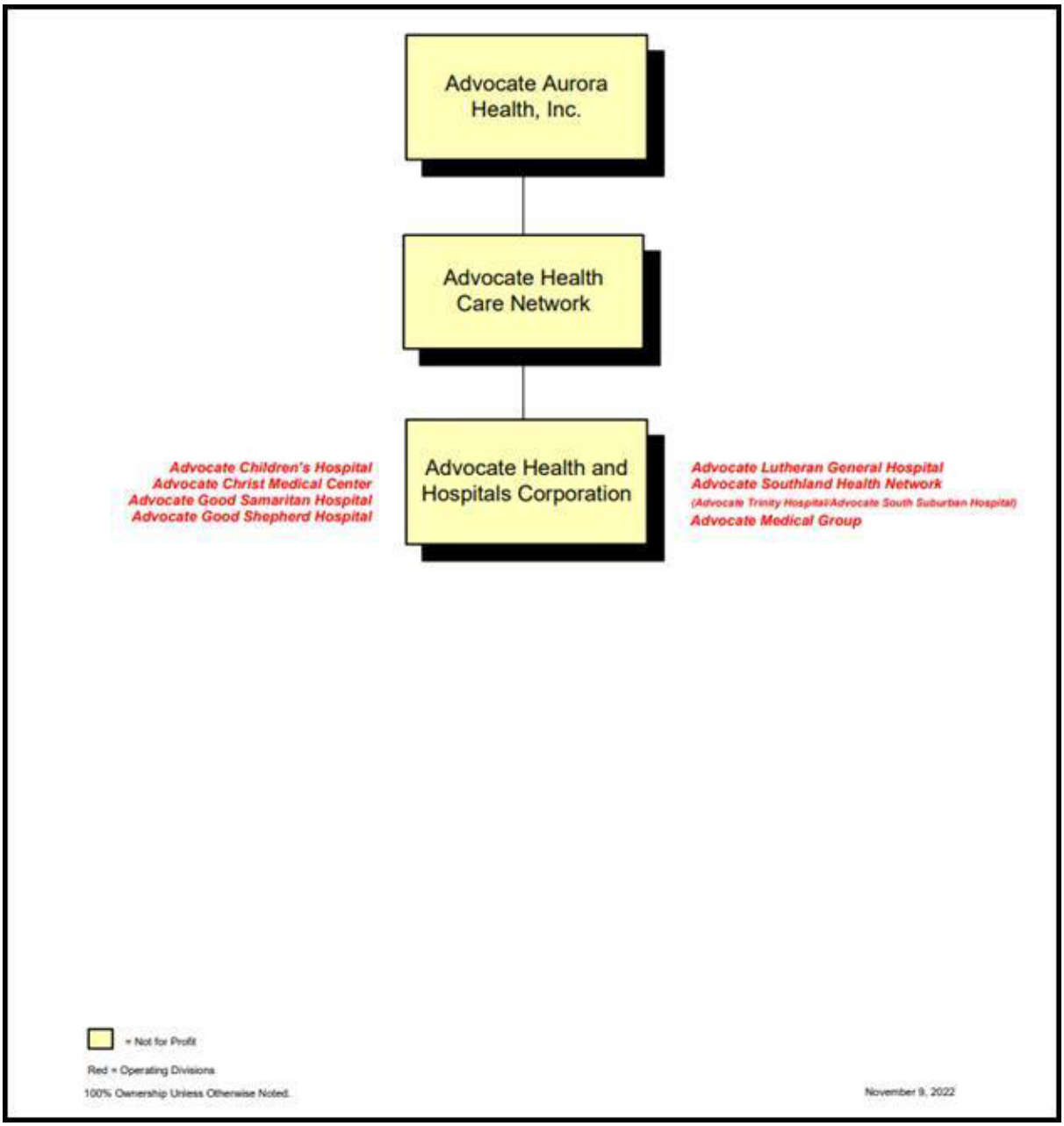
Illinois Certificates of Good Standing for the applicants are provided in Attachment 1 and are incorporated in Attachment 3 by reference.

The licensee of Advocate Trinity Hospital is the applicant Advocate Health and Hospitals Corporation which operates the hospital under the name Advocate Southland Health Network d/b/a Advocate Trinity Hospital. Both Advocate Southland Health Network and Advocate Trinity Hospital are registered with the Illinois Secretary of State as a d/b/a of Advocate Health and Hospitals Corporation.

.

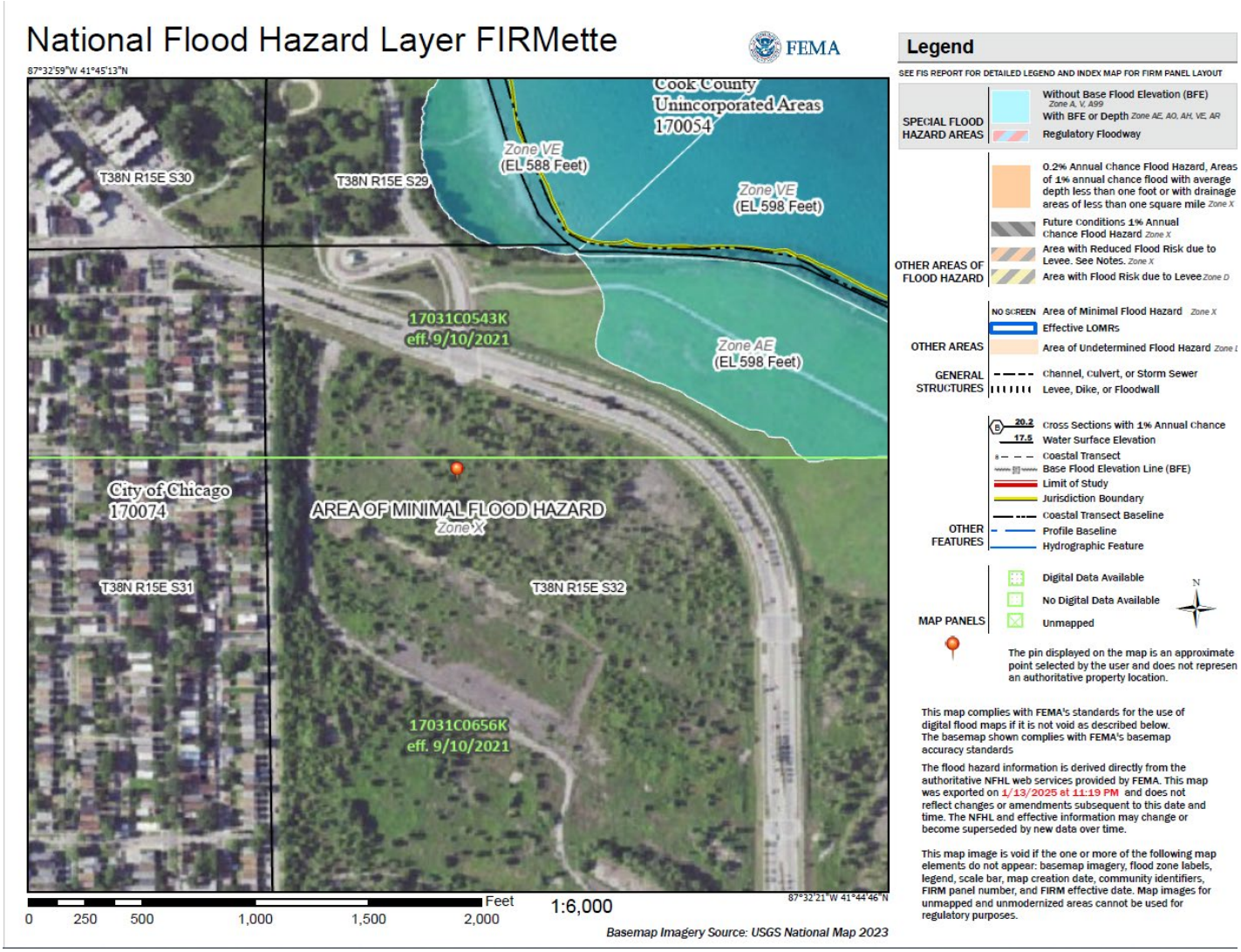
ATTACHMENT 4
ORGANIZATIONAL CHARTS




Advocate Aurora Health, Inc.
Advocate Health Care Network
Advocate Health and Hospitals Corporation
Advocate Children's Hospital
Advocate Christ Medical Center
Advocate Good Samaritan Hospital
Advocate Good Shepherd Hospital
Advocate Lutheran General Hospital
Advocate Southland Health Network
(Advocate Trinity Hospital/Advocate South Suburban Hospital)
Advocate Medical Group
= Not for Profit
Red = Operating Divisions
100% Ownership Unless Otherwise Noted.
November 9, 2022

ATTACHMENT 5
FLOOD PLAIN REQUIREMENTS

Attached is documentation that the project complies with the requirements of Illinois Executive Order #2006-5 pertaining to construction activities in special flood hazard areas, including a map of the proposed project location showing any identified floodplain areas.



ATTACHMENT 6
HISTORIC PRESERVATION ACT REQUIREMENTS

The Historic Preservation Act request letter submitted to the Illinois State Historic Preservation Office, dated 1/17/2025, is included with this Attachment. The Historic Preservation Act clearance letter from the State Historic Preservation Office will be provided once received.

Advocate Health Care

Advocate Trinity Hospital
2320 East 93rd Street
Chicago, IL 60617
T (773) 967-2000
advocatehealth.com

1/17/2025

Carey Mayer, Deputy State Historic Preservation Officer
Illinois State Historic Preservation Office
Attn: Review & Compliance
1 Old State Capital Plaza
Springfield, IL 62701

RE: Historic Preservation Act Determination
Advocate Trinity Hospital CON request for a New Hospital

Dear Ms. Mayer,

Per the Certificate of Need, the guidance is to provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act. Identified as Attachment 6 to the CON application form; below is the following information provided with supporting documentation:

1. **Project Description and Address**

Advocate Health seeks a certificate of need from the Illinois Health Facilities and Services Review Board to build a new hospital in the City of Chicago with an approximately 170,000 BGSF. This 4-story structure will include penthouse. The new hospital scope will include a short stay, low acuity facility consisting of 36 Med-Surg beds, a 4-bed ICU, a 16 exam room Emergency Department, 8 station Observation Unit, 2 Endoscopy Labs, 3 ORs, 1 Cath/IR Lab, 1 MRI, 1 CT, 1 Nuclear Medicine room, 2 General X-ray room, 2 Ultrasound rooms and supporting departments. The proposed project will be located per the following legal description:

THAT PART OF BLOCK 1 IN ILLINOIS STEEL COMPANY'S SOUTH WORKS RESUBDIVISION OF LOT, PIECES AND PARCELS OF LAND IN SECTION 32, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH AND WEST OF S. DuSABLE LAKE SHORE DRIVE (SOUTH AVENUE O) AS DEDICATED PER DOCUMENT NO. 06068324023, RECORDED MARCH 9, 2006, AND DOCUMENT NO. 0832645125, RECORDED NOVEMBER 21, 2008; AND LYING EAST AND NORTH OF A LINE DESCRIBED AS FOLLOWS:
COMMENCING AT THE INTERSECTION OF THE WEST LINE OF BLOCK 1 AFORESAID, BEING ALSO THE EAST LINE OF SOUTH BRANDON AVENUE, WITH THE SOUTHERLY LINE OF S. DuSABLE LAKE SHORE DRIVE (SOUTH AVENUE O) AFORESAID; THENCE SOUTH 71 DEGREES 07 MINUTES 49 SECONDS EAST (ASSUMED) ALONG SAID SOUTHERLY LINE 29.27 FEET TO THE **POINT OF BEGINNING**; THENCE SOUTH 27 DEGREES 03 MINUTES 15 SECONDS WEST 57.45 FEET TO A POINT ON THE WEST LINE OF BLOCK 1 AFORESAID, BEING POINT #1311 (STATION 168+60.75) PER DOCUMENT NO. 0832645125 AFORESAID; THENCE SOUTH 01 DEGREES 28 MINUTES 50 SECONDS EAST ALONG THE WEST LINE OF BLOCK 1 AFORESAID, BEING ALSO THE EAST LINE OF SOUTH BRANDON AVENUE, 901.83 FEET; THENCE NORTH 88 DEGREES 25 MINUTES 05 SECONDS EAST 1579.87 FEET TO A POINT ON THE WEST LINE OF S. DuSABLE LAKE SHORE DRIVE (SOUTH AVENUE O) AFORESAID, SAID POINT BEING 90.00 FEET ALONG THE ARC OF A CIRCLE HAVING A RADIUS OF 685.00 FEET CONCAVE SOUTHWESTERLY AND WHOSE CHORD BEARS NORTH 06 DEGREES 36 MINUTES 32 SECONDS WEST, A DISTANCE OF 692.82 FEET, NORTH OF POINT #1333

(STATION 147+70.68) PER DOCUMENT NO. 0832645125 AFORESAID, AND THE POINT OF TERMINUS, IN COOK COUNTY, ILLINOIS. CONTAINING 1,001,874 SQUARE FEET OR 23.0 ACRES.

No buildings will need to be demolished, the new building will be constructed on a greenfield site.

2. Name, email address, phone, and mailing address of the project contact

Ernesto Barraza, Ernesto.barraza@aah.org, 312-805-9922, 4440 West 95th Street, Oak Lawn, IL 60617.

3. Topographical or Metropolitan Map

A metropolitan map showing the location of the Proposed Project is attached as Attachment 1.

4. Historic Architectural Resources Geographic Information System

A map from the Historic Architectural Resources Geographic Information System is attached as Attachment 2. The property is not listed on the (i) National Register, (ii) within a local historic district, or (iii) within a local landmark.

5. Photographs of Site

Photographs of the hospital are attached as Attachment 3.

6. Address for Building/Structure

The address has not yet been established for this portion of the overall 400+ acre parcel, which will eventually occur as part of the building permitting process with the City of Chicago.
For the purposes of Project location, the following legal description of the parcel is as follows:

THAT PART OF BLOCK 1 IN ILLINOIS STEEL COMPANY'S SOUTH WORKS RESUBDIVISION OF LOT, PIECES AND PARCELS OF LAND IN SECTION 32, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH AND WEST OF S. DuSABLE LAKE SHORE DRIVE (SOUTH AVENUE O) AS DEDICATED PER DOCUMENT NO. 06068324023, RECORDED MARCH 9, 2006, AND DOCUMENT NO. 0832645125, RECORDED NOVEMBER 21, 2008; AND LYING EAST AND NORTH OF A LINE DESCRIBED AS FOLLOWS:
COMMENCING AT THE INTERSECTION OF THE WEST LINE OF BLOCK 1 AFORESAID, BEING ALSO THE EAST LINE OF SOUTH BRANDON AVENUE, WITH THE SOUTHERLY LINE OF S. DuSABLE LAKE SHORE DRIVE (SOUTH AVENUE O) AFORESAID; THENCE SOUTH 71 DEGREES 07 MINUTES 49 SECONDS EAST (ASSUMED) ALONG SAID SOUTHERLY LINE 29.27 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 27 DEGREES 03 MINUTES 15 SECONDS WEST 57.45 FEET TO A POINT ON THE WEST LINE OF BLOCK 1 AFORESAID, BEING POINT #1311 (STATION 168+60.75) PER DOCUMENT NO. 0832645125 AFORESAID; THENCE SOUTH 01 DEGREES 28 MINUTES 50 SECONDS EAST ALONG THE WEST LINE OF BLOCK 1 AFORESAID, BEING ALSO THE EAST LINE OF SOUTH BRANDON AVENUE, 901.83 FEET; THENCE NORTH 88 DEGREES 25 MINUTES 05 SECONDS EAST 1579.87 FEET TO A POINT ON THE WEST LINE OF S. DuSABLE LAKE SHORE DRIVE (SOUTH AVENUE O) AFORESAID, SAID POINT BEING 90.00 FEET ALONG THE ARC OF A CIRCLE HAVING A RADIUS OF 685.00 FEET CONCAVE SOUTHWESTERLY AND WHOSE CHORD BEARS NORTH 06 DEGREES 36 MINUTES 32 SECONDS WEST, A DISTANCE OF 692.82 FEET, NORTH OF POINT #1333 (STATION 147+70.68) PER DOCUMENT NO. 0832645125 AFORESAID, AND THE POINT OF TERMINUS, IN COOK COUNTY, ILLINOIS. CONTAINING 1,001,874 SQUARE FEET OR 23.0 ACRES.

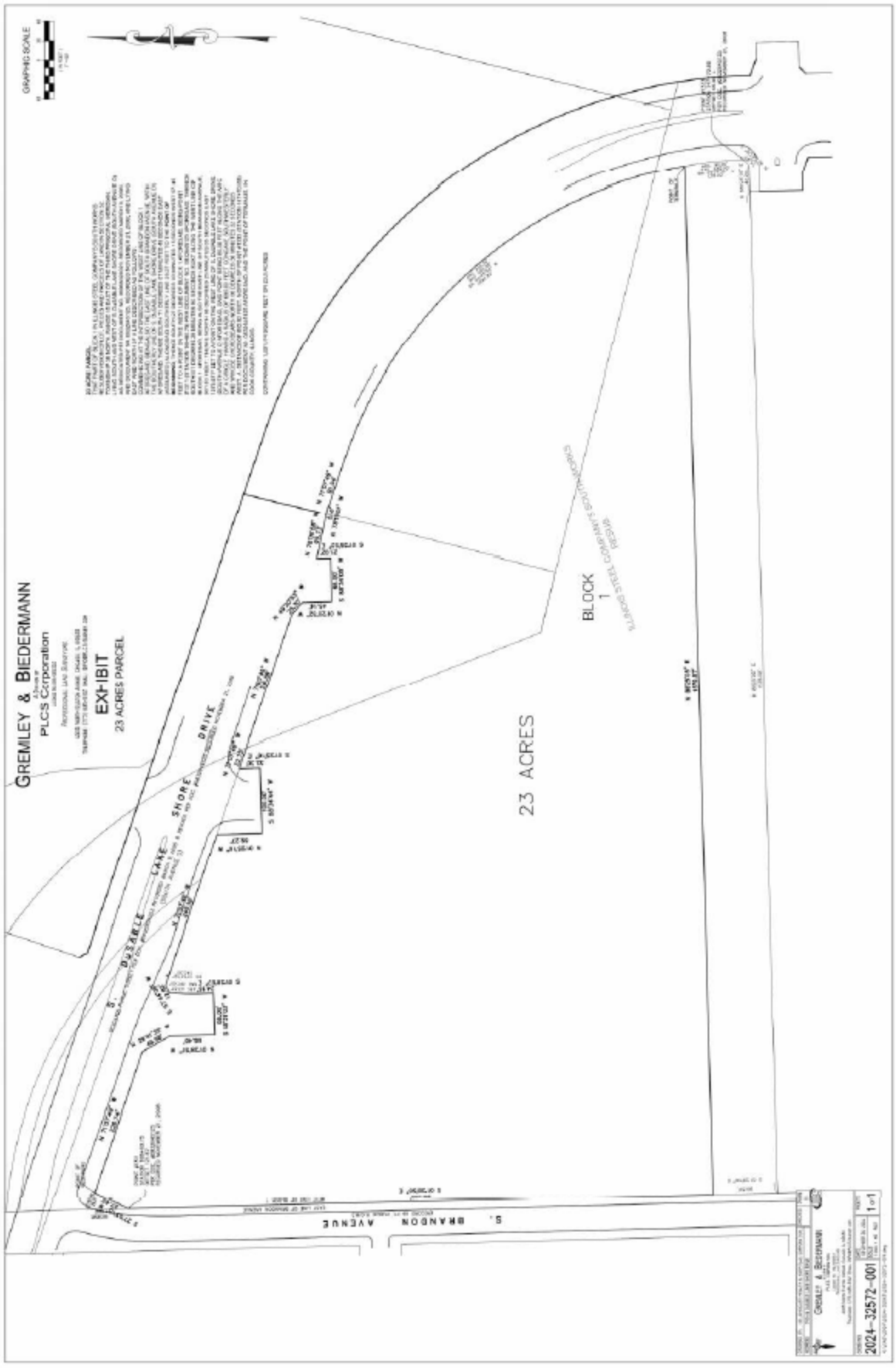
Thank you for your time and consideration of our request for Historic Preservation Determination. If you have any questions, please contact me at Ernesto.barraza@aah.org

Sincerely,

Ernesto Barraza
Design Manager, Planning, Design and Construction
Advocate Heath Care

Attachment 1

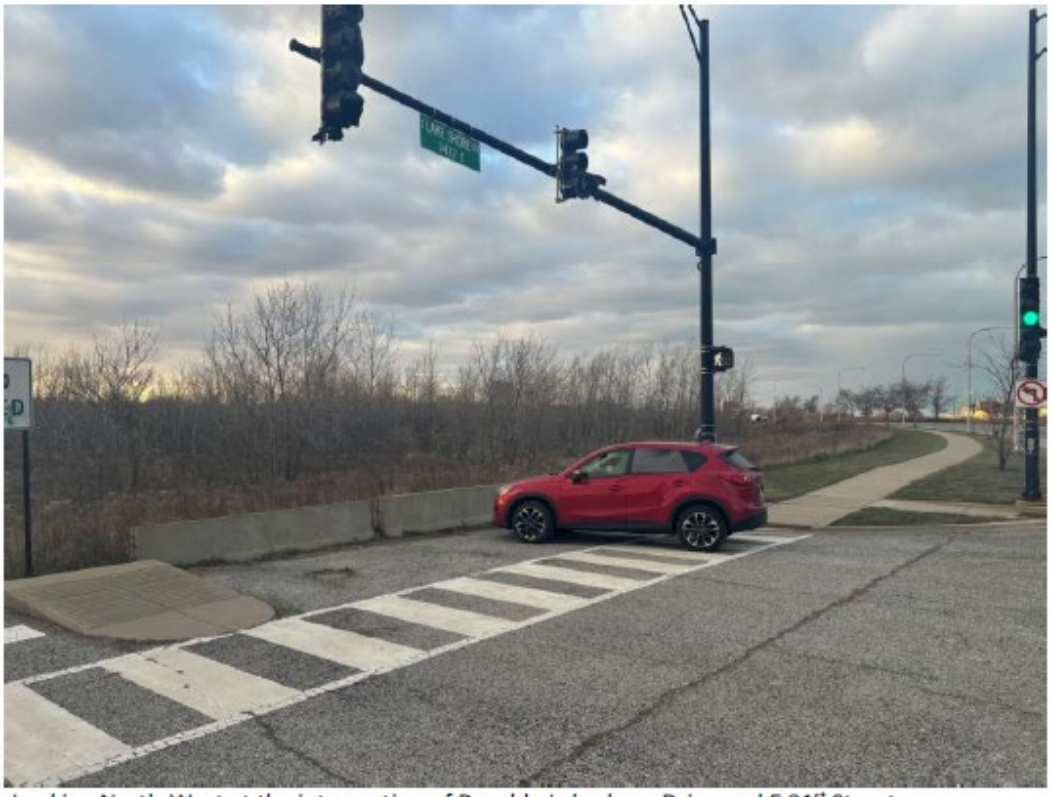

Location of New Hospital
Park No. 566 "USX"
Park No. 566
William K. Ness Sullivan Elementary School
Steelworkers Park Climbing Wall
Tribute to the Past
Steelworkers Park
8080 S DuSable Lake Shore Dr
SOUTH WORKS
THE BUSH
SOUTH CHICAGO
87th St
E 87th St
83rd St
S Exchange Ave
S South Shore Dr
Rainbow Beach Park
Myra Bradwell School
Eckersall Stadium
Jiffy Lube
Sullivan House High School
Chicago Vocational High School
S Jeffery Blvd
S Yates Blvd
S South Chicago Ave
E 79th St
S Baltimore Ave
Google
Map data ©2024
1000 ft


GREMLEY & BIEDERMANN
PLCS Corporation
EXHIBIT
23 ACRES PARCEL
23 ACRES
BLOCK
1
SHORE
DRIVE
DUSABLE
LAKE
S. BRANDON AVENUE
GRAPHIC SCALE
2024-32572-001

Attachment 2

Historic & Architectural Resources Geographic Information System - HARGIS
Illinois State Historic Preservation Office
Enter an address here
Legend
National Register Properties
Part of a NR Historic District
Determined eligible for the NR
Part of a NR Historic District - contributing
Entered in the NR
Undetermined
Other
IL Boundary
National Register Districts
County Boundaries
Windsor Park
Chatham
The Bush
City of Chicago, Esri Canada, Esri, HERE, Garmi
National Register Properties
NR Evaluation - Undetermined
Options
Zoom to
Clear selection
Refresh
Significant Name
Other Name
Reference Number
Location
City
County
NR Eval
Hansen, Anton E. House
223405
7610 S. Ridgeland Ave
Chicago
Cook
Entered in the NR
South Shore Bungalow Historic District
223477
roughly bounded by s. cranston av., e. 78th st., s. clyde av., e. 75th st.
Chicago
Cook
Entered in the NR
2 Features Selected

Attachment 3



Looking North-West at the intersection of Dusable Lakeshore Drive and E 81st Street

Picture Looking North at the intersection of Dusable Lakeshore Drive and E 81st Street

Picture Looking West at the intersection of Dusable Lakeshore Drive and E 81st Street

Picture Looking West at the intersection of Dusable Lakeshore Drive and S Farragut Drive

Picture Looking South-East at the intersection of Dusable Lakeshore Drive and S Brandon Avenue

Picture Looking South at the intersection of Dusable Lakeshore Drive and S Brandon Avenue

Picture Looking North-East at the intersection of E 81st Street and S Brandon Avenue


Picture Looking North at the intersection of E 81st Street and S Brandon Aven

ATTACHMENT 7
PROJECT COSTS AND SOURCES OF FUNDS ITEMIZATION

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	$ 1,139,442	$ 957,508	$ 2,096,950
Site Survey and Soil Investigation	$ 244,521	$ 205,479	$ 450,000
Site Preparation	$ 15,102,782	$ 12,691,338	$ 27,794,120
Off Site Work	$ 3,013,316	$ 2,532,184	$ 5,545,500
New Construction Contracts	$ 84,771,940	$ 71,236,504	$ 156,008,444
Modernization Contracts	$ -	$ -	$ -
Contingencies	$ 8,477,194	$ 7,123,650	$ 15,600,844
Architectural/Engineering Fees	$ 5,167,548	$ 4,342,452	$ 9,510,000
Consulting and Other Fees	$ 7,543,479	$ 6,339,021	$ 13,882,500
Movable or Other Equipment (not in construction contracts)	$ 22,192,636	$ 18,649,164	$ 40,841,800
Bond Issuance Expense (project related)	$ 1,514,399	$ 1,272,597	$ 2,786,996
Net Interest Expense During Construction (project related)	$ 13,960,795	$ 11,731,691	$ 25,692,486
Fair Market Value of Leased Space or Equipment	$ -	$ -	$ -
Other Costs to Be Capitalized	$ 10,513,239	$ 8,834,603	$ 19,347,842
Acquisition of Building or Other Property (excluding land)	$ -	$ -	$ -
TOTAL USES OF FUNDS	**$ 173,641,291**	**$ 145,916,191**	**$ 319,557,482**
SOURCE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Cash and Securities	$ 50,974,948	$ 42,835,838	$ 93,810,786
Pledges	$ -	$ -	$ -
Gifts and Bequests	$ -	$ -	$ -
Bond Issues (project related)	$ 122,666,343	$ 103,080,353	$ 225,746,696
Mortgages	$ -	$ -	$ -
Leases (fair market value)	$ -	$ -	$ -
Governmental Appropriations	$ -	$ -	$ -
Grants	$ -	$ -	$ -
Other Funds and Sources	$ -	$ -	$ -
TOTAL SOURCES OF FUNDS	**$ 173,641,291**	**$ 145,916,191**	**$ 319,557,482**

NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Attachment 7 - Itemization of Costs

Preplanning Costs:		**Total:**	**$**	**2,096,950**
	Concept and Programming		$	1,850,000
	Pre-Construction Services		$	246,950
Site Survey and Soil Investigation:		**Total:**	**$**	**450,000**
Off Site Work:		**Total:**	**$**	**5,545,500**
Site Preparation:		**Total:**	**$**	**27,794,120**
New Construction Contracts:		**Total:**	**$**	**156,008,444**
	Construction Cost		$	147,580,749
	General Conditions / Temp Utilities		$	6,715,187
	Insurance		$	1,712,508
Modernization Contracts:		**Total:**	**$**	**-**
Contingencies:		**Total:**	**$**	**15,600,844**
Architectural/Engineering Fees:		**Total:**	**$**	**9,510,000**
Consulting and Other Fees:		**Total:**	**$**	**13,882,500**
	CON Application & Related Fees (Legal, etc.)		$	775,000
	Project Audit (project & CON)		$	400,000
	IDPH Plan Review		$	40,000
	Commissioning		$	500,000
	Permits / Testing		$	4,105,000
	Project Management		$	2,800,000
	Activation Consultant		$	300,000
	Civil Engineering		$	300,000
	Landscape Design		$	200,000
	Sustainability / LEED Planning		$	220,000
	Medical Equipment Planning		$	610,500
	Low Voltage Design		$	275,000
	Energy Modeling		$	325,000
	Acoustic/Vibration		$	100,000
	Food Service Design		$	225,000
	Logistics Consulting		$	175,000
	Security		$	220,000
	Lighting Designer		$	120,000
	Interior Designer		$	225,000
	Furniture Design Services		$	120,000

	Shielding Design/Testing		$	75,000
	Traffic Engineer		$	132,000
	Zoning Attorney / Support		$	630,000
	Future Expansion Planning		$	475,000
	Wayfinding / Signage Consultant		$	125,000
	Other (Photo Doc, Archiving, Reimbursements)		$	410,000
Movable and Other Equipment:		**Total:**	**$**	**40,841,800**
(not in construction contracts)	Medical and Kitchen Equipment		$	27,310,000
	Medical Gas Headwalls		$	1,160,800
	IT / Telecom System		$	11,515,000
	Television / Clock System		$	756,000
	Equip Temperature Monitoring		$	100,000
Bond Issuance Expense (project related):		**Total:**	**$**	**2,786,996**
Net Interest Expense During Construction (project related):		**Total:**	**$**	**25,692,486**
Other Costs to be Capitalized:		**Total:**	**$**	**19,347,842**
	Furnishings		$	4,555,000
	Exterior / Interior Signage		$	1,413,950
	Artwork		$	608,940
	Modular wall / furnishing systems		$	550,000
	Window Treatments		$	850,000
	Builder's Risk Insurance		$	1,200,000
	Nurse Call Systems		$	1,830,000
	Distributed Antenna System		$	960,000
	UPS / Inverter System		$	2,235,396
	Audio / Visual System		$	70,000
	Pneumatic Tube System		$	875,000
	Security / EMS Systems		$	3,372,500
	Oxygen Tank		$	100,000
	EV Car Charging System		$	291,500
	Telemetry Monitoring System		$	435,556
		TOTAL:	**$**	**319,557,482**

Attachment 7 – Financial Review Standards Cost Details

Preplanning Costs:

Cost Exceeds Standards due to:

- Multiple site studies incurred under project cost

Site Survey and Soil Investigation:

Cost Exceeds Standards due to:

- Extensive environmental engineering and geotechnical services required due to selected site complexities

Off Site Work: **No Standard**

Site Preparation:

Cost Exceeds Standards due to:

- Soil remediation requires engineered barrier
- Existing extensive foundations require removal for sitework
- Remediation planned for full parcel
- Size of parcel comparative to size of hospital increases typical landscaping costs as well as includes intercampus circulation system for future development
- Planned community spaces, gardens included
- Geothermal exchange system planned to reduce electrical energy need

New Construction Contracts:

Cost Exceeds Standards due to:

- Existing extensive foundations require removal for building foundations
- Specialty foundation system required due to soil type
- Sustainability goals: LEED Gold to be pursued
- Sustainability goals: Achieve carbon neutrality through offsetting scope 1 and scope 2 emissions via all electric energy, onsite renewable resources, specialty material considerations beyond LEED requirements
- Planned significant community construction participation may reveal labor shortages
- Advocate room standards to be implemented based on operational and support best practice committee input
- High amount of curtainwall/glass to take advantage of views from site
- Ambulance garage rather than exterior parking to accommodate patients comfortably year round
- Ample and inviting public spaces to accommodate community events
- State of the art technologies and future ready infrastructure

Modernization Contracts: **Not applicable**

Contingencies: **Meets Standard**

Architectural/Engineering Fees:

Cost Exceeds Standards due to:

- Site remediation and other additional services coordination due to site complexities

Consulting and Other Fees: **No Standard**

Movable and Other Equipment:	**No Standard**
Bond Issuance Expense (project related):	**No Standard**
Net Interest Expense During Construction (project related):	**No Standard**
Other Costs to be Capitalized:	**No Standard**

ATTACHMENT 8
FINANCIAL COMMITMENT DOCUMENT

The following CON/COE applications have received permits from the HFSRB and are in the process of development. These projects are expected to be completed on time and within budget without any changes in scope.

Advocate Illinois Masonic Medical Center	#22-009
Advocate Outpatient Center – Chicago Webster	#23-002
Advocate Christ Medical Center	#23-021/E-051-22
Advocate ASTC – Chicago Webster	#23-007
Advocate Outpatient Center Hoffman Estates	#23-028
Advocate Outpatient Center Westmont	#24-001
Advocate Good Shepherd Hospital	# 24-015
Advocate Naperville ASTC/Cath/Outpatient Center	#24-008
Advocate Christ Medical Center	#24-028
Advocate Lutheran General Hospital	#24-029

ATTACHMENT 9
COST SPACE REQUIREMENTS

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 department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

		Departmental Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
Dept. / Area	**Cost**	**Existing**	**Proposed**	**New Const.**	**Modernized**	**As Is**	**Vacated Space**
REVIEWABLE							
Medical-Surgical (36)	$45,820,137	-	26,011	26,011	-	-	-
Intensive Care Service (4)	$5,612,437	-	2,740	2,740	-	-	-
General Radiology (2)	$4,506,336	-	2,200	2,200	-	-	-
Ultra-Sound (2)	$2,487,702	-	1,735	1,735	-	-	-
CT Scan (1)	$3,277,335	-	1,600	1,600	-	-	-
MRI (1)	$3,943,044	-	1,750	1,750	-	-	-
Nuclear Medicine (1)	$3,277,335	-	1,600	1,600	-	-	-
Emergency Department (16)	$25,329,582	-	14,379	14,379	-	-	-
Observation Unit (8)	$12,188,287	-	6,919	6,919	-	-	-
Cardiac Catheterization (1)	$4,506,336	-	2,000	2,000	-	-	-
Ambulatory Care (Stress/Echo)	$1,720,601	-	1,200	1,200	-	-	-
Surgical Operating Suite (3) - Class C	$26,990,699	-	11,979	11,979	-	-	-
Surgical Procedure Suite-Class B - GI (2)	$5,182,286	-	2,300	2,300	-	-	-
Post-Anesthesia Recovery Phase I (5)	$2,707,898	-	1,322	1,322	-	-	-
Post-Anesthesia Recovery Phase II (17)	$11,978,660	-	6,800	6,800	-	-	-
Dialysis Unit (4)	$3,230,224	-	1,577	1,577	-	-	-

Clinical Operation Service - Clinical Lab & Pharmacy	$10,882,392		6,641	6,641	-	-	-
Total Clinical	**$173,641,292**	**0**	**92,753**	**92,753**	**0**	**0**	**0**
NON REVIEWABLE							
Administration	$7,178,593	-	5,841	5,841	-	-	-
Classroom/Conference	$3,135,181	-	2,551	2,551	-	-	-
Dietary Services	$10,920,081	-	7,616	7,616	-	-	-
Materials Management	$7,262,370	-	5,065	5,065	-	-	-
Hospital Support (Staff Support, Spiritual, Morgue)	$13,403,482	-	10,906	10,906	-	-	-
Public Lobby/Waiting	$8,098,295	-	5,648	5,648	-	-	-
Sterile Processing Department	$6,070,854	-	4,234	4,234	-	-	-
Building Circulation (Elevators, Stairs, Shared Corridors)	$12,275,054	-	8,561	8,561	-	-	-
Central Utility Plant & Penthouse & Utility (Elec/IT-COMM) + Shafts	$54,339,038	-	29,476	29,476	-	-	-
Exterior Wall	$23,233,243	-	10,349	10,349	-	-	-
Total Non-clinical	**$145,916,191**	**0**	**90,247**	**90,247**	**0**	**0**	**0**
TOTAL	**$319,557,482**	**0**	**183,000**	**183,000**	**0**	**0**	**0**

*This project is new construction with no vacated space.

ATTACHMENT 11
BACKGROUND OF THE APPLICANT

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

   Attachment 11, Exhibit 1, is the listing of all Illinois licensed health care facilities owned by the Applicants. Attachment 11, Exhibit 2 is the current state hospital license for Advocate Trinity Hospital. Beyond those listed in Attachment 11, Exhibit 1, there are no other Illinois hospitals owned by Advocate Aurora Health, Inc. in Illinois. The most recent DNV accreditation certificate for the Hospital is included as Attachment 11, Exhibit 3. Illinois Certificates of Good Standing for the Applicants are provided in Attachment 1 and are incorporated in Attachment 11 by reference.

2. ***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.***

   By the signatures on the Certification pages of this application, the Applicants attest there has been no "adverse action" (as that term is defined in Section 1130.140 of the Illinois Health Facilities and Services Review Board (HFSRB) rules) against any Illinois health care facility owned and/or operated by the Applicants, during the three-year period immediately prior to the filing of this application.

3. ***Authorization permitting HFSRB and DPH access to any documents necessary.***

   The Applicants hereby authorize the HFSRB and the Illinois Department of Public Health to access information that may be required in order to verify any documentation or information submitted in response to the requirements of this subsection, or to obtain any documentation or information which the HFSRB or Illinois Department of Public Health find pertinent to this subsection.

4. ***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 is able to submit amendments to previously submitted information, as needed, to update and/or clarify data***

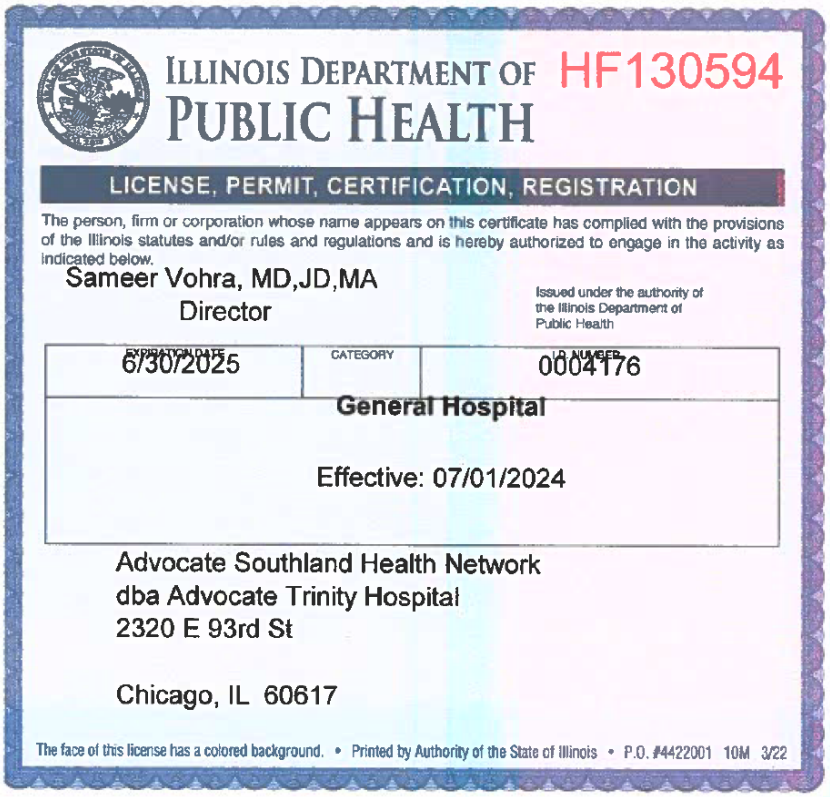
   All licensure and accreditation information required with this Attachment 11 is attached and the Applicants are not relying on a previously filed application.

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

Attachment 11, Exhibit 1

Illinois Hospitals owned and operated by the applicants.			
Facility	**Location**	**License No.**	**DNV Accreditation No.**
Advocate Christ Medical Center	4440 West 95th St Oak Lawn, IL 60453	315	PRJC-435588-2012-MSL-USA
Advocate Condell Medical Center	801 South Milwaukee Ave Libertyville, IL 60048	5579	PRJC-492361-2013- AST-USA
Advocate Good Samaritan Hospital	3815 Highland Ave Downers Grove, IL 60515	3384	PRJC-369029-2012-MSL-USA
Advocate Good Shepherd Hospital	450 West Highway 22 Barrington, IL 60010	3475	PRJC-369027-2012-MSL-USA
Advocate Illinois Masonic Medical Center	836 West Wellington Ave Chicago, IL 60657	5165	PRJC-529782-2015-AST-USA
Advocate Lutheran General Hospital	1775 Dempster St Park Ridge, IL 60068	4796	PRJC-369033-2012-MSL-USA
Advocate Sherman Hospital	1425 North Randall Rd Elgin, IL 60123	5884	PRJC-496379-2013-MSL-USA
Advocate South Suburban Hospital	17800 South Kedzie Ave Hazel Crest, IL 60429	4697	PRJC-409982-2012-MSL-USA
Advocate Trinity Hospital	2320 East 93rd Street Chicago, IL 60617	4176	PRJC-408213-2012-MSL-USA
Additionally, AHHC has ownership interest of 50% or more in the following licensed health care facilities			
Facility	**Location**	**License No.**	**Joint Commission Accreditation No/ Accreditation Association for Ambulatory Health Care, Inc.**
Dreyer Ambulatory Surgery Center	1220 N. Highland Ave, Aurora, IL	7001779	AAAHC

Attachment 11, Exhibit 2



ILLINOIS DEPARTMENT OF PUBLIC HEALTH

HF130594

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

Sameer Vohra, MD,JD,MA
Director

Issued under the authority of the Illinois Department of Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
6/30/2025		0004176

General Hospital

Effective: 07/01/2024

Advocate Southland Health Network
dba Advocate Trinity Hospital
2320 E 93rd St

Chicago, IL 60617

The face of this license has a colored background. • Printed by Authority of the State of Illinois • P.O. #4422001 10M 3/22

← DISPLAY THIS PART IN A CONSPICUOUS PLACE

Exp. Date 6/30/2025

Lic Number 0004176

Date Printed 4/11/2024

Advocate Southland Health Network
dba Advocate Trinity Hospital
2320 E 93rd St
Chicago, IL 60617

FEE RECEIPT NO.

Attachment 11, Exhibit 3

HEALTHCARE CERTIFICATE

Certificate no.:
10000426828-MSC-CMS-USA

Initial certification date:
11 December, 2012

Valid:
11 December, 2021 – 11 December, 2024

This is to certify that the management system of

Advocate Trinity Hospital

2320 East 93rd Street, Chicago, IL, 60617, USA

has been found to comply with the requirements of the:

NIAHO® Hospital Accreditation Program

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

Place and date:
Milford, OH, 12 January, 2022

ACCREDITED
Hospital
Quality & Patient Safety

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

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

Patrick Horine
Management Representative

Lack of fulfilment of conditions as set out in the Certification Agreement may render this Certificate invalid.
ACCREDITED UNIT: DNV Healthcare USA Inc., 400 Techne Center Drive, Suite 100, Milford, OH, 45150, USA - TEL: +1 513-947-8343. www.dnvhealthcare.com

ATTACHMENT 12
PURPOSE OF PROJECT

1110.110(b) – Purpose of Project

READ THE REVIEW CRITERION and provide the following required information:

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, 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 age and condition and 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 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.

Introductory Statement of Context of Proposed Project within Advocate Health Care's Broader Health Equity Vision for Chicago's South Side Community

Advocate Health Care believes that health equity is achieved when every person can attain their full health potential, where inequity in both social drivers and health system engagement is eliminated.

To that end, Advocate Health Care is making a significant strategic investment in our community, aiming to enhance access to preventive care, better manage chronic conditions, and create healthier outcomes. For more than 125 years, Advocate Health Care has been proudly serving our patients and communities on Chicago's South Side. Now more than ever, we are keenly aware of the profound and deep-rooted health inequities faced by so many. This moment offers an opportunity to innovate and invest in our community – envisioning new ways to deliver care and promote wellness, tackling the lower life expectancies and higher rates of chronic disease South Side residents endure.

Advocate Health Care's commitment will uplift and improve our communities' overall health and wellness, ensuring that we keep patients out of the hospital. Meeting patients where they are - in their homes and across their communities - is desired and their preferences have been central to reimagining our care delivery. Improving access to clinical care and social health resources will be the crux of how Advocate Health Care will deliver care differently in Advocate Trinity's community.

The Status Quo is Not Working

Despite serving the community for more than a century, the South Side continues to experience the widest life expectancy gap in the nation—a 30 year gap between residents of the South Side (60 years), and the North Side (90 years)[1]. This is the time to act. Our community needs a transformative and sustainable approach to care that is designed for needs now and in the future. As other organizations leave the community, we will invest and are committed to caring for the community. To close the dramatic life expectancy gap, we must solve for:

- A striking 84% of resident inpatient stays involve at least one or more chronic conditions considered ambulatory care sensitive, such as hypertension, COPD, diabetes, obesity, heart failure, mental health issues, substance use disorders, and renal failure.[2]
- Preventable hospitalizations occur at a rate 3.6 times higher than in other parts of the city[3].
- This service area faces a shortage of over 200 primary care physicians and more than 50 pediatricians.[4]
- Nearly 60% of Emergency Department visits on the South Side are non-emergent, treatable by primary care, or avoidable through primary care and outpatient chronic disease management.[5]
- Residents on the South Side have four times the number of diabetes-related deaths than North Side residents, and experience disproportionately more heart disease, cancer and strokes.[6]
- Residents in this community have a 15.7% food insecurity rate, and 48.3% low food access rate.[7]

In 2024, we engaged more than 400 members of the community through listening sessions, focus groups and conversations. Below reflects the insights/feedback from the residents of our community.

- Increased access to primary care, specialty care, immediate care, and other options besides the Emergency Department. This access should have shorter wait times for appointments, be closer to home, and provide financial assistance to ease co-pay and cost fears.
- Proactive vs. reactive care that offers timely and accurate screenings, diagnostic services, and chronic condition management.

[1] Illinois Department of Public Health- via Chicago Health Atlas
[2] 2019 South Side Resident Adult Inpatient Encounters by Comorbidity Count
[3] CDC statistics for PQI 92 for North Side and South Side zip codes accessed via Metopio
[4] Internal Physician Supply-Demand Study
[5] Analysis by The Chartis Group
[6] Diabetes related deaths per 100k residents, IDPH 2015
[7] Chicago Health Atlas. Low Food Access is defined as the percent of residents who have low access to food, defined solely by distance: further than 1/2 mile from the nearest supermarket in an urban area, or further than 10 miles in a rural area.

- A new modern, state-of-the art replacement hospital on the Southeast Side, to replace the current aging Advocate Trinity Hospital.
- Focus on patient interactions—respect, listening, compassion, and empathy.
- Focus on patient experience—health care system navigation and patient follow up.
- Not to have to make hard choices between medications vs. paying rent, bills.
- Not to have to struggle with copays, deductibles--no upfront cost.

Additionally, Advocate conducted a secondary research study with our academic partners through the Advocate National Center for Health Equity and the Wake Forest University School of Medicine and found that by increasing primary care access points residents can impact these outcomes below:

- Decrease avoidable Emergency Department utilization.
- Improve chronic disease conditions.
- Lower likelihood of chronic disease.

A subsequent review of published literature shows that health services research demonstrates that increased utilization of preventive and primary care services significantly improves chronic disease prevention and management while reducing Emergency Department visits and hospitalizations. By focusing on preventive measures and regular management of conditions such as hypertension, diabetes, and hyperlipidemia, primary care contributes to better health outcomes and reduced strain on emergency and inpatient services. The research consistently supports the role of primary care and preventive services in improving chronic disease outcomes, reducing Emergency Department utilization and preventing hospitalizations. By providing continuous and coordinated care, primary care providers help patients manage chronic conditions more effectively, leading to better health outcomes and reduced healthcare costs.

A New Way Forward

On December 17, 2024, Advocate Health Care announced that it will invest $1B to expand access to primary care, specialty care and wellness services on the South Side of Chicago. The plan calls for more locations across the South Side, more preventative programs and services, a new, state-of-the-art community hospital and more. This is one of the largest, long-term community-focused health care investments in the nation aimed at closing the 30-year life expectancy gap between individuals who reside on the South Side, and those residing and living longer on the North Side.[8]

The expansive investment in a wellness model is the direct result of an extensive community input process over much of 2024, which included more than 20 listening sessions and engaged hundreds of South Side residents. During these sessions, participants shared ideas and suggestions for improving access to outpatient and specialty care, using technology to improve

[8] New York University School of Medicine 2019.

care, providing robust health education and support for chronic conditions such as diabetes and high blood pressure, and building a state-of-the-art hospital to modernize inpatient care.

This new model, which was co-developed by the community, will help address the significant health inequities faced by so many on the South Side including the fact that 84% of hospitalized South Side residents have one or more chronic conditions[9] such as hypertension, diabetes, congestive heart failure, mental health needs, substance use issues and renal failure. The sad reality is that there are four times as many diabetes-related deaths on the South Side than on the North Side. [10]

In addition to this application to establish a new replacement hospital, the core of Advocate Health Care's $1B investment creates new primary care access points, expands our provider base and footprint in the community, directed toward the reduction of preventable hospital admissions, and improves health and wellness for the community.

It is important to note that the $1B investment is a combination of capital and operating investment over a 10-year period. Approximately $334M of the $1B is for capital projects, of which the hospital is $319.5 and $15M will support several ambulatory expansion projects. The remaining $700M+ of the $1B investment is operating investment to fund hospital and medical group programs and services, community benefit programs, and workforce initiatives. Highlights of the 10-year investment include:

Over $500 million is devoted to expanding outpatient care, embedded in the community.

- Adding new providers and services in the community projecting additional 85,000 new appointments each year, making it easier for patients to access both primary care providers, specialists and ancillary services.

- Establishing Advocate Health Care Neighborhood Care locations – ten accessible locations to serve the whole family; the first one opening in early 2025 and a few more by the end of 2025. These conveniently located care sites will virtually connect patients to Advocate providers in familiar places – churches, community centers and more – to handle everyday health services like treating the flu, common cold, asthma, sore throat, yearly physicals, lab testing, chronic disease management, contraception and medication refills. The onsite medical staff will connect patients to primary care providers and needed social services like food, housing and transportation to medical appointments.

- As part of this commitment, Advocate's financial assistance program is designed so no one goes without care due to financial barriers. Patients who cannot afford to pay can automatically qualify for free or discounted care through presumptive eligibility – no application required. Advocate is committed to health care affordability, and our

[9] 2019 South Side Resident Adult Inpatient Encounters by Comorbidity Count
[10] Diabetes related deaths per 100k residents, IDPH 2015

financial advocates will help patients navigate and understand if they will incur any out-of-pocket costs prior to their appointment.

- Expand the Imani Village outpatient clinic to add immediate care with more doctors, more services, more appointments and shorter waiting times.

- Add a mobile medicine vehicle that will provide primary care access at sites across the community – taking medical care directly to where it is needed.

More than $200 million will be invested in hospital and outpatient programs and services, expanding management of chronic disease and addressing social factors that affect health, like access to healthy food, housing, transportation and prescriptions. Services include:

- Expanding access to pharmacy services with free prescription programs for patients in financial need, and medication home delivery for patients with limited access to a retail pharmacy. Additionally, Advocate is adding pharmacy kiosks at select locations to increase access to over-the-counter and prescription medications.

- Growing Advocate's Food Farmacy program that distributes fresh produce and healthy staples to patients with metabolic conditions such as heart disease and diabetes by doctors' orders.

- To address black maternal and fetal health, Advocate will greatly expand access to pre- and post-natal care by adding 5,000 annual OB-GYN visits plus a robust new set of programs and wrap-around services that address the entire pregnancy journey, including patient navigation, education for the mother and family, medication, connection to midwives and social workers.

Spending over $300 million to acquire land and build a new state-of-the-art hospital at the former U.S. Steel South Works site near the lakefront that will replace the current Advocate Trinity Hospital building, which is more than 115 years old.

- Advocate has an agreement to purchase 23 acres of land to build a hospital with 36 medical surgery beds, four ICU beds, eight dedicated observation beds, a four-bed dialysis unit, operating and procedure rooms and an emergency room with 16 beds/stations. This will enable Advocate to expand services and beds if community need warrants, but currently there is an excess of hospital beds on the South Side. Data from the Illinois Department of Public Health show that less than 50% of hospital beds on the South Side are being used, on average.[11]

- In addition to providing inpatient care, the new hospital will have a cardiac catheterization lab, an enhanced emergency department and leading-edge diagnostic testing and imaging, including new services like robotic surgical procedures. It will utilize

[11] IDPH 2022, Inventory of Health Care Facilities and Services and Need Determinations

the latest medical technology to assess, triage and connect with specialty physicians more quickly and effectively.

- The cutting-edge technology in the new facility represents much more than health equity; it also symbolizes progress towards environmental justice for the community. For decades, South Side communities have had to live with the effects of disproportionately high levels of pollution and inadequate green space. The new hospital will be LEED certified and carbon neutral, a leader in environmental sustainability.
- The design will embrace environmental design considerations such as bird-safe technology to deter collisions, native and adapted plantings supportive of migratory birds, butterflies and other pollinator species, and stormwater management systems to integrate green infrastructure solutions to prevent pollutants from entering Lake Michigan and the Calumet River.
- Prior to constructing the new facility, Advocate will use remediation efforts to transform the currently vacant property into a state-of-the-art healing environment with green spaces and access to surrounding parks and the lake.
- The current Advocate Trinity Hospital on 93rd Street will continue serving patients until the new hospital is built and has opened, ensuring a seamless transition of care. Once the new hospital opens and the current hospital closes, Advocate will demolish the site and create green space while working with local elected officials, the City of Chicago and the community to determine the best use of the property.

Another part of the $1 billion investment is $25 million focused on workforce development because disrupting the root causes of health inequities on the South Side also requires having a good paying job with good benefits.

- Advocate plans to keep every one of its teammates currently working in the South Side and is committed to hiring more than 1,000 new teammates within the next three years in a variety of roles and levels of expertise throughout the South Chicagoland service area to care for the community and support this work.
- Advocate will be hosting job forums and deploying a new state-of- the-art *recruitment on wheels* van that allows it to connect with students and potential teammates one-on-one to assess skills, interests and talents and connect them with employment opportunities.

At the heart of this strategy lies the understanding that hospitals are not designed to manage and prevent chronic diseases. To elevate health and wellbeing for community members, we need to transition care into the community, treating chronic conditions outside hospital walls and bolstering prevention across various settings.

Advocate Health Care's new care model emphasizes the 4 C's of Primary Care: Contact, Coordination, Continuous, and Comprehensive Services. Engaging patients in their wellbeing is

key to improving their health. Coordinating services will help close care gaps, while continuous care with frequent touchpoints and digital engagement will maintain a stable health journey. Finally, comprehensive care will ensure all patient needs are met. Our new care model aims to create new primary care access points, reducing the reliance on hospitals for routine care.

This new care model supports a different type of hospital, one that is designed to be a lower acuity care facility with emergency, diagnostic and procedural capabilities and one that coordinates care with other Advocate hospitals that offer tertiary and quaternary services in the region. The following three initiatives will be the driving force behind the shift of acute care to the appropriate setting:[12,]

Initiative 1: Increase Access to Primary Care to Decrease Inpatient Admissions

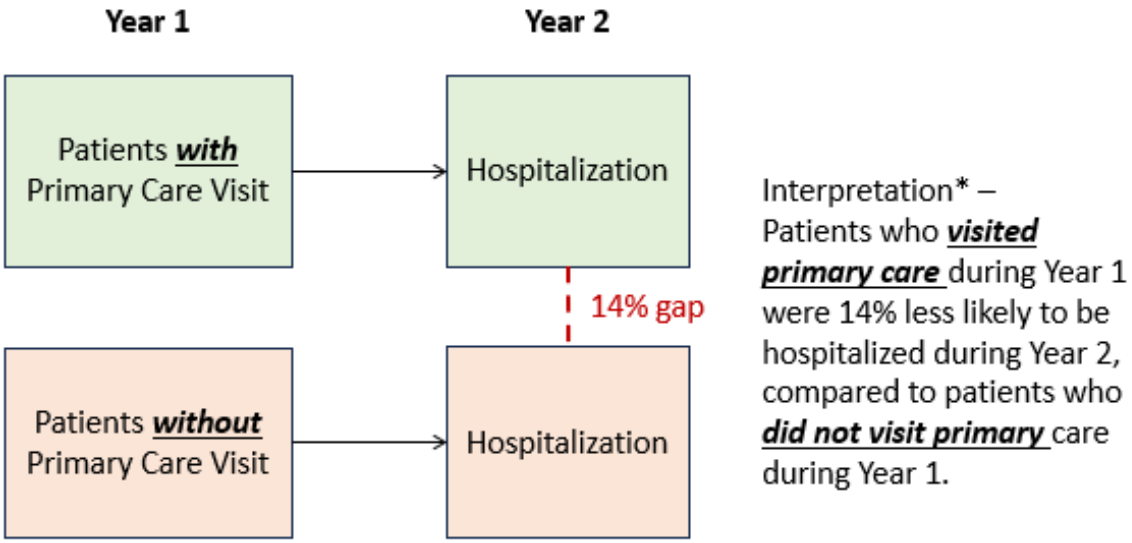
Advocate epidemiologists and researchers conducted a secondary research analysis that reviewed 2 years of data for a group of patients who were served in a facility located on the South Side of Chicago. Patients who visited primary care had better clinical utilization, fewer new chronic disease diagnoses and better managed chronic disease during the following year (compared to patients who had not visited primary care).

The research found patients who visited primary care during Year 1 were 14% less likely to be hospitalized during Year 2 (compared to patients who did not visit primary care during Year 1), in addition to:

- 33% decrease in uncontrolled diabetes
- 24% decrease in uncontrolled high cholesterol
- 21% decrease in uncontrolled hypertension
- 23% less likely to have avoidable Emergency Department visits

[12] Medical/Surgical and ICU Bed needs are explained in greater detail in Attachment 19 of this application.

See the Figure below for a visualization of the results for reduced hospitalization.



*Note – results were adjusted for confounding demographic factors using regression modeling

Results were adjusted for gender, age, race, insurance, CCI (Charleson Comorbidity Index) and the indicator of an Inpatient/Emergency Room event in the previous year using regression modeling. The interaction effect of race/ethnicity as part of the larger association is complex but results also demonstrated that the long-term impact of primary care on reducing Emergency Department visits was even stronger among our Black patients.

In our projections for the new hospital facility, we have taken this 14% reduction in hospitalization into account. First, Advocate is increasing primary care access through multiple means. Our first initiative expands the AMG Imani Village clinic to include new primary care and specialty clinics, an immediate care center, a remote pharmacy, and diagnostic imaging. We're also introducing Neighborhood Care, a network of local primary care sites designed for easy access within communities.

Neighborhood Care facilities/programs offer medical services staffed by on-site professionals and connect patients virtually to Advocate providers and specialists. The objective is to increase primary care access to arrest escalating conditions and invest in care that is upstream. These sites will be located in trusted community spots like places of worship and community centers. These facilities cover preventive care such as vaccinations, chronic disease management, and treatment of minor illnesses like flu and strep throat. These will provide point of care testing, asthma care, physicals, medication refills, and virtual specialist consultations when needed. Additionally, these sites can triage patients, directing them to immediate care or hospitals for more serious conditions.

Neighborhood Care patients will be able to access these clinics by walk-in or scheduling an appointment. In addition to seeing a healthcare provider, patients will be connected to needed

SDOH programs, health system navigation assistance, follow up scheduling, pharmaceutical resources, and point of care testing. With the establishment of these 10 Neighborhood Care locations, they will be able to provide over 50,000 visits annually.

As part of our Emergency Department analysis of low acuity visits, the scope of services offered at the Neighborhood Care Sites would support provide 3,949 ambulatory sensitive visits currently seen in the Emergency Department in year 1 alone, with the ability to provide proactive care for chronic disease management, primary care visits, specialty care visits, and more.

Projected Neighborhood Care Site Volumes						
	2025	2026	2027	2028	2029	2030
Neighborhood Care Sites	10,584	19,584	28,200	38,376	45,864	50,544

Source: Advocate Trinity Hospital Finance Department.

Initiative 2: Increased Access to Chronic Condition Care Reduces Inpatient Admissions

Our epidemiology research indicates that patients who see a Primary Care Provider (MD, DO, NP, APN) have improved health outcomes due to earlier diagnoses and treatment of chronic conditions, and better access to educational resources. Specifically, chronic disease patients saw decreases in uncontrolled hypertension (21%), diabetes (33%), and high cholesterol (24%) the following year. Those without chronic diseases experienced reductions in new cases of hypertension (43%), type II diabetes (45%), and hyperlipidemia (37%).

At Advocate Trinity Hospital, approximately 86% of inpatient admissions come through the Emergency Department, with 55% of these via Emergency Medical Services and 43% self-arrivals. Of these Emergency Department admissions, 28% are for chronic diseases like COPD (2%), chronic heart failure (6%), and diabetes (2.7%), 54% for episodic medical care, and 15% for procedural care.

Thirty five percent of Advocate Trinity Hospital's admissions have been determined to be preventable and avoidable, as 84% of patients who were admitted to Advocate Trinity Hospital have one or more chronic conditions. Providing preventative and primary care to these patients will decrease the need for Emergency Department visits and hospital admissions.

To increase primary care and chronic disease access and address the provider shortages in the community, Advocate Health Care has introduced a virtual chronic disease management program and new in-person services in the Advocate Trinity Service Area to meet chronic care needs of residents. The goal of these ambulatory expanded programs is to provide the appropriate location and expanded providers to support these patients and prevent the need for admissions for exacerbation of these chronic diseases.

The development of Chronic Disease Programs that include: Cardiometabolic, cardio-obstetrics, and CV fast track will provide preventive and comprehensive care to patients with chronic diseases. Descriptions for these programs can be found in Attachment 12, Exhibit 1.

Initiative 3: Transfer of Higher Acuity Patients to other Advocate Health Care Facilities

Advocate Trinity Hospital is the short stay community hospital for the city's far South Side, sharing a tax ID, Medicare provider number, medical staff, and administration with Advocate South Suburban Hospital. Advocate South Suburban Hospital offers comprehensive inpatient, outpatient, diagnostic, and ambulatory services, including ICU and acute mental illness care. As a not-for-profit, South Suburban Hospital also provides free screenings and various community outreach services.

Advocate Christ Medical Center, a leading 788-bed teaching hospital, has over 1,500 physicians on staff. It is a key referral center in the South Chicago Service Area for specialties like Level III NICU, cancer care, cardiovascular services, organ transplants, neurosciences, orthopedics, and women's health. The hospital handles over 105,000 emergency visits each year and operates one of Illinois' busiest Level I trauma centers.

Together these facilities will work in collaboration with each other and with over a dozen Advocate Medical Group clinics, our Neighborhood Care network, and virtual services to provide the continuum of services to patients within the Advocate Trinity service area. When the new hospital opens, Advocate Health Care will transfer patients to another hospital based on clinical need as is done now.

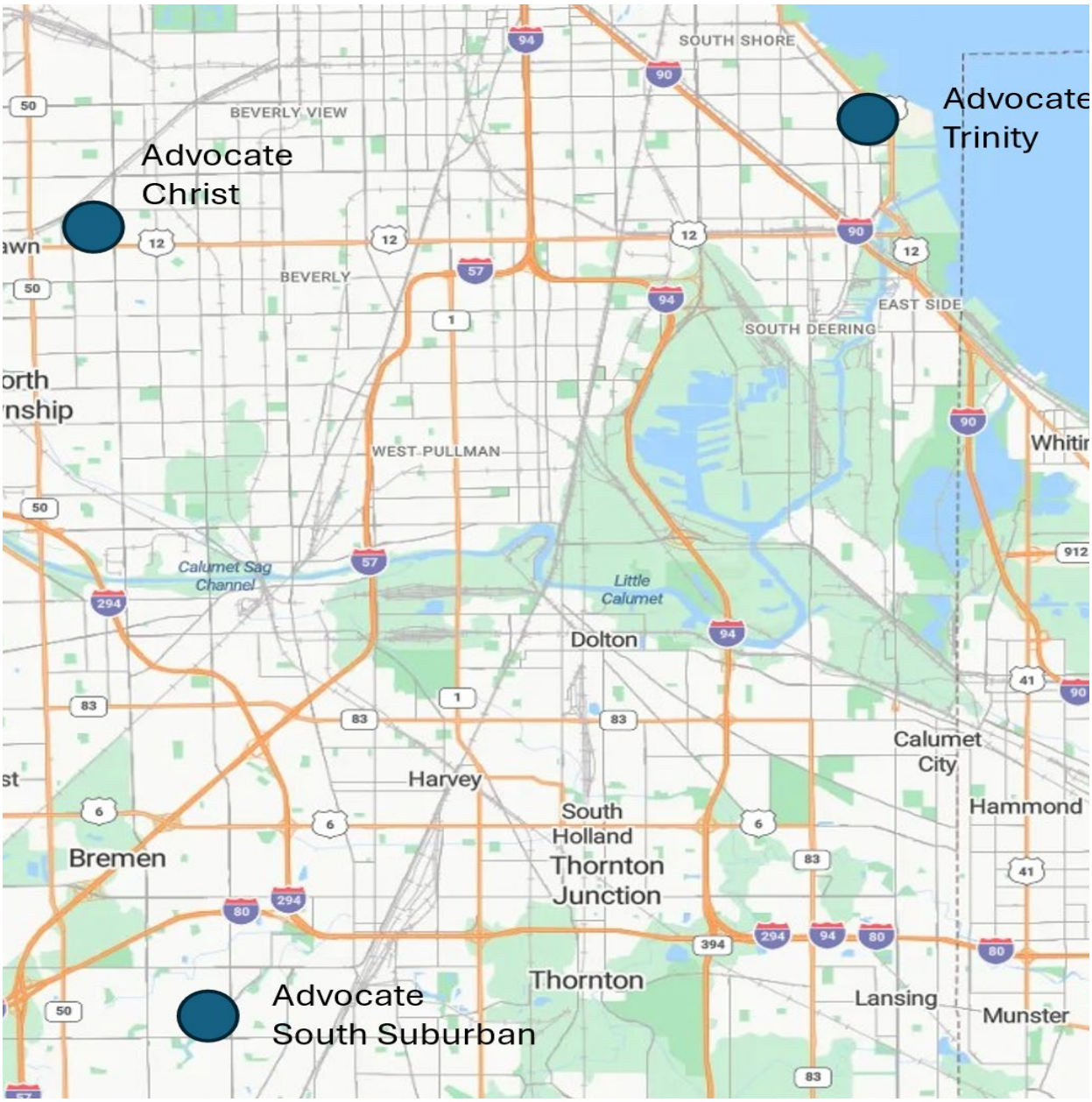
To accommodate this new care model, Advocate Health Care is launching new operating model initiatives at Advocate Christ Medical Center and Advocate South Suburban Hospital to improve patient throughput, create new efficiency workflows and shift care to the most appropriate clinical settings. These initiatives and others to be launched will ensure that when the new Advocate Trinity Hospital opens in 2029 there will be capacity at these acute care facilities to handle high acuity transfers, labor & delivery and other needs that may arise.

The new Advocate Trinity facility is designed as a community hospital offering short-term, low acuity hospital care for patients. The goal is to maintain a target CMI of 1.5 for patients at this location. ~~I~~f a patient needs higher acuity or more specialized care, they would be transferred to another Advocate Health Care hospital in the South Chicagoland region.

According to the CMI (Case Mix Index) chart below, about 13.7% of patients had a CMI over 2.0 in 2023. It is projected that approximately 10% of patients will be transferred to other Advocate hospitals for advanced care.

Advocate Trinity Hospital Inpatient Discharges 2023	
CMI	**% of Total**
0.0-0.5	0.0%
0.51-.99	22.6%
1.0-1.5	30.3%
1.51-1.99	33.4%
2.0-2.5	4.8%
2.51-2.99	2.8%
3.0-3.5	1.4%
3.51-3.99	0.4%
4.0+	4.1%
Total	100.0%

Source: Advocate Trinity Hospital Finance Department.


Advocate
Christ
Advocate
Trinity
Advocate
South Suburban
BEVERLY VIEW
BEVERLY
SOUTH SHORE
EAST SIDE
SOUTH DEERING
WEST PULLMAN
Calumet Sag
Channel
Little
Calumet
Dolton
Harvey
South
Holland
Thornton
Junction
Thornton
Calumet
City
Hammond
Bremen
Lansing
Munster

Attachment 12, Exhibit 1

New Chronic Disease Programs to be offered at existing Advocate Health Care sites within the Advocate Trinity Service Area:

Cardiometabolic Program

The Cardiometabolics Program is a specialized healthcare initiative that focuses on managing and preventing conditions that simultaneously affect the cardiovascular system and metabolic health. These conditions typically include heart disease, diabetes, high blood pressure (hypertension), obesity, and dyslipidemia (abnormal cholesterol levels). Benefits of a Cardiometabolics Program are plentiful and include improved overall health by addressing multiple risk factors simultaneously thus reducing cardiovascular events (e.g., heart attack, stroke) and complications related to metabolic disorders (e.g., kidney disease, neuropathy). The ultimate goal of a Cardiometabolics Program is to provide an integrated, proactive approach to managing and reducing the risks associated with cardiovascular and metabolic diseases, improving both quality of life and longevity for individuals affected by these conditions.

Cardio-obstetrics program

Cardio-obstetrics is specialized healthcare that focuses on the cardiovascular health of pregnant individuals, aiming to manage and prevent cardiovascular complications during pregnancy and postpartum. It integrates obstetric care with cardiology, addressing the unique physiological changes and challenges that occur in pregnancy, as well as the cardiovascular risks that may be exacerbated by pregnancy. Multidisciplinary Collaboration: Cardiologists, Obstetricians, Maternal-Fetal Medicine specialists, and other healthcare providers work together to deliver coordinated care tailored to the needs of each individual. The goal of a cardio-obstetrics program is to ensure a safe pregnancy and delivery for both the mother and the baby, while reducing the risk of cardiovascular events during and after pregnancy.

Cardiovascular (CV) fast track

The CV Fast Track will be a "one stop shop" providing evaluation and clinical services for low-risk chest pain patients in an outpatient location. These patients will be evaluated by an advanced clinical provider and receive the necessary cardiac diagnostic and ancillary testing as part of this visit and receive results before they leave. A cardiologist will also be onsite to read testing and consult with the patient.

The Fast Track program is for patients with non-life-threatening heart conditions such as palpitations, chest pain, hypertension, and indigestion or patients with a family history that want a comprehensive quick workup. These patients can be sent from another physician office, a program such as Advocate's South Asian Community Outreach program or patients discharged from an emergency room for low-risk chest pain or palpitations and need further workups. The patient can be seen the next day for a complete work up, testing and answers. Many of these patients never follow up due to the complexities in navigating care. Improving the patient experience by making it easy and quick will help them navigate the testing and

provide the answers they need for peace of mind and have their fears addressed quickly. Patients that need higher level procedures at the hospital will be navigated and scheduled quickly to provide a comprehensive, positive experience.

PURPOSE OF PROJECT REVIEW CRITERIA FOR REPLACEMENT HOSPITAL

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.

Advocate Trinity Hospital is proposing to build a new replacement hospital on the South Side of Chicago in Planning Area A-03. The new Advocate Trinity facility is being designed as a community hospital that will provide short stay, low acuity care for patients. The target CMI for patients at this facility would be 1.5. This community hospital will have limited services. If a patient has higher acuity or requires higher levels of care or requires subspecialty services, Advocate would transfer that patient to one of the other Advocate hospitals in the South Chicagoland area.

This new hospital will be designed to include the acuity appropriate community hospital services needed to support the residents of this area while continuing to provide access to the continuum of care of Advocate Health Care services through the Advocate South Chicagoland service area that includes Advocate Trinity Hospital, Advocate Christ Medical Center, and Advocate South Suburban Hospital. Patients will continue to have access to the continuum of services across the three hospitals for high acuity complex care and the broad array of expanding ambulatory services.

Residents living in the Advocate Trinity service area will continue to have access to the community hospital acute care services and ambulatory care services, and access to the continuity of care of tertiary and quaternary services at the most appropriate locations throughout the service area.

This newly built, Advocate Trinity Hospital will replace the 115-year-old outdated facility that has reached the end of its useful life and will provide a replacement hospital designed for the future. The new Trinity Hospital will continue to provide 24-hour emergency care services, inpatient surgical services and acute care medical services for this community and provide, Observation and Outpatient care in specialties such as General Surgery, Orthopedics, Gastroenterology, Podiatry, Urology, Pain Management, and Oncology.

Over the last year, Advocate Trinity Hospital developed, in conjunction with community input, developed Advocate Health Care's Broader Health Equity Vision for Chicago's South Side Community as referenced introduction to Attachment 12 of this application. This vision provides the South Side community with $1B in investment into high quality health care services and expanded access points.

In addition to the infrastructure repairs, the plans identified the services needed for the Advocate Trinity Hospital community and the appropriate space and number of rooms needed for each clinical service based on current and projected utilization. The most recent high-level facility needs assessment identified significant needs for the Trinity Hospital campus and determined the best way to continue to support these services was to develop construction of a new hospital building designed for current and future health care services and the right sized number of beds and services needed in this community hospital.

This hospital project includes:

- Medical Surgical and Intensive Care beds

- A dedicated Observation unit
- Emergency Department
- A procedural area including ORs, GI Procedure Rooms and Cardiac Catheterization
- Ancillary services to support an acute care hospital including Imaging, Lab, Pharmacy, and Inpatient Dialysis.

Medical/Surgical, ICU and Observation Care

This new building will be designed to include 36 Medical/Surgical private beds, 4 Intensive Care beds and 8 Observation Stations. This will replace the outdated and undersized rooms in the current Trinity Hospital and provide updated infrastructure and technology needed to deliver modern patient care. These private inpatient beds will be designed with an efficient layout to deliver quality care in updated sized rooms that meet the current Advocate standards allowing space needed for the clinicians delivering care and for family visitation.

The appropriate number of inpatient beds was determined based on the current and projected patient days for each category of service. As outlined in Attachment 19, the number of patient days is projected to continue to decrease over the next 5 years due to a continued decline in population, changes in the site of care where health care services will be located, and expanded access to ambulatory and primacy care services. Access for higher acuity and more complex inpatient hospital care will be provided as part of the comprehensive system of care to Advocate Health Care's Tertiary level hospital for the best outcomes.

Emergency Care

This hospital will include an Emergency Department with 16 emergency stations. This unit will be designed with the most current standards to provide appropriately sized treatment spaces for triaging and providing emergency care. The new unit will be designed with efficient patient flow enabling rapid triage and faster access to care. Improved triage systems reduce wait times and ensure that patients will promptly receive the right level of care. The proposed Emergency Department will be designed with advanced infection control measures, including advanced ventilation systems, isolation units, and layout strategies that minimize cross-contamination. The Emergency Department will have integrated smart room technology enabling streamlined processes to enhance patient care and safety. The use of telemedicine will allow for remote consultations, quick specialist input, and expedited care plans for appropriate admission, transfer, or discharge decisions. Additionally, the new Emergency Department will include two safe rooms designed for patients that may present with Behavioral Health needs.

The Emergency Department will be focused on a patient-centered design to include larger, private treatment rooms with more comfortable spaces for family. The physical layout will be designed to optimize patient flow and throughput which can significantly decrease wait times and infection risks. The Emergency Department will develop comprehensive safety and transfer protocols to Advocate Christ Medical Center to expedite the necessary connection to a tertiary care center for the Advocate Trinity Service Area for higher acuity patients if needed. Overall,

these advancements create a safer, more efficient Emergency Department environment conducive to high-quality patient care.

The number of Emergency Department stations was determined based on the current and projected Emergency Department visits at Advocate Trinity Hospital. As outlined in Attachment 31, Exhibit 1, the number of Emergency Department visits has declined by 20% over the last 4 years and is projected to continue to decline due to the population changes and Advocate Health's expansion of immediate care locations, ambulatory care sites and primary care services in this service area.

The dedicated Observation unit will be located adjacent to the Emergency Department to provide beds for patients to receive consistent evaluation to allow for care beyond the Emergency Department that will help determine if there is the need for an inpatient admission. Dedicated observation clinical teams can more effectively manage these patients' stay. The close proximity of the dedicated Observation Unit to the Emergency Department allows physician partnership with the Emergency Department physicians for review of testing results and to reassess patients.

Procedural area including ORs, GI Endoscopy and Cardiac Cath

This project will provide a comprehensive procedural floor, co-locating the operating rooms, cardiac catheterization and GI procedure rooms to create a surgical platform on one floor. The modernized comprehensive surgical suite design will provide flexibility to support the current and future demand for interventional procedures.

The newly designed procedural floor will include:

- 3 Operating Rooms
- 2 GI Procedure Rooms
- 1 Cardiac Cath room
- 17 Pre/Post Op Rooms

The larger, state-of-the-art operating rooms (ORs) will be designed with updated room sizes and standards to support the latest technology and equipment required for surgical procedures and include all support space needed to provide efficiencies and clinical staff collaboration. The existing Advocate Trinity Hospital operating rooms are undersized, and current operating room standards require the larger space to support the technology and increased number of staff within each operating room to manage the procedures and modern surgical equipment. The newly designed OR and GI procedure rooms will update and improve the design of the operating and procedure rooms to address the deficiencies in the size and functionality. Surgical services will now be equipped with technical capacity to accommodate new procedures and technology, and for cases that require larger OR rooms such as Robotic/Minimally Invasive cases, Orthopedic, and General Surgery procedures. The rooms will be designed with flexibility to support procedures that are now limited to specific rooms.

The Recovery Suite will be included on this floor and will contain the Post Anesthesia Care unit (PACU) and the Phase II Recovery stations to support the 3 Operating Rooms, 2 GI Procedure Rooms, and the Cardiac Cath lab. The prep/recovery bed capacity, configuration, and adjacency

will be designed to optimize the workflow and efficiency and provide current standards of privacy and infection control.

The co-location with Cardiac Catheterization, GI Procedure Rooms, and the Operating Rooms create an interventional and surgical platform that provides coordination of care in one location. This creates improved efficiencies for anesthesia support to be located on one floor and staffing efficiencies as the current hospital's layout presents staffing challenges.

The number of OR, GI and Cath rooms was determined based on the current and projected surgical hours and procedure volume presented in Attachments 23 and 31.

Ancillary services to support an Acute care Hospital including Imaging, Lab, Pharmacy, and Dialysis

The imaging and other ancillary services were designed to support this new acute care community hospital's patients, providing critical access to needed services. As shown in Attachment 31, the categories and number of ancillary services were identified based on supporting the projected inpatient and outpatient utilization at the new Advocate Trinity Hospital.

Note of Explanation

Out of a desire for transparency with our community and the general public around what will be in the new replacement hospital, in the public announcement of this project on December 17, 2024, Advocate Health Care announced a 52-bed facility, including 36 medical surgical beds, 4 ICU beds, 8 dedicated observation beds, and 4 dialysis beds. For the purposes of this application, and in accordance with Illinois Health and Facilities Review Board definition, this equates to 40 licensed beds: 36 medical surgical beds and 4 ICU beds.

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

Advocate Trinity Hospital is a community hospital that serves the south-east section of Chicago in the Pill Hill Area. The hospital is located in the IHFSRB Planning Area A-03 as shown in Attachment 12, Exhibit 2.

Advocate Trinity Hospital's service area extends north along Lake Michigan to include South Shore, Woodlawn neighborhoods, west to Chatham and Pullman and south to Calumet Heights and Hegewisch. Attachment 12, Exhibit 3 provides a map of the hospital's service area.

Advocate Trinity Hospital has a long history of caring for people in the South Side of Chicago dating back to 1895. In 1995, Trinity Hospital, South Suburban Hospital and Christ Medical Center were incorporated into Advocate Health Care. Advocate Health Care merged with Aurora Health Care in Wisconsin in 2018 to become Advocate Aurora Health. In 2022, Advocate Aurora Health became part of Advocate Health.

As the system continues to carry out its mission to be the best place for patients to receive care and physicians to practice, there is a continuous evaluation of all hospital assets and the infrastructure. This project addresses the need to provide a new updated community hospital that is state-of-the-art with enhanced facility technology and services to replace the existing Advocate Trinity Hospital. This new hospital will replace an outdated facility and will provide the types of services, and the number of services projected to meet the needs for residents of this area into the future. With new state-of-the-art equipment and advanced medical technology, this facility will be designed to meet industry standards to accommodate current procedures, technology, and privatization of inpatient beds.

Population projections for the Advocate Trinity Patient Service Community (PSC) are provided in the table below. The total population in the Advocate Trinity service area is projected to decline by 2.4% (i.e., population decline of 13,350 people). With the 65+ population projected to grow, the new care model is designed to have the greatest impact on this age cohort.

Advocate Trinity PSC Population					
Age Group	**2024 Population**	**2029 Population**	**2024 % of Total**	**Population Change**	**% Population Change**
0-19	130,912	121,740	23%	-9,172	-7.0%
20-44	199,786	192,319	36%	-7,467	-3.7%
45-64	135,575	128,354	24%	-7,221	-5.3%
65+	92,414	102,924	17%	10,510	11.4%
TOTAL	**558,687**	**545,337**	**100%**	**-13,350**	**-2.4%**

Source: Esri 2024 AAH South Chicago PSC ** IL population only

The population for the broader Advocate South Chicagoland Patient Service Area (PSA) is provided below. Similar to the Advocate Trinity PSC, the population is projected to decline over the next 5 years by more than 52,000.

Advocate South Chicagoland PSA Population					
Age Group	**2024 Population**	**2029 Population**	**2024 % of Total**	**Population Change**	**% Population Change**
0-19	448,424	408,895	24%	-39,529	-8.8%
20-44	621,398	605,412	33%	-15,986	-2.6%
45-64	466,499	436,347	25%	-30,152	-6.5%
65+	322,586	356,094	17%	33,508	10.4%
TOTAL	**1,858,907**	**1,806,748**	**100%**	**-52,159**	**-2.8%**

Source: Esri 2024 AAH South Chicago PSA ** IL population only

The race and ethnicity are reflective of this community and differ significantly from the National percentages. Population decreases are projected for most ethnicities and races in both the Advocate Trinity PSC (Primary Service Area) and the broader Advocate South Chicagoland PSA. Advocate Trinity Hospital has a strong pattern of providing care to a diverse population with multilingual staff. As the multicultural aspects of the community change, Advocate Trinity Hospital is committed to meeting the social and medical needs of the population.

Advocate Trinity PSC Demographics					
Ethnicity/Race	**2024 Population**	**2029 Population**	**2024 % of Total**	**Population Change**	**% Population Change**
White	44,140	39,621	8%	-4,519	-10.2%
Black	366,687	356,763	66%	-9,924	-2.7%
Asian	33,523	33,867	6%	344	1.0%
Other	16,344	16,113	3%	-231	-1.4%
Hispanic	97,993	98,973	18%	980	1.0%
TOTAL	**558,687**	**545,337**	**100%**	**-13,350**	**-2.4%**

Source: Esri 2024 AAH South Chicago PSC ** IL population only

Advocate South Chicagoland PSA Demographics					
Ethnicity/Race	**2024 Population**	**2029 Population**	**2024 % of Total**	**Population Change**	**Population Change**
White	492,908	454,849	27%	-38,059	-7.7%
Black	783,435	760,779	42%	-22,656	-2.9%
Asian	59,937	61,193	3%	1,256	2.1%
Other	49,963	49,634	3%	-329	-0.7%
Hispanic	472,664	480,293	25%	7,629	1.6%
TOTAL	**1,858,907**	**1,806,748**	**100%**	**-52,159**	**-2.8%**

Source: ESRI 2024 AAH South Chicago PSA ** IL population only

As the population ages, those living in the Advocate Trinity Hospital PSC have continued to seek more tertiary services at facilities outside the service area as seen in the table below with patients choosing to go to Advocate Christ Medical Center and other tertiary facilities north of the community.

Patients 65+ Facility Selection for Care					
Facility	**2022**	**2023**	**2024AY**	**% Var**	**Patient Selection**
UChicago Medicine	5,034	5,402	5,596	**11%**	**19%**
Advocate Christ	4,499	4,890	5,340	19%	**18%**
OSF Little Company of Mary	3,790	4,132	4,136	9%	**14%**
Advocate Trinity	3,919	3,876	3,896	-1%	**13%**
Northwestern Memorial	1,522	1,672	1,608	6%	**5%**
Rush University Medical Center	1,034	1,110	1,200	16%	**4%**
UI Health	763	765	964	26%	**3%**
John H. Stroger Hospital of Cook County	759	797	744	-2%	**3%**
All Others	14,721	16,669	17,332	18%	**21%**
Total	**36,041**	**39,313**	**40,816**	**13%**	**100%**

Source: IHA CompData 2022 – 2024AY (Q1-Q2)

In the Advocate Trinity PSC, community members are selecting Advocate Trinity Hospital only 13% of the time for inpatient care. Patients are increasingly seeking care outside their immediate service area at tertiary or academic institutions for advanced level of care that is needed. This

trend is driven by a combination of factors, needed tertiary level care and access to specialized services. Larger academic medical centers and tertiary level centers have advanced treatments and technologies that are not readily available at smaller, community hospitals.

For patients 65 years and older, 47% leave the hospital planning area A-03 for higher levels of care. This trend highlights the value patients place on quality, as well as the strength of regional medical networks in connecting individuals to the resources they require. By seeking care at these advanced facilities, patients are taking proactive steps to ensure they receive the best possible outcomes. Our replacement facility will serve as a connecting point as needed for this community with tertiary centers and enhance the continuity of care, and ultimately benefit the broader community.

3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project. [See 1110.230(b) for examples of documentation.]

As outlined in the Introductory Statement, the status quo is not addressing the community's health care and preventative needs. Advocate is undertaking both outpatient and inpatient initiatives to improve the overall health of the community. A major focus of these initiatives is to address the high Emergency Department utilization by patients more appropriately served and cared for in an ambulatory environment. Advocate's significant investment in the expanded ambulatory programs specifically designed to better treat these patients in ambulatory settings rather than the hospital's acute care Emergency Department, which is a level of care these patients do not require.

For those patients in need of inpatient and acute services, the Replacement Hospital proposed by this application will provide a state-of-the-art, right-sized community hospital with seamless connections to nearby tertiary medical centers for optimum care delivery and outcomes.

A facility assessment of Advocate Trinity hospital was completed in 2021 to determine appropriateness for continued investment on the campus. This assessment recommended the following with future facility planning:

- Develop an integrated, highly-visible and easily accessible **ambulatory PSC network**
- Locate services in the most **appropriate settings** and ensure clinical space is optimized for patient care
- Create **100% private bed model** and modernize units to contemporary standards
- **Right-size the building and bed complement** with focus on specialty critical care, step-down and observation
- Enhance **procedural platform and diagnostics** support to meet standards and optimize patient flows
- Provide a fully **functional Emergency Department** with adequate capacity to meet PSC residents' needs
- Support growth of destination programs on- and off-campus to be a **"high-touch, high-tech"** leader

Architectural inefficiencies in older hospitals, particularly those which have grown over decades through building additions, can significantly impact quality of care, patient satisfaction, and operational efficiency. Addressing these issues often requires comprehensive renovations or phased replacements, which aim to create modern, patient-centered environments that facilitate efficient healthcare delivery. As medical standards and technologies continue to evolve, updating these outdated facilities becomes increasingly crucial to meet the demands of contemporary healthcare practices.

A renovation of the existing Advocate Trinity Hospital would not address the architectural inefficiencies and campus layout for several reasons:

- Selective demolition of the existing campus buildings to reduce the campus footprint to the new right sized program is not feasible. The mechanical and electrical infrastructure is interconnected throughout the campus with critical requirements dispersed across the facility making consolidation impractical while maintaining continuous operations. Key programs and infrastructure such as Surgery, the Data Center, Materials Management and Pharmacy are isolated in areas which would not allow for an approach to align services to site needs.
- Major renovations to an operational hospital would significantly impact patient care due to the extensive, phase construction and capital expenditure required. This approach would require an inefficient capital investment due to the elongated schedule and use of capital allocations which could be better spent on direct patient care through modern equipment, technologies and space needs.
- Existing floor to floor heights, structural floor plate sizes and structural grid layout would prohibit the final condition from meeting the requirements of new technology and patient department sizes.

Advocate Trinity Hospital's outdated design has made it increasingly difficult to implement modern patient-centered care models. Narrow hallways, shared patient rooms, and restricted access to natural light do not align with the evidence-based standards for improving patient outcomes and satisfaction. The physical layout also presents challenges for incorporating new technologies and innovations. Investing and maintaining the existing building is to invest in outdated technology and systems.

It was determined that the level of investment required to correct all of these known deficiencies would be significant and take many years to address fully. The age of these systems would require the building to be replaced in its entirety and be cost prohibitive.

This extensive analysis determined that the current Advocate Trinity Hospital building can no longer operate and withstand the extensive investment needed to continue to provide the high-level clinical care for residents of this service area into the future. This building, when built approximately 100 years ago, was never designed to accommodate the advanced technology, patient volume, or modern care practices of today.

The project proposes to develop a new hospital that will create a more efficient and patient-centered healthcare environment with the most updated technology and infrastructure. The new patient rooms replace rooms in the existing building that are outdated and undersized and no longer support the infrastructure or technology needed. The need for private rooms has become critical with the acuity and infection demands highlighted over the last two years. The patient rooms will be sized and designed to provide the latest equipment and improved collaboration among the clinical team to care for patients into the future.

This new hospital building will also address the electronic and technological barriers of the current Advocate Trinity Hospital including smart room technology, and telemedicine capabilities. The project will upgrade and install more energy-efficient and sustainable HVAC systems, lighting, and insulation, reducing operational expenditures and designing for the future.

The existing facility has grown through building additions over the last century as the neighborhood census and health care delivery modalities grew. The result is a facility out of alignment with the current and future community needs. The existing building is oversized from an occupancy standpoint and has areas which can no longer be utilized for their original purpose but is undersized in areas related to advanced technologies and floor-to-floor spacing to allow for most current medical equipment and facility upgrades.

In addition to privatizing and updating the inpatient beds, the project realigns the inpatient bed configuration with the number of licensed beds supported by utilization trends and the calculated bed need for the current services and long-term need for the Advocate Trinity community.

As outlined in Attachment 31, the types of clinical services and the number of rooms and square footage in this new hospital were developed based on current utilization and projected needs.

The project is being designed to target LEED certification to improve indoor environmental quality, energy efficiency, the use of sustainable materials and keep staff and patients healthier. Advocate Health has made deep commitments to address climate and sustainability through recognizing the link between human and environmental health and the disproportionate impact of climate change on vulnerable populations. We have an opportunity through this project to give back to this community beyond the standard care model through features related to carbon reduction, addressing chemicals of concern, and additionally through an onsite learning garden, food pantry, and places of respite that protect local residents from increasing heat.

4. Cite the sources of the information provided as documentation.

- Clinical, administrative, and financial data from Advocate Health and Hospitals Corporation and Advocate Trinity Hospital
- Community Engagement Process
- Illinois Department of Public Health Hospital Licensing Code
- Illinois Health Facilities and Services Review Board (HFSRB) Administrative Rules
- IHA COMPdata
- AIA/FGI Guidelines for Design and Construction of Health Care Facilities
- Illinois Administrative Code, Title 77, Chapter I, Subchapter b, Part 250, Section 250.2440 General Hospital Standards
- Esri and the US Census Bureau demographic reports
- Sg2 Market Estimates and Projections
- HFSRB Hospital Profiles
- HFSRB Inventories and Data
- City of Chicago Building Code, International Building Codes, National Electrical Code, State of Illinois Plumbing Code, Accessibility Code and State Hospital Licensing Standards

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

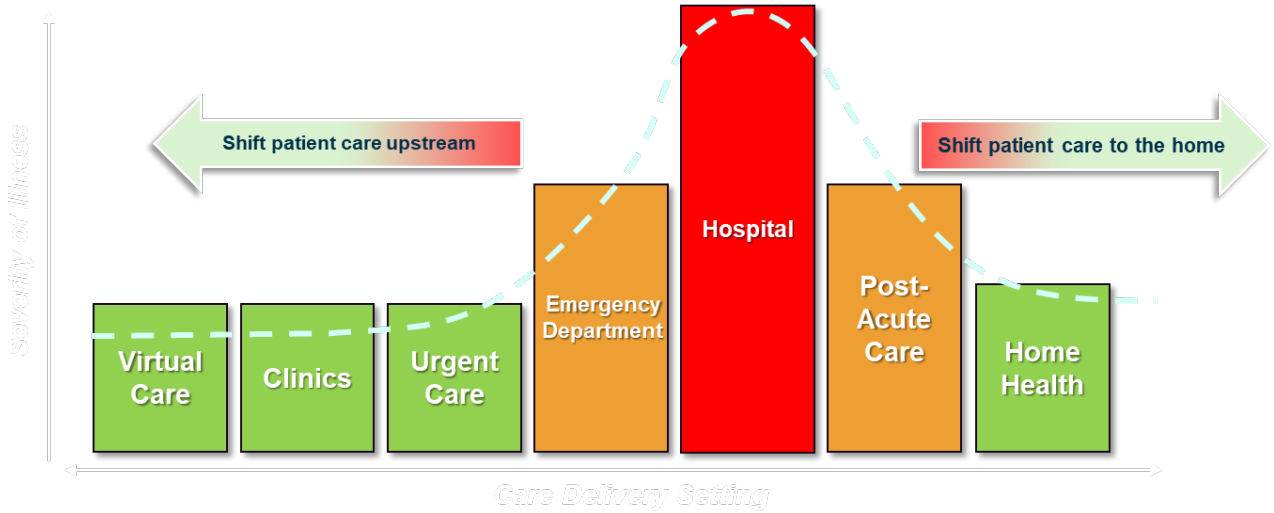
The primary purpose of this Project is to provide a state-of-the-art replacement community hospital that is designed with the services and configuration needed in the Advocate Trinity primary service area (PSC).

The new hospital will continue to provide access for inpatient and outpatient hospital services to support the health services to improve the health and wellbeing of the population in the service area. The development of a system of care within the South Chicagoland Service area, will continue to provide community hospital services at Advocate Trinity Hospital, with higher acuity and complex care to be coordinated and provided within the system at Advocate Christ Medical Center, along with ambulatory service in locations throughout the service area.

In addition to the construction of this new community hospital, there will be continued significant investment of needed ambulatory services in the South Chicagoland and Advocate Trinity service area. This investment is an opportunity to innovate and invest in our community – to reimagine all the ways we might deliver care and promote wellness to help address the lower life expectancies and higher rates of chronic disease South Side residents face. The expanded collaboration with the other Advocate hospitals in the South Chicagoland service area for tertiary services will provide increased access for specialized care and higher acuity services.

Advocate Health's focus is not only on treating the sick, but also, to help people improve their overall health and wellness and ultimately, keeping them out of the hospital. Advocate Health knows that meeting patients where they are - in their homes and across their communities - is important to them, so we are looking at ways to innovate and deliver health care differently.

Central to our strategy is the principle that hospitals are not built to manage and prevent chronic conditions. To improve health and wellness for community members, we must shift care into the community and treat chronic conditions beyond the hospital and enhance prevention in various settings.



To improve outcomes for our patients, we are implementing a new strategic care model to reimagine care on the South Side focused on the initiatives described in the Introductory

Statement above. The care will be comprehensive in order to allow patients to get the full spectrum of their needs met. This model focuses on creating new primary care access points and other ambulatory care so that patients are not seeking to use the hospital for their everyday care.

This model includes:

- **Anchor Community Care Sites:** Destination site for primary, urgent and specialty care, screening and diagnostics, and community programming. Our Advocate Medical Group Imani Village location will be expanded to offer these services.
- **Neighborhood Care:** Community-embedded primary care access points that offer a broad range of everyday care services and support chronic care management.
- **Virtual Chronic Care:** Robust digital health program that integrates digital medicine, care coordination, longitudinal condition management, and patient navigation.

This model also includes investments and partnerships for:

- Continuum of transportation services to help patients access destinations in a timely manner.
- Clinics on wheels to overcome transportation barriers to access and allow care access to be nimble based on shifting community needs.
- Comprehensive set of maternal health programs that address inequities in birth outcomes.
- Robust plan for access to free drugs and home deliveries.
- Services provided in the comfort of patients' homes.
- Workforce development and training for our approximately 1,000 teammates and hiring initiatives from the community.

Together we will build a transformative model that is focused on disease prevention and connection. With this new model of care based off our co-creation with the community, we will be able to:

- Improve health outcomes by shifting care to outpatient settings and innovative chronic disease management programs.
- Provide new and convenient access points outside of the hospital and in the community for primary, specialty and immediate care.
- Reduce the friction of primary, specialty and prescription drug access though a new all-payer strategy, an evolved financial assistance model and a new drug distribution program tailored to South Side residents.
- Integrate the latest technology and therapeutics to a historically underserved community.
- Foster coordinated care so community members will have full access to the spectrum of Advocate Health services.
- Ensure continuity of current jobs, GROW employment, and support upward career mobility in the South Side community, aligning with our pledge to build the next generation workforce.

This project like other hospital initiatives, supports our commitment to provide safe high-quality care to every individual regardless of background or circumstance. Advocate Health Care is working to close gaps, foster a thriving inclusive environment and ensure outcomes that are consistent and fair.

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

The principal goals for this project are to invest in and develop a modern and updated hospital, to allow Advocate Trinity to continue to provide access for acute care to residents in the community including:

- A medical/surgical bed unit that includes the appropriate number and sized inpatient rooms based on community need.
- An interventional procedural suite that provides right sized operating and procedural rooms and includes pre/post recovery.
- An Emergency Department that provides modern sized stations with closely located ancillary services such as imaging and procedural suite to enhance efficiencies and facilitate patient healing.
- An Observation unit adjacent to the Emergency Department, designed to provide short-term treatment, assessment, and monitoring for patients.
- Procedural platform with operating rooms, endoscopy procedure rooms, and cardiac catheterization lab.
- Ancillary services critical to inpatient and outpatient hospital services including dialysis, MRI, Nuclear Medicine, CT Scanning, X-Ray, and Ultrasound.

Advocate Health Care is looking at establishing robust community partnerships as part of our next major capital project on the South Side of Chicago, IL. For this hospital project, Advocate Health Care plans on engaging in wide ranging outreach to community members and qualified construction contractors who have a demonstrated commitment to serving the local community to further our aspirational goals of having a construction contracting spend of 40% with Minority Business Enterprises (MBEs) and 10% with Women Business Enterprises (WBEs). We also aspire to have 20% of design professional services, including project architectural design and engineering service, provided by diverse businesses. Generating interest on the part of qualified and available businesses and ensuring all businesses are encouraged to apply will help advance our efforts towards these goals and ensure the successful completion of the project overall. Finally, we are establishing two goals associated with residency: 50% of hours worked by City of Chicago residents and 7.5% of hours worked by Project Area Residents as defined by the City of Chicago, according to zip codes.

The timeline of this project was well thought out to provide the safest, high-quality care for patients and clinicians. The current Advocate Trinity Hospital will remain open until the new replacement is completed.

<u>Timeline:</u>

- Project Start Date (Design): Jan 1, 2025
- Construction Start Date: August 1, 2026

- Estimated date when one third of the total estimated project costs will be expended: March 1, 2027
- Mid-point of Construction Date: November 15, 2027
- Construction Completion Date: February 26, 2029
- The entire project is expected to be completed and operational by June 25, 2029.

INVENTORY OF HEALTH CARE FACILITIES AND SERVICES AND NEED DETERMINATIONS

MEDICAL-SURGICAL and PEDIATRIC Categories of Service

Hospital Planning Area: A-03

Hospital	City	Beds	2021 Admissions	2021 Patient Days
CATEGORY OF SERVICE: Medical-Surgical				
Advocate Trinity Hospital	Chicago	158	3,898	30,306
Holy Cross Hospital	Chicago	204	4,340	22,690
Insight Hospital & Medical Center	Chicago	289	300	1,834
Jackson Park Hospital	Chicago	144	2,496	13,467
Provident Hospital of Cook County	Chicago	79	328	2,576
10/22/2019 19-037	**Received permit for replacement hospital; replacement hospital will have 42 Medical-Surgical beds, a reduction of 37 Medical-Surgical beds.**			
8/16/2022 19-037	**Hospital relinquished permit to discontinue 37 Medical-Surgical beds; hospital now has 79 authorized Medical-Surgical beds.**			
Roseland Community Hospital	Chicago	77	2,369	13,196
South Shore Hospital	Chicago	114	1,111	11,438
St. Bernard Hospital	Chicago	104	2,216	15,528
The University of Chicago Medical Center	Chicago	570	19,409	150,154
6/30/2023 23-011	**Received permit to add 64 Medical-Surgical beds to existing categoty of service; hospital will have 570 Medical-Surgical beds.**			
	Medical-Surgical TOTAL	**1,739**	**36,467**	**261,189**
CATEGORY OF SERVICE: Pediatrics				
Jackson Park Hospital	Chicago	1	0	0
La Rabida Children's Hospital	Chicago	49	265	10,240
The University of Chicago Medical Center	Chicago	60	3,303	16,497
	Pediatrics TOTAL	**110**	**3,568**	**26,737**
	Medical-Surgical/Pediatrics Planning Area Totals	**1,849**	**40,035**	**287,926**

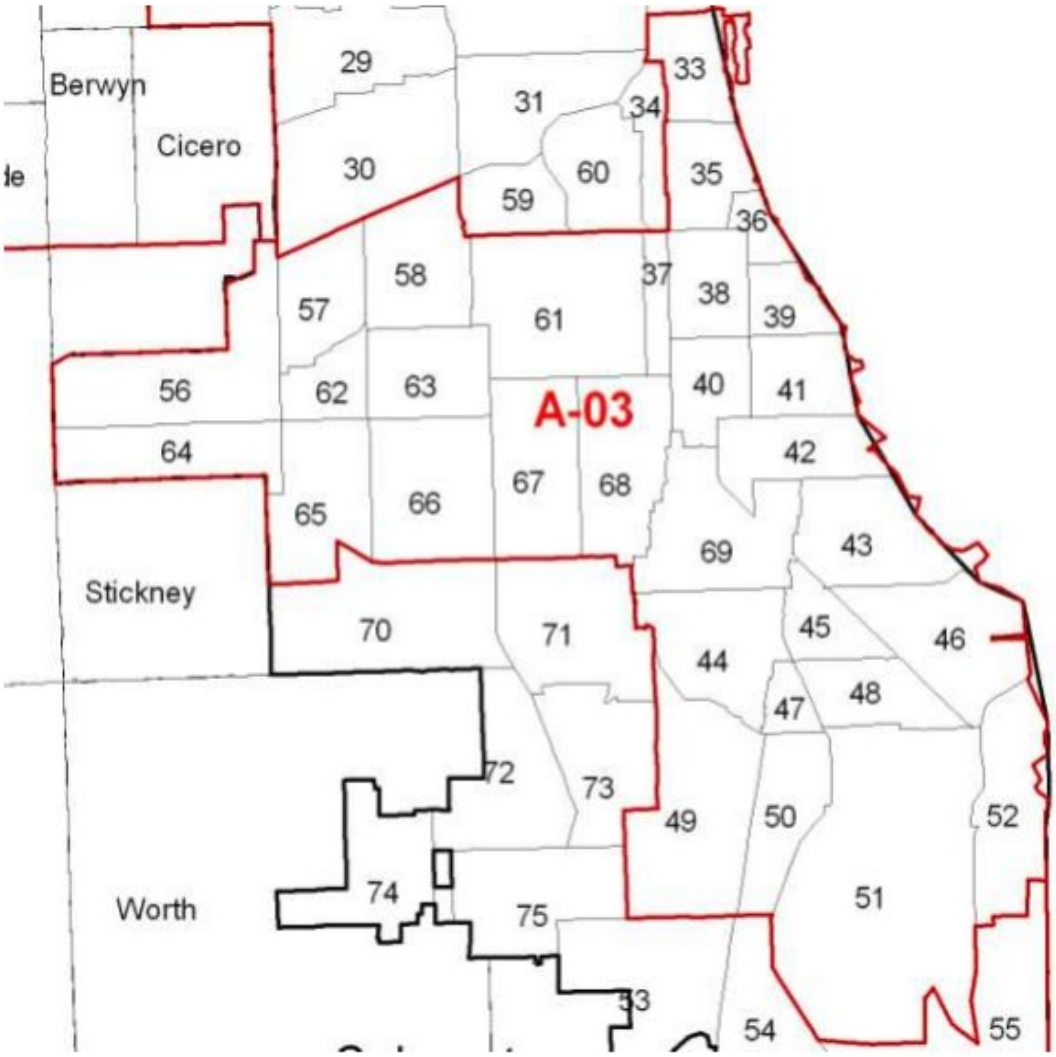
Patient Days by Age	2019	2020	2021	TOTAL	3 Year Average	2021 Population	Use Rates	2026 Population	Projected Days
0-14 Years Old	28,060	25,814	27,383	81,257	27,086	147,580	0.1835	131,180	24,076
15-44 Years Old	50,563	50,763	50,472	151,798	50,599	331,450	0.1527	316,310	48,288
45-64 Years Old	109,038	98,633	94,101	301,772	100,591	188,720	0.5330	184,540	98,363
65-74 Years Old	66,150	65,292	63,375	194,817	64,939	64,180	1.0118	66,780	67,570
75-up Years Old	63,981	58,554	52,595	175,130	58,377	42,140	1.3853	56,230	77,896

Out-Migration	In-Migration	Net Migration	Average Length of Stay	Migration Days	Adjustment Factor	Adjustment	Total Projected Days	Adjusted Days
43,402	18,065	25,337	5.870	148,728	0.50	74,364	316,192	390,556

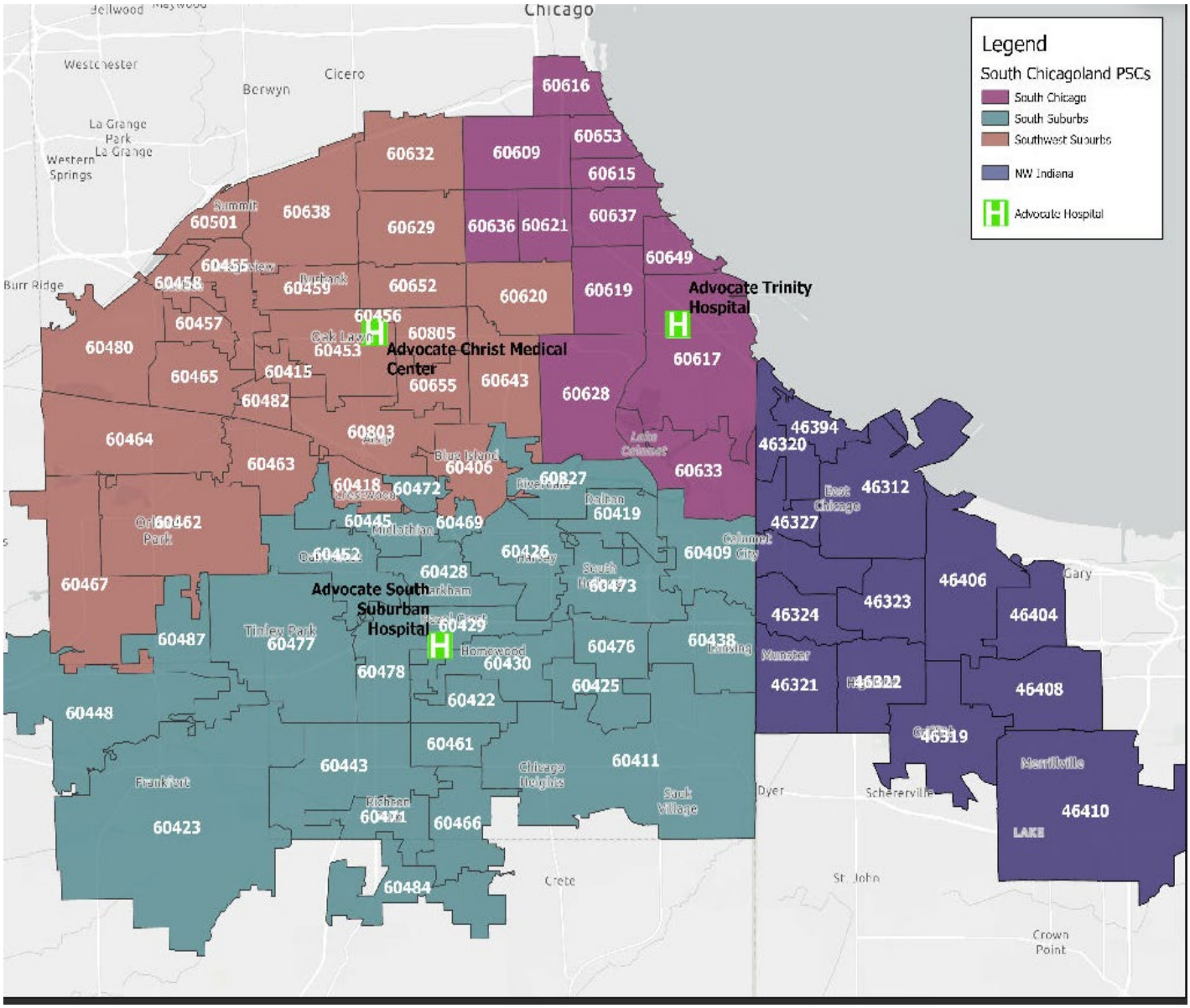
Adjusted Days	Days in Year 2026	Adjusted Average Daily Census	Occupancy Target*	Adjusted Beds Needed	Existing Beds	Excess Beds
390,556	365	1,070	0.90	1,189	**1,849**	660

* If ADC less than 100 in Planning Area, Occupancy Target is 80%; if the Planning Area has ADC of 100-199, the Occupancy Target is 85%; if ADC is 200 or more, 90%.

Attachment 12, Exhibit 2



Attachment 12, Exhibit 3
Advocate Trinity Hospital: Patient Service Area



Disclaimer: This map depicts service area information based on inpatient admissions by zip code. Its use should not be understood as a representation concerning a relevant geographic area of competition or concerning the actual extent of competition between or among providers in any given zip code or area.

ATTACHMENT 13
ALTERNATIVES TO THE PROJECT

Criterion 1110.230 –Alternatives
READ THE REVIEW CRITERION and provide the following required information:

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.

During Advocate Trinity Hospital's comprehensive planning process, it was determined that action is needed to replace the current facility due to its aging infrastructure and critical deficiencies. A thorough assessment in 2011 revealed significant deterioration throughout the campus, particularly in the mechanical, heating, cooling, electrical, and plumbing systems, all of which are over 50-70 years old and require complete replacement. The existing hospital is oversized for current volumes, costly to operate, and inefficient requiring a right sized facility. Annual assessments have been completed, and updates have continually been implemented to rectify ongoing infrastructure issues. However, it was determined in 2021 that it was most fiscally responsible to replace the oversized facility, rather than invest year after year.

The existing steam, steam condensate, and domestic water piping in the hospital are over 60-70 years old, increasingly prone to corrosion, leaks, and breaks which can significantly impact hospital operations. Replacing these systems would be highly disruptive and cost prohibitive. Additionally, significant infrastructure investments are needed for roof replacements, façade restoration, window replacements, and parking lot upgrades. The required investments to address these deficiencies are extensive and would take many years, by which time other systems would also require further investment and replacement. The assessment concludes that the original campus is at the end of its useful life and no longer suitable for continued investment.

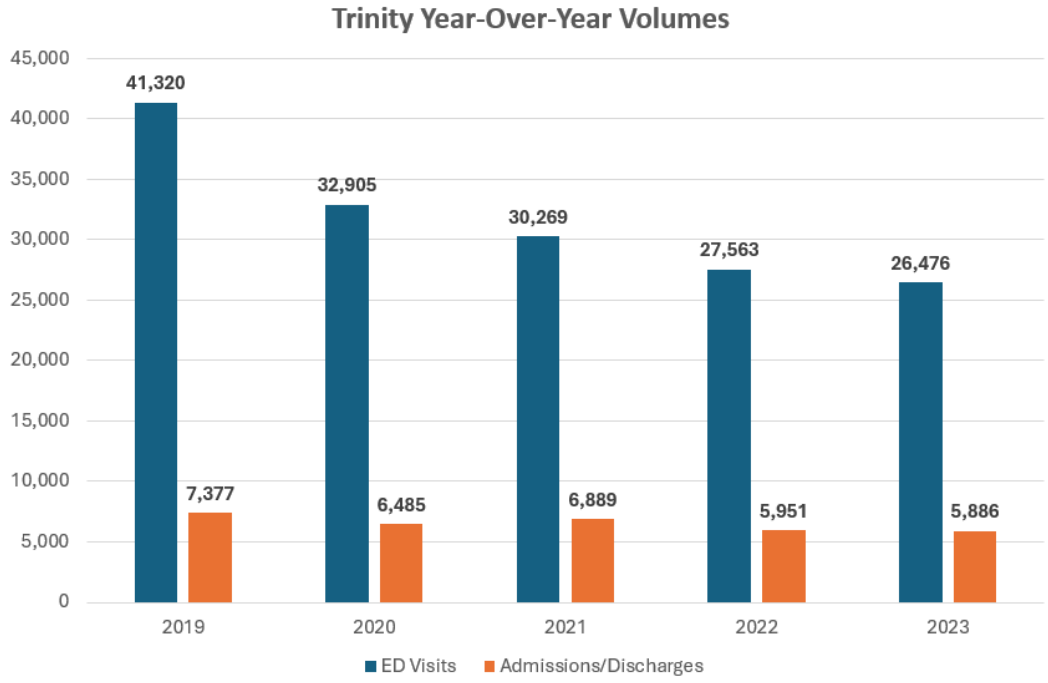
As a result of this determination, replacement of the current facility is imperative at this time as the outdated building and critical infrastructure no longer support efficient operations. It is no longer fiscally appropriate to continue to invest in the current facility. The new hospital replaces the outdated and extremely fragmented and inefficiently designed clinical areas. Concurrently, redevelopment plans for the existing campus will be developed in collaboration with community stakeholders to determine future use of the site. To ensure uninterrupted patient care during the construction of the replacement facility, Advocate Trinity Hospital will remain operational during the construction of the replacement facility.

Several alternatives as outlined below were evaluated based on the recommendations of Advocate Health's Master Facility team, the Hospital's administration, and community feedback. The Applicants considered the following options in the evaluation to build a replacement hospital at a new site.

Alternative One - Maintain Status Quo/Do Nothing

This option was to retain the existing hospital campus without significant changes, focusing on maintaining the existing facility's infrastructure and keeping operational continuity. This option was not pursued because of declining volumes, current underutilization of beds and architectural inefficiencies.

As outlined in the chart below, inpatient admissions and Emergency Department visits at Advocate Trinity Hospital have decreased year over year.



Source: 2019-2023 Advocate Trinity IDPH Hospital Profile

Advocate Trinity Hospital's inpatient admissions have continued to decline as 54% of the inpatient patients from the Advocate Trinity primary service area (PSC) chose inpatient care at facilities that are outside of this service area. The historical inpatient days for Advocate Trinity Hospital's medical-surgical unit in 2021, 2022 and 2023 justified 77 beds, 75 beds and 68 beds, respectively, based on inpatient days and excluding observation days. Based on the demographics in the service area, patient days are projected to continue to decline over the next five years.

Additionally, Advocate Trinity Hospital suffers from various architectural inefficiencies that hinder the delivery of modern healthcare services. These inefficiencies are the result of existing structures, building expansion locations which were available within the urban setting, and design standards and practices that were prevalent at the time of construction, which have since evolved. Given the advanced age of the building, numerous critical issues would remain unaddressed given the existing dispersion of departments and significant age of the building. Issues like patient and operating room size, IT connectivity, inefficient layouts and the replacement of critical mechanical components would still exist.

This option would not allow us to address the outdated physical layout and would not allow for future expansion to accommodate new technology. Retrofitting these spaces to include modern amenities and equipment would be challenging and costly. Patient navigation would still require wayfinding throughout an outdated hospital that was constructed incrementally, due to various additions and renovations creating a less streamlined structure. This would remain confusing for patients, visitors, and even staff, leading to frustration, wasted time and steps navigating an outdated campus.

Renovating an operational hospital presents many challenges including disruptions to patient care and the surrounding community. A renovation of the current facility would not enable us to adequately meet the patient needs for several reasons:

- Selective demolition of the existing campus buildings to reduce the campus footprint to the new right sized program is not feasible. The mechanical and electrical infrastructure is interconnected throughout the campus with critical requirements dispersed across the site that makes consolidation structurally impractical. The existing hospital layout suffers from inefficiencies and improper adjacencies of workflow preventing an optimal end state.
- Renovating an operational hospital would significantly impact operations due to the extensive, phase construction required. This would also impact patient satisfaction due to noise, vibrations, and long travel distances for wayfinding on the campus.
- The cost of retrofitting technology would be unjustifiably high, as it would necessitate extensive modifications above ceilings and within walls to implement some of these enhancements. The existing construction type is an impediment to retrofitting in many locations which would also require the inefficient use of space for infrastructure updates rather than direct patient care.
- The existing building structural layout does not allow us to decentralize nursing stations to make them closer to patient rooms – allowing our nurses to have direct lines of sight to patients, beds, and equipment.

Architectural inefficiencies in outdated hospitals—such as semi-private rooms, limited space, and confusing campus layouts—can significantly impact the quality of care, patient satisfaction, and operational efficiency. Addressing these issues often requires comprehensive renovations or phased replacements, which aim to create modern, patient-centered environments that facilitate efficient healthcare delivery. As medical standards and technologies continue to evolve, updating these outdated facilities becomes increasingly crucial to meet the demands of contemporary healthcare practices.

The capital cost for the alternative is approximately $0.

Alternative Two – Close the Hospital Facility without Replacement Hospital

This option would be to close Advocate Trinity Hospital. While this alternative is the least costly and would also eliminate continued operating losses associated with the hospital, it was rejected because local acute hospital services are needed by the community and this direction does not align with Advocate Health's commitment to health equity.

The capital cost for this alternative is approximately $0.

Alternative Three – Phased demolition and Right Sized Replacement Hospital on Current Campus

The option to build a new hospital on the existing campus and vacate and demolish the existing hospital was assessed and deemed not reasonable due to the additional cost and timeline impacts of this strategy.

The existing parcels owned by Advocate within the existing dense urban neighborhood are limited and fully occupied by buildings providing patient care or parking. In order to build a replacement hospital at this existing site, several enabling projects would need to occur having negative impacts to patient care, cost, and schedule which would not benefit the final construction.

The cost to replace all clinical and non-clinical hospital services on the land available would be significantly higher than the proposed project cost due to additional scope related to parking, the existing Medical Office Building and other factors described below. Although this could address the clinical program and facility infrastructure issues, the alternative was rejected as the risks of this approach did not offset the benefits.

During construction, a phased demolition of the hospital campus would be required to make space for the new hospital through removal of the existing Medical Office Building and selective demolition of the existing hospital for the construction of a parking garage to enable a replacement hospital on the land occupied by parking. This work would severely impact patient care by disrupting the continuity and quality of medical services. It would not be possible to complete the phased work while maintaining the full functionality of all hospital services without impacting patient safety and department operations for an extended amount of time. During demolition, essential services may need to be relocated or temporarily shut down, causing

confusion and inconvenience for patients and staff. This disruption would lead to delays in treatment, and increased wait times due to the shifting of departments and resources.

Patients, particularly those with chronic conditions or those requiring specialized care, depend on the stability and predictability of their healthcare environment. The noise, dust, and vibrations from demolition can create a stressful atmosphere, negatively affecting the healing process and patient comfort.

For hospital staff, the phased demolition can lead to increased stress, as they navigate the challenges of working in a constantly changing environment. This can result in burnout and a decline in the quality of patient care provided. Moreover, the logistical complexities of maintaining sterile and safe conditions during demolition can compromise infection control measures, increasing the risk of hospital-acquired infections.

Moreover, the demolition and construction process can strain the hospital's infrastructure and resources. Utility disruptions, such as temporary loss of power or water, can impact essential services and equipment. The financial resources and administrative focus diverted to oversee the adaptation and flexibility needed during the construction can also detract from patient care initiatives and improvements.

We are not pursuing this option as a phased demolition of the hospital is not possible due to the existing hospital layout and infrastructure which does not allow for partial or phased demolition of sections of the physical plant. Another reason for not pursuing this option is that Advocate currently does not have enough land to build a new hospital without procuring neighboring houses to expand the footprint on the south parcels. This would be a negative impact to the neighborhood along with the new hospital's direct adjacency to the remaining houses to the south. This alternative would create a negative impact to the community and not be in character of the surrounding neighborhood. Further, it would require demolition of the existing medical office building south of the existing hospital as another enabling project to construct a new hospital at this site. The medical office building would need to be first relocated prior to demolition to reduce disruption of patient services which would further extend the timeline, and therefore cost, of a replacement hospital.

There are also financial considerations, as costs could compound over time from an elongated schedule due to enabling projects, procurement of properties and potential unforeseen delays in construction while maintaining clinical operations. Financial complexities and budgeting for phased projects require forecasting for longer durations, accounting for inflation, fluctuating material costs, and unexpected expenses arising from extended timelines.

Each phase demands meticulous planning and execution to ensure the hospital's ongoing functionality and adherence to healthcare standards throughout the construction process. Overall, constructing a brand-new hospital on an existing campus poses numerous challenges that can negatively impact patient care, and the surrounding community. The resulting environmental disruptions, logistical complexities, and resource strain create an unstable healthcare environment, potentially undermining the quality and safety of patient services.

The capital cost of this alternative is $420,000,000+.

Alternative Four – Joint venture with other Providers

In 2019 and 2020, Advocate Trinity Hospital, Mercy Hospital and Medical Center, South Shore Hospital and St. Bernard Hospital ("the parties") worked together to create a platform to advocate for and implement healthcare delivery transformation on Chicago's South Side. The parties' history of collaboration, shared vision and willingness to relinquish control and self-interests brought them together to transform by creating a new, integrated healthcare delivery system, South Side Health System ("SSHS"), focused on providing the right care in the right place at the right time.

Transformative investments and partnerships with providers in the market would have positioned SSHS as the community healthcare provider of choice for the South Side, providing easily accessible and high-quality healthcare services. New infrastructure would have included:

- **3 to 6 *NEW* Ambulatory Care Centers** Primary and specialty physicians, urgent care, diagnostic imaging, and outpatient behavioral health; could co-locate an FQHC
- **At least 1 *NEW,* Modern Community Hospital**

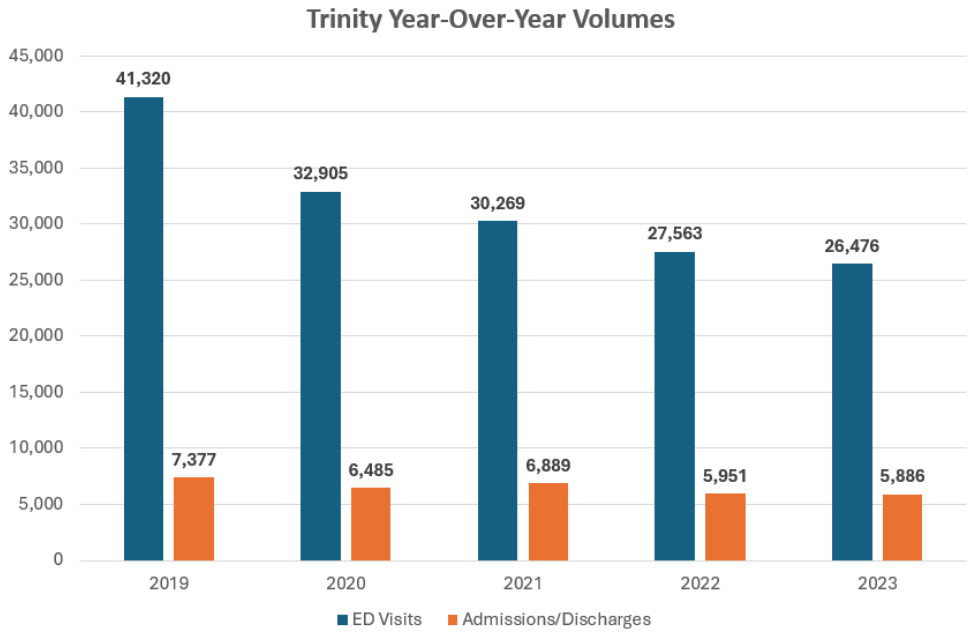
Unfortunately, the cost of this initiative as well as the COVID public health crisis prevented this collaborative effort from moving forward.

The capital cost of this alternative is $550,000,000+.

Alternative Five – Replacement Hospital on New Site with Larger Scope

A full replacement of Advocate Trinity Hospital was considered, but given declining volumes, current underutilization of beds and financial strain, this option was not pursued.

As outlined in the chart below, inpatient admissions and Emergency Department visits at Advocate Trinity Hospital have decreased year over year.



Source: 2019-2023 Advocate Trinity IDPH Hospital Profile

Advocate Trinity Hospital's inpatient admissions have continued to decline as 54% of the inpatient patients from the Advocate Trinity primary service area (PSC) chose inpatient care at facilities that are outside of this area.

Our focus is not only on treating the sick, but also, to help people improve their overall health and wellness and ultimately, keeping them out of the hospital. We know that meeting patients where they are - in their homes and across their communities - is important to them, so we are looking at ways to innovate and deliver health care differently.

Central to our strategy is the principle that hospitals are not built to manage and prevent chronic conditions. To improve health and wellness for community members, we must shift care into the community and treat chronic conditions beyond the hospital and enhance prevention in various settings. Given that a straight replacement of the infrastructure would not enable this shift, this option was not selected.

The capital cost of this alternative is $700,000,000+.

Alternative Six – Right-Sized Replacement Hospital on New Site

This option was selected as it will allow the organization to replace outdated infrastructure and create space that is developed for inpatient, surgical and outpatient services. The number of inpatient beds was thoroughly evaluated to continue to provide access to community members. This option was considered to be the best alternative as it addresses all the current infrastructure issues by building a state-of-the-art new facility on an easy to access site with minimal disruption to the community and patient care.

Replacing the hospital by building on a new campus, rather than on the existing one, offers a myriad of benefits that significantly enhance patient care, operational efficiency, and the overall healthcare experience. One of the primary advantages is the ability to design state-of-the-art facilities from the ground up. This allows for the incorporation of the latest architectural innovations, creating a healing environment that prioritizes patient comfort, safety, and accessibility. Modern design principles can be fully leveraged to optimize space utilization, patient flow, and infection control measures, leading to a more effective and patient-friendly hospital layout.

Another compelling reason for relocating to a new campus is that by starting new critical infrastructure can be universally modernized at once. As noted, the current hospital building suffers from outdated plumbing, electrical systems, and HVAC systems that are not only inefficient but also costly to maintain and upgrade. The new campus will be equipped with the latest infrastructure technologies, ensuring energy efficiency, sustainability, and reduced operational costs. This also means fewer disruptions and maintenance issues, allowing the hospital to focus more on patient care rather than ongoing repairs and upgrades.

Technological advancements in medical equipment and information systems can be seamlessly integrated into a new hospital campus, as well as laying the capabilities for the future. Modern healthcare delivery relies heavily on advanced diagnostic tools, telemedicine capabilities, and smart rooms integrated with electronic health records (EHR) systems. A new facility can be designed to accommodate these technologies from the outset, ensuring robust connectivity, adequate space for equipment, and the flexibility to incorporate future advancements. This future-proofing is essential in a rapidly evolving medical landscape, where technology plays a critical role in improving patient outcomes and operational efficiency.

Moreover, building on a new campus eliminates the need for phased demolition, which would be necessary if expanding on the existing site. Phased demolition would severely disrupt hospital operations, and negatively impact the healing environment. It also necessitates the temporary relocation of services, causing confusion and delays in patient care. By constructing a new facility on a separate campus, these disruptions are entirely avoided, ensuring that patient care remains uninterrupted and of the highest quality throughout the construction process.

In addition, a new hospital campus provides the opportunity to address future growth and community needs more effectively. It allows for the planning and allocation of space for future expansions, additional services, and amenities that cater to the evolving needs of the community over time. This proactive approach ensures that the hospital remains a vital healthcare hub for many years to come. The new replacement hospital will enable Advocate Health Care to continue investing in programs and services for the community.

In conclusion, replacing a hospital by building on a new campus rather than expanding the existing one offers substantial benefits. It allows for the creation of state-of-the-art and environmentally friendly facilities, integration of updated infrastructure and advanced technologies, and avoids the operational disruptions associated with phased demolition. This strategic move ensures that the current Advocate Trinity hospital will provide exceptional care, maintain operational efficiency, and meet the future healthcare needs of the community at the Replacement Hospital. This project will enhance safety, quality of care and provide the necessary

facility infrastructure to support the future and continued access for patients in the Advocate Trinity service area.

The capital cost of this alternative is $319,557,482.

Summary of Alternatives

Alternate	Description	Patient Access	Quality	Cost	Financial Benefit, Short Range	Financial Benefit, Long Range	Conclusion
1	Alternative One - Maintain Status Quo	This would not improve patient access in the service area.	Quality of care would not be improved for the inpatient and surgical patients. The hospital inpatient and operating rooms would continue to be undersized and not address the appropriate design for patients and their families.	$0 While the cost would be less, the project would not fully address the acute care infrastructure needs and would be investing dollars to maintain outdated buildings that enable clinical inefficiencies, and would not address the needed privatization of inpatients rooms and modernized surgical rooms.	This project would have a lower cost, however, would not address the infrastructure and facility deficiencies on the hospital campus.	As the need for the investment in the campus infrastructure increases, the cost would continue to escalate while costing significant dollars to maintain outdated buildings. This would not provide the necessary modernization or coordination of clinical services need currently and, in the future,	Rejected
2	Alternative Two – Close the Hospital Facility and Offer Ambulatory Services Only	This would create acute inpatient access issues for patients in the service area.	The quality of care would not be improved for the inpatient and emergent patients in Trinity Service Area.	$0 While the cost would be less, the project would not address the acute care infrastructure needs.	The project would have a lower cost, however, would not address the inpatient and acute care needs. This would not support the needed capacity for the existing and future patients	The project would have a lower cost, however, would not address the inpatient and acute care needs. This would not support the needed capacity for the existing and future patients.	Rejected
3	Alternative Three – Replacement Hospital on Current Campus	This would improve patient access by creating the appropriate space and design for the inpatient bed units	Quality would improve due to the right sizing and privatization of inpatient rooms, modernized state of the art surgical and procedural services	Greater than $420M The structure and cost to replace all clinical and non-clinical hospital services and capabilities would be significantly higher. The cost would be compounded due to operational impact, phased demolition, and limited sites adjacent to the facility for modern square footage requirements.	As good financial stewards of Advocate Health Care, the plan to build on the current campus was determined to be a significant financial investment and create extensive negative impact to ongoing hospital operations.	As good financial stewards of Advocate Health Care, the plan to build on the current campus was determined to be a significant financial investment and create extensive negative impact to ongoing hospital operations. The cost for the replacement hospital on the existing campus was not supported given that the scope of the proposed project will address the current and projected needs for the patients in the service area.	Rejected

4	Alternative Four – Joint venture with other Providers	This would have created the new South Side Health System	Quality would improve due to the right sizing and privatization of inpatient rooms, modernized state of the art surgical and procedural services	$1.1B Required investment from multiple parties and State of Illinois funding.	Transformative investments and partnerships with providers in the market will position SSHS as the community healthcare provider of choice for the South Side, providing easily accessible and high-quality healthcare services	The risk of inaction is severe; three of the four parties could cease operation without SSHS's transformation, which will have dire consequences for access to care as facilities begin to close	Rejected
5	Alternative Five – Replacement Hospital on New Site of Larger Scope	This would improve patient access by creating the appropriate space and design for the inpatient bed units	Quality of care would not be improved for the inpatient and surgical patients. The hospital inpatient and operating rooms would continue to be undersized and not address the appropriate design for patients and their families.	$700M+ Greater than $256M The structure and cost to replace all clinical and non-clinical hospital services and capabilities would be significantly higher. Given underutilization of existing infrastructure, more hospital beds do not equal better outcomes. Alternative infrastructure is needed.	As good financial stewards of Advocate Health Care, the plan to build and oversized hospital was determined to be a significant financial investment and would not impact health outcomes. A different approach is required.	As good financial stewards of Advocate Health Care, the plan to build an oversized hospital on the was determined to be a significant financial investment and would not impact health outcomes. A different approach is required.	Rejected
6	Alternative Four – Replacement Hospital	This would improve patient access by creating the appropriate space and design for the inpatient bed units	Quality would improve due to the right sizing and privatization of inpatient rooms, modernized state of the art surgical and procedural services	$319,557,482 The structure and cost of this project was designed to create the up to date facility design to provide the safest quality of care for current and future patients	The Replacement Hospital will be designed right size and privatize the inpatient rooms, achieving contemporary standards and accommodating the needs for these patients. Operating rooms will be right sized, improved layout for future surgical design. The financial benefit will be an investment in a new campus, and no longer continuing to invest in outdated facilities that limit patient access and quality of care.	The Replacement Hospital will be designed and built for immediate and long-term needs, achieving contemporary standards and accommodating the needs of inpatients and surgical patients. The state of the art facility will provide improved access and quality of care for patients living in the service area. The long term financial benefit will be an investment in this hospital campus and the community.	Accepted

ATTACHMENT 14
SIZE OF PROJECT

SIZE OF PROJECT				
DEPARTMENT/SERVICE	**PROPOSED DGSF**	**STATE STANDARD**	**DIFFERENCE**	**MET STANDARD?**
Medical-Surgical (36)	26,011	500-660 dgsf/Bed (36 x 500-660 = 18000-23760)	2,251	No
Intensive Care Service (4)	2,740	600-685 dgsf/Bed (4 x 600-685 = 2400-2740)	0	Yes
General Radiology (2)	2,200	1300 dgsf/Unit (2 x 1300 = 2600)	-400	Yes
Ultra-Sound (2)	1,735	900 dgsf/Unit (2 x 900 = 1800)	-65	Yes
CT Scan (1)	1,600	1800 dgsf/Unit	-200	Yes
MRI (1)	1,750	1800 dgsf/Unit	-50	Yes
Nuclear Medicine (1)	1,600	1600 dgsf/Unit	0	Yes
Emergency Department (16)	14,379	900 dgsf/Treatment Station (16 x 900 = 14400)	-21	Yes
Observation Unit (8)	6,919	NA	NA	Yes
Cardiac Catheterization (1)	2,000	1800 dgsf/Unit	200	No
Ambulatory Care (Stress/Echo)	1,200	800 dgsf/Unit (2 x 800 = 1600)	-400	Yes
Surgical Operating Suite (3) - Class C	11,979	2750 dgsf/Operating Room (3 x 2750= 8250)	3,729	No
Surgical Procedural Suite-Class B - GI (2)	2,300	1100 dgsf/Procedure Room (2 x 1100 = 2200)	100	No
Post-Anesthesia Recovery Phase I (5)	1,322	180 dgsf/Recovery Station (5 x 180 = 900)	422	No
Post-Anesthesia Recovery Phase II (17)	6,800	400 dgsf/Recovery Station (17 x 400 = 6800)	0	Yes
Dialysis Unit (4)	1,577	NA	NA	NA
Clinical Operation Service - Clinical Lab & Pharmacy	6,641	NA	NA	NA
Administration	5,841	NA	NA	NA

Classroom/Conference	2,551	NA	NA	NA
Dietary Services	7,616	NA	NA	NA
Materials Management	5,065	NA	NA	NA
Hospital Support (Staff Support, Spiritual, Morgue)	10,906	NA	NA	NA
Public Lobby/Waiting	5,648	NA	NA	NA
Sterile Processing Department	4,234	NA	NA	NA
Building Circulation (Elevators, Stairs, Shared Corridors)	8,561	NA	NA	NA
Central Utility Plant & Penthouse & Utility (Elec/IT-COMM) + Shafts	29,476	NA	NA	NA
Exterior Wall	10,349	NA	NA	NA

Clinical Components

The proposed DGSF/Bed for the Medical-Surgical Unit is above the state standards, as outlined in the IL Administrative Code 1100. The reason for this discrepancy is the Medical-Surgical Unit is programmed utilizing Advocate Health Care Patient Room and Support Room standards to provide private patient rooms and to improve operational efficiencies and clinical workflows. The nationally recognized Facility Guidelines Institute (FGI) Guidelines for Design and Construction of Hospitals is the basis for the Advocate room standards which designates that patient rooms shall be sized, arranged and furnished to maximize safe patient mobility, mobilization, weight-bearing exercise and ambulation while maintaining minimum clearances and adequate space for caregivers and family centered care. Similar best practice guidelines have been accounted for throughout the entire unit and incorporated as part of the Advocate Health Care room standards.

The Intensive Care Unit was designed utilizing Advocate Health Care Health ICU Patient Room standards, which are sized equally to the Advocate Medical-Surgical Patient Room standard, and benefits from some shared support spaces with the Medical-Surgical Unit. Due to this, the proposed 600-685 DGSF/Bed for the unit has met the state standards, as outlined in the IL Administrative Code 1100.

The Emergency Department containing 16 stations was programmed with Advocate Health Care Health standards. The proposed 900 DGSF/Station for the unit has been met and is below the state standards, as outlined in the IL Administrative Code 1100.

The Dedicated Observation Unit containing 8 stations was designed with Advocate Health Care Health standards. There are no State Guidelines for square footage for Observation stations.

The Surgical Services and Procedural Rooms contain the following program elements with associated support spaces:

- 3 Operating Rooms
- 2 GI/Endoscopy Procedure Rooms
- PACU Phase 1 (5 Rooms) and Prep/Recovery Phase 2 (17 Rooms)
- 1 Cardiac Cath Room

These procedural areas were designed with Advocate Health Care standards, modeled on the FGI Guidelines space and clearance best practices. The proposed square footage for these services is above the state standards in all areas, with the exception of the Phase 2 Recovery area, due to the universal template for operating and procedure rooms to allow for greatest flexibility with a sterile core model of room arrangement.

The Diagnostic Imaging services contain the following program elements with associated support spaces:

- 2 General Radiology units
- 2 Ultrasound units
- 1 CT unit
- 1 MRI unit
- 1 Nuclear Medicine unit
- 1 Echo/Stress Ultrasound unit

The proposed individual DGSF/Station for the department has been met and is below the state standards, as outlined in the IL Administrative Code 1100.

The Ancillary service areas including Ambulatory care Stress/Echo rooms have been programmed below the state standards, as outlined in the IL Administrative Code 1100. There are no State Guidelines for square footage for Inpatient Dialysis, Laboratory and Pharmacy.

Non-Clinical Components

The Non-clinical components of the project total 90,247 DGSF of space. This includes general circulation, public spaces, administration, classrooms/conference space, dietary services, materials management, hospital support, mechanical/electrical spaces and building services.

There are no State Guidelines for the non-clinical components of the project.

ATTACHMENT 15
PROJECT SERVICE UTILIZATION

The proposed Replacement Advocate Trinity Hospital Project includes the following Clinical Departments/Services for which the Illinois Health Facilities and Services Review Board has established standards:

- Medical Surgical Beds
- ICU Beds
- Emergency Department
- Surgical Operating Rooms
- GI/Endoscopy Procedure Rooms
- Cardiac Catheterization Lab
- General Radiology
- Ultrasound
- CT
- MRI
- Nuclear Medicine
- Stress/Echo

Those without state standards include:

- Dedicated Observation Unit
- Dialysis
- Lab
- Pharmacy

The utilization of each service has been projected to 2029, following first year of project completion. Internal hospital financial sources were used for the services that are not included in the Annual Hospital Questionnaire. The narrative that supports the projected utilization is included in Attachments 19, 23 and 31.

Inpatient Projected Bed Need

The projected utilization for the Medical Surgical, and Intensive Care Units, as outlined in Attachment 19, were developed using the formula for the Need Determination Assessment in Part 1100 Narrative and Planning Policies Section 1100.520. The projections for demand are driven by the pattern of patients currently admitted to these Inpatient Units and the projected patient days for the Replacement hospital.

Patient days are projected to continue to decrease due to the initiatives in the service area to expand ambulatory services and the operation of the replacement hospital to offer the Community Hospital services needed to support access to patients living in this area. The new ICU unit will provide intensive care services to those patients that require higher acuity care and those medical surgical patients that need step up care following a surgical procedure or admission.

The Emergency Department with 16 stations will be a Comprehensive Emergency Department providing access to patients living in this service area that require urgent care at this new Community hospital.

The dedicated Observation unit will serve as a clinical decision unit and provide appropriate care as clinicians are evaluating the patients' care to determine if patients need to be admitted or discharged for continuity of care.

Procedural Projected Need

The project includes development of a procedural floor that includes 3 Operating rooms, 2 GI/Endoscopy Rooms and 1 Cardiac Cath room with 5 PACU/Phase I and 17 Phase II Recovery stations to support these procedural patients.

The new procedural rooms will be sized for the complexity and technology required for surgical procedures presently and in the future. The adjacency will allow for collaboration within these clinical teams.

The projections for the number of Operating Rooms, GI Procedure Rooms and Cardiac Cath Lab needed are driven by the current number of surgical and procedural hours and the projected cases and hours for each type of surgical procedure that will be performed at the new Advocate Trinity Hospital. The hospital will continue to provide high quality surgical services that focus on procedure areas in General Surgery, Gynecology, ENT, Orthopedics, Ophthalmology, Podiatry and Urology. The historic and projected utilization are included in Attachments 23 and 31.

Imaging Service Need

The imaging projections are based on the historic and projected utilization at the current Advocate Trinity Hospital. Based on forecasted patient days, the types of imaging and the number of units were determined to provide access to critical imaging services. The utilization by imaging service is outlined in Attachment 31.

Other Hospital Based Services Need

Ambulatory services include Echo and Stress/Echo are based on the historic and projected utilization at the current Advocate Trinity Hospital to continue to provide access to these services.

The Inpatient Dialysis Service will provide End Stage Renal Disease (ESRD) treatment to inpatients who require treatments during their inpatient admission for other medical care. The central dialysis service will include 4 dedicated patient stations with 3 semiprivate and 1 private bay. The majority of inpatients that require dialysis are currently able to receive their treatment in a centralized dialysis suite.

The proposed project includes two of the most essential ancillary departments: Pharmacy and Laboratory services. As outlined in Attachment 31, utilization of these services is based on the current and projected volume for the Pharmacy and Laboratory services.

UTILIZATION					
DEPT./SERVICE	**HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.**	**PROJECTED UTILIZATION **based on 2024**	**STATE STANDARD**	**Number in Project**	**MEET STANDARD?**
	2024 AY*	2029			
Med/Surg Beds	21,695 pt days	10,675 pt days	310 days/rm = 11,160 pt days	36 beds	Yes
ICU Beds	2,832 pt days	1,200 pt days	219 days/rm = 876 pt days	4 beds	Yes
ED stations	28,112 visits	22,500 visits	2,000/station	16 stations	No
Observation Stations	7,423 pt days	2,830 pt days	NA	8 stations	Yes
Surgical Operating Suite Class C	4,832 hours	4,046 hours	1,500 hrs/rm	3 rooms	Yes
GI/Endoscopy Procedure Rooms	2,352 hours	2,537 hours	1,500 hrs/rm	2 rooms	Yes
Cardiac Catheterization Labs	626 procedures	369 procedures	1,500 hrs/rm	1 room	Yes
General Radiology	31,084 procedures	23,325 procedures	8,000/unit	2 units	Yes
Ultrasound	15,028 procedures	4,824 procedures	3,100/unit	2 units	Yes
CT Scan	23,489 scans	12,272 scans	7,000/unit	1 unit	Yes
MRI	4,441 procedures	2,318 procedures	2,500/unit	1 unit	Yes
Nuclear Medicine	1,427 procedures	752 procedures	2,000/unit	1 unit	Yes
Stress/Echo	5,653 tests	3,209 tests	2,000/unit	2 units	Yes
Dialysis (3 semi, 1 private)	774 cases	373 cases	NA	4 bays	Yes
Lab – Tests	379,205 tests	293,791 tests	NA	1 room	Yes
Pharmacy – Doses	4,343,590 doses	2,810,251 doses	NA	1 room	Yes

*2024 AY based on Jan-Oct 2024

The state standard for the number of Emergency Department stations outlines the need for 12 stations based on projected utilization. It was determined that 16 stations would meet the needs of the fluctuations and seasonality in this service to provide the appropriate Emergency Department capacity in the new hospital.

All other clinical service departments in the chart meet and exceed state standards for utilization.

ATTACHMENT 19
MEDICAL SURGICAL AND ICU

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

Category of Service	# Existing Beds	# Proposed Beds
Medical/Surgical	**158***	**36**
Obstetric	**0**	**0**
Pediatric	**0**	**0**
Intensive Care	**24***	**4**

*Existing Advocate Trinity Hospital Inventory

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		
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 ATTACHMENT 18, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

A. **MEDICAL-SURGICAL BEDS**

Category of Service	
Medical Surgical Beds	
Replacement on a New Site – Establishment of Services or Facility	(b)(1) − Planning Area Need – 77 Ill. Adm. Code 1100
	(b)(2) − Planning Area Need – Service to Planning Area Residents
	(b)(3) − Planning Area Need – Service Demand - Establishment of Category of Service
	(b)(5) − Planning Area Need – Planning Area Need - Service Accessibility
	(c)(1) − Unnecessary Duplication of Services
	(c)(2) − Maldistribution
	(c)(3) − Impact of Project on Other Area Providers
	(e) − Staffing Availability
	(f) − Performance Requirements
	(g) − Assurances

(b)(1) Planning Area Need − Review Criterion
The applicant shall document that the number of beds to be established or added is necessary to serve the planning area's population, based on the following:

1) 77 Ill. Adm. Code 1100 (formula calculation)

A) The number of beds to be established for each category of service is in conformance with the projected bed deficit specified in 77 Ill. Adm. Code 1100, as reflected in the latest updates to the Inventory.

B) The number of beds proposed shall not exceed the number of the projected deficit, to meet the health care needs of the population served, in compliance with the occupancy standard specified in 77 Ill. Adm. Code 1100.

The proposed project will decrease excess bed capacity in the planning area. The proposed beds are also justified based on the historical utilization of medical-surgical beds at Advocate Trinity Hospital. As shown in Attachment 19, Exhibit 1, there is an excess of 660 medical-surgical beds in Planning Area A-03 according to the Illinois Health Facilities and Services Review Board's "Health Facilities Inventory Data" and most recent monthly update. This bed excess will be reduced to 538 following the discontinuation of 158 beds at the existing Advocate Trinity hospital and the addition of 36 medical-surgical beds at the proposed replacement hospital. Notwithstanding the continued excess capacity in the planning area, the need for the proposed beds is demonstrated by the historical medical-surgical patient days at the existing Advocate Trinity hospital.

A 36-bed Medical-Surgical unit is appropriately sized. Planning Area A-03 includes nine hospitals with 1,783 Medical-Surgical beds and 110 Pediatric beds. There is a calculated need for only 1,189 beds based on the 2023 Inventory resulting in an excess of 660 Medical-Surgical beds. All nine of the existing area facilities are operating significantly below target utilization. The proposed discontinuation of 158 Medical-Surgical beds at Advocate Trinity Hospital and addition of 36 beds at the proposed replacement hospital will reduce the calculated bed excess to 538. There will remain sufficient Medical-Surgical beds in the Planning Area, including 36 beds at the proposed replacement hospital for Advocate Trinity Hospital, to meet area need and provide access to the community to Medical-Surgical services.

Hospital	Med/Surg Beds	Peak Beds Set Up & Staffed	Peak Census	Admissions	Patient Days	Utilization
Advocate Trinity Hospital	158	107	89	3,572	29,563	51.3%
Holy Cross Hospital	204	0*	0*	3,315	19,194	25.8%
Insight Hospital & Medical Center	289	0*	0*	2,334	10,526	10.0%
Jackson Park Hospital	144	58	46	1,891	9,681	18.4%
Provident Hospital of Cook County	79	28	19	756	6,897	23.9%
Roseland Community Hospital	77	0*	0*	1,535	14,395	51.2%
South Shore Hospital	114	114	56	1,338	12,886	31.0%
St. Bernard Hospital	104	104	33	1,840	15,037	39.6%
University of Chicago Medical Center	570	473	450	22,458	155,237	74.6%
TOTAL	**1,739**	**912**	**713**	**42,516**	**277,747**	**43.8%**

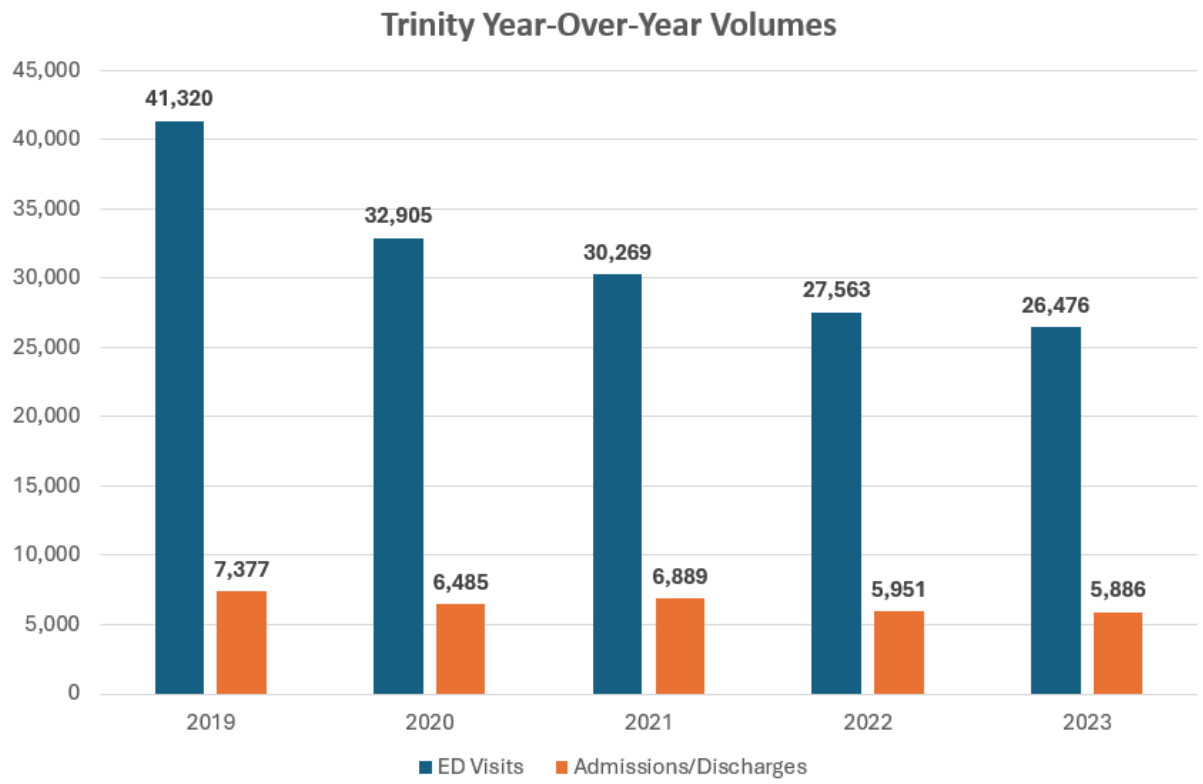
Source: 2023 Hospital Profiles

* Hospital reported zero Peak Beds Set Up & Staffed, and zero Peak Census

The proposed project will also improve Advocate Trinity Hospital's operational efficiency as the reduced bed complement will result in the utilization of the medical-surgical unit achieving and exceeding the Review Board's target occupancy rate. The purpose of the occupancy standards is to "provide a measure of service capability and efficient operation." 77 Ill. Adm. Code 1100.370(a). This objective will be promoted by the replacement hospital. For the last three years (2020-2022), the Hospital Profiles show that Trinity's 158-bed medical-surgical unit's occupancy ranged from 46.5% to 52.6%, which is well below the target occupancy rate of 85% for a medical-surgical unit of 100 to 199 beds. As shown below, the projected utilization of the proposed 36-bed medical-surgical unit will be 83% in the second full year of operation, which is above the target occupancy rate of 80% for a unit of that size.

Although there is not a calculated medical-surgical bed need in Planning Area A-03, the historical utilization of Advocate Trinity Hospitals existing beds demonstrates need, the proposed project will result in a significant reduction of excess capacity in the planning, and the project will result in Advocate Trinity Hospital being able to achieve operational efficiency through operating at and above the State's target utilization rate.

As outlined in the chart below, inpatient admissions and Emergency Department visits at Advocate Trinity Hospital have decreased year over year.



Source: 2019-2023 Advocate Trinity IDPH Hospital Profile

Advocate Trinity Hospital's inpatient admissions have continued to decline as 54% of the inpatient patients from the Advocate Trinity PSC chose inpatient care at facilities that are outside of the Advocate Trinity community.

Inpatient Admissions - Patients living in the Trinity PSC service area	2021	2022	2023
UCHICAGO MEDICINE	18,494	17,305	17,222
ADVOCATE TRINITY	6,284	5,500	5,366
ST BERNARD HOSPITAL AND HEALTH CARE CENTER	2,647	2,218	2,396
INSIGHT HOSPITAL AND MEDICAL CENTER	492	264	2,195
ROSELAND COMMUNITY HOSPITAL	2,273	1,757	1,696
SOUTH SHORE	493	892	1,318
HOLY CROSS HOSPITAL	1,562	1,238	1,133
JACKSON PARK HOSPITAL AND MEDICAL CENTER	1,692	1,125	988
PROVIDENT HOSPITAL OF COOK COUNTY	218	412	479
Total -Hospitals located in A-03	**34,155**	**30,711**	**32,793**
Total inpatient Admissions -All Hospitals	**74,419**	**67,814**	**70,852**
	46%	**45%**	**46%**

Source: IHA Compdata

In 2023, only 8% of patients living in the Advocate Trinity service area (PSC) had their inpatient admission at Advocate Trinity Hospital; 38% received their inpatient admission at another hospital in the Planning area and 54% chose to leave the Planning Area for inpatient care.

Patients in this service area have indicated their preference by choosing to have their higher acuity needs served by Advocate Christ Medical Center and other facilities that specialize in care for higher acuity needs. This trend is evident for patients living in this service area that are choosing academic medical centers for complex care such as Oncology, Neuroscience and Cardiovascular services.

While medical-surgical patient days have been declining at Advocate Trinity Hospital, and are projected to continue to decline, there remains a need for the 36-medical surgical beds requested by this project.

For the three-year period from 2021 to 2024 (annualized), Advocate Trinity Hospital's medical-surgical patient days declined from 23,700 to 21,245 (excluding observation days), and the occupancy rates based on these patient days were 41% and 36.8%, respectively, for the 158-bed medical-surgical unit.

A number of factors contribute to further projected declines in patient days through the second year of operation of the proposed replacement hospital in 2030. These factors include population decline of 1% per year, and the institution by Advocate Health of a comprehensive

ambulatory care program in the community designed reduce inpatient admissions by 14%; the impact of a Chronic Disease Clinic which is projected to reduce admissions by 10%; provision of a dedicated Observation unit that will reduce medical-surgical patient days by 10%; transfer of higher acuity patients to Advocate Health Sister facilities with corresponding reduction in Case Mix Index and Average Length of Stay resulting in 10% reduction of patient admissions. The Tables below contain historical and projected medical-surgical utilization for the existing Advocate Trinity Hospital and the proposed replacement hospital. The Tables document that historical patient days justify the proposed 36-bed medical-surgical unit and that with projected further declines in patient days, the proposed unit will be adequately sized to meet the anticipated needs of the community for the service.

Advocate Trinity Hospital AHQ **Medical/Surgical Utilization 2021-2024 AY**				
	2021	**2022**	**2023**	**2024 AY**
Beds	158	158	158	158
Inpatient Days	23,700	23,289	21,158	21,695
Observation Days	6,606	8,028	8,405	7,277
ALOS	7.8	8.2	8.3	6.5
ALOS w/o Observation	6.1	6.1	5.9	4.9
Average Daily Census	83.0	85.8	81.2	79.7
ADC w/o Observation	64.9	63.8	58.0	59.4
Utilization	54%	49%	45%	45%

Source: Advocate Trinity Hospital AHQ 2020-2023
Source: 2024 AY Advocate Trinity Hospital Finance Department. (Jan-Oct AY)

Advocate Trinity Hospital Medical/Surgical Utilization Projected 2025-2030						
	2025	**2026**	**2027**	**2028**	**2029**	**2030**
Beds	158	158	158	158	36	36
Inpatient Days	20,173	17,321	15,137	13,111	10,675	10,570
Observation Days	6,347	5,164	4,461	3,749	2,830	2,802
ALOS	5.5	5.2	5.0	4.7	3.9	3.9
ALOS w/o Observation	4.2	4.0	3.9	3.7	3.1	3.1
ADC w/Observation	85.5	79.3	73.5	68.1	40.3	39.9
ADC w/o Observation	**55.2**	**47.4**	**41.4**	**35.8**	**29.2**	**28.9**

Source: Advocate Trinity Hospital Finance Department.

As outlined in the charts above:

Average Length of Stay (ALOS)

- In 2024 AY, the ALOS for Med/Surg Inpatients of 6.5 is calculated to combine the Med/Surg Inpatient Days with the Observation days for Obs patients on the Medical Surgical units in the current Advocate Trinity Hospital divided by admissions.
- Excluding observation days, the ALOS for the Med/Surg Inpatients based on only the Med/Surg Inpatients is 4.9 and is projected to decrease to 3.9 in the replacement hospital.

Average Daily Census (ADC)

- The ADC is calculated to include the Obs days for Obs patients that are provided care on the Med/Surg units in the current Advocate Trinity Hospital. This calculation is based on patient days divided by 365 days in the year.
- The calculation of ADC for Med/Surg Inpatients (excluding the Obs patients) over the number of licensed beds in 2024 AY of 59.4 provides an accurate picture of the average daily census on these units.
- In the replacement hospital, Observation patients will receive care in the dedicated Observation unit and only Medical Surgical inpatients will be placed in the licensed beds.
- The ADC for the Med/Surg unit in the replacement hospital is projected to be 28.9.

Based on the projected Med/Surg ADC, it was determined that 36 Med/Surg CON authorized beds would support the number of Med/Surg beds needed at the replacement Advocate Trinity Hospital at the time of establishment and into the future.

As noted above, the proposed 36-bed medical-surgical unit will be above the 80% target utilization rate in the project's first and second year of operation. Through 2028, observation patients will be placed in a licensed bed. Starting in 2029 with the opening of the new hospital, observation patients will be placed in the dedicated 8 observation beds.

2) Service to Planning Area Residents

A) Applicants proposing to establish or add beds shall document that the primary purpose of the project will be to provide necessary health care to the residents of the area in which the proposed project will be physically located (i.e., the planning or geographical service area, as applicable), for each category of service included in the project

The project's primary purpose will be to provide necessary health care to the residents of the Advocate Trinity's primary service area and the Planning Area in which the project is physically located.

As shown in the table below, in 2023 90% of the Medical-Surgical inpatients at the current Advocate Trinity Hospital resided in the Hospital's primary service area (PSC) and 97% within the broader Advocate South Chicagoland Patient Service Area.

Medical Surgical IP Patient Origin 2023	
Service Area	
Primary – Patient Service Community (PSC)	90%
Secondary – Patient Service Area (South Chicago PSA)	7%
Other	3%
TOTAL	100%

Source: Advocate Trinity Hospital Finance Department.

Medical surgical patient origin by zip code for 2023 is shown in Attachment 19, Exhibit 4.

In addition, over 50% of Advocate Trinity Hospital's admissions reside within Planning Area A-03, which is where the proposed replacement hospital will be located. See, Attachment 19, Exhibit 4.

The Advocate Trinity replacement hospital will be a newly constructed community hospital that will continue to provide inpatient and outpatient hospital services to the south-east section of Chicago. The hospital will replace the outdated infrastructure and services with a replacement hospital designed to meet the hospital needs of this service area. In partnership with the residents and stakeholders in this community, it was determined that an acute care hospital providing inpatient medical surgical and intensive care beds was needed in addition to the need for expanded comprehensive ambulatory services and additional providers in the market.

The proposed hospital project will include 36 medical surgical beds adjacent to the 4 intensive care beds. The medical surgical beds will continue to provide inpatient care for the community level services for general acute care needs, as well as orthopedics, surgery, gastroenterology, podiatry, urology, otolaryngology, and ophthalmology. In addition to these comprehensive services, the replacement hospital will be part of an integrated healthcare network with seamless connections to Advocate Christ Medical Center and Advocate South Suburban Hospital for more advanced treatments and specialized procedures. This integrated network

ensures that patients who require higher levels of care are quickly and easily referred to a tertiary hospital, minimizing delays and enhancing continuity of care. Through this strong connection, the Advocate Trinity replacement hospital will not only provide essential specialty services locally but also offer the community peace of mind, knowing they have access to an extended network of advanced care to support their health at every stage.

The medical surgical unit will be designed with the current standards of care, supporting patient safety and quality, enhancing the patient experience, improving staff efficiency, and reducing unnecessary costs. The patient rooms will be right sized and designed in the Advocate Health standard developed by a team of clinicians and hospital facility experts from throughout the Advocate Health system. The medical-surgical rooms will replace the existing undersized semi-private beds at the current Advocate Trinity Hospital that are outdated and inefficient unit configurations with staffing challenges. This new hospital will provide the modern infrastructure for more integrated and advanced technology, offering appropriate space for patients and their families.

The new units will be designed to support clinicians, nurses and physicians spending more time with the patient at their bedside. The larger patient room provides improved workspace for multidisciplinary health care teams. The rooms will provide comfortable designated space for family members to stay with the patient, improved safety with the newest technologic solutions for alarms, nurse call systems and computers in each room for ease of access to the electronic medical record (EMR). These medical surgical units will have large storage areas for medical supplies and patient care equipment for a variety of patients. A key principle in the design is flexibility to meet the changing needs of patients and respond to changes in the delivery of health care. This flexibility will include the infrastructure for future implementation of Smart Room technology.

> ***B) Applicants proposing to add beds to an existing category of service shall provide patient origin information for all admissions for the last 12-month period, verifying that at least 50% of admissions were residents of the area. For all other projects, applicants shall document that at least 50% of the projected patient volume will be from residents of the area.***

This criterion is not applicable as the applicants are not proposing to add beds to an existing category of service.

> ***C) Applicants proposing to expand an existing category of service shall submit patient origin information by zip code, based upon the patient's legal residence (other than a health care facility).***

This criterion is not applicable as the applicants are not proposing to expand an existing category of service.

3) Service Demand – Establishment of Bed Category of Service

The number of beds proposed to establish a new category of service is necessary to accommodate the service demand experienced annually by the existing applicant facility over the latest 2-year period, as evidenced by historical and projected referrals, or, if the applicant proposes to establish a new hospital, the applicant shall submit projected referrals. The applicant shall document subsection (b)(3)(A) and either subsection (b)(3)(B) or (C):

A) Historical Referrals

If the applicant is an existing facility, the applicant shall document the number of referrals to other facilities, for each proposed category of service, for each of the latest 2 years. Documentation of the referrals shall include: patient origin by zip code; name and specialty of referring physician; name and location of the recipient hospital.

The applicants are proposing a replacement hospital at a new location within the planning area. The medical-surgical category of service is currently provided at the existing Advocate Trinity Hospital. That existing service will be discontinued at the current location with the discontinuation of the existing facility, and a smaller, right-sized medical-surgical unit will be re-established at the new location of the replacement hospital. The applicants are relying solely on existing patient volume at the current facility and are not relying on any patient referrals to any other facilities. As these patients are currently being referred to Advocate Trinity Hospital by their physicians and they justify the number of beds being requested, no additional referrals or referral letters are needed to document patient volume for the proposed service. The patients are already patients of Advocate Health physicians and presenting to the existing hospital. These patients are included in the current and projected utilization. Physicians on Advocate Trinity Medical Staff will continue to send their patients to the appropriate hospital and site of care within the Advocate Hospital system.

Advocate Trinity Hospital's existing patient origin information by zip code is included in Attachment 19, Exhibit 4.

As shown in the Tables below, the medical-surgical occupancy at Advocate Trinity Hospital has declined consistently year over year. The inpatient medical-surgical patient days had been decreasing prior to the pandemic and is projected to continue to decrease over the next five years. In the first year for the replacement hospital, patient days are projected to be 10,675.

B) Projected Referrals

This criterion is not applicable as the applicants are not relying on future physician referrals of patients currently being referred to other facilities in the area. All referrals for the proposed replacement hospital are based on historical utilization at Advocate Trinity Hospital's existing facility. The medical-surgical category of service is currently provided at the existing Advocate Trinity Hospital. That existing service will be discontinued at the current location with the discontinuation of the existing facility, and a smaller, right-sized medical-surgical unit will be re-established at the new location of the replacement hospital. The applicants are relying solely on existing patient volume at the current facility and are not relying on any patient referrals to any other facilities. As these patients are currently being referred to Advocate Trinity Hospital by their physicians and they justify the number of beds being requested, no additional referrals or referral letters are needed to document patient volume for the proposed service. The patients are already patients of Advocate Health physicians and presenting to the existing hospital. These patients are included in the current and projected utilization. Physicians on Advocate Trinity Medical Staff will continue to send their patients to the appropriate hospital and site of care within the Advocate Hospital system.

C) Projected Service Demand – Based on Rapid Population Growth:

If a projected demand for service is based upon rapid population growth in the applicant facility's existing market area (as experienced annually within the latest 24-month period).

This criterion is not applicable as the projected demand is not based on rapid population growth. Rather, projected demand is based on the historical utilization of Advocate Trinity Hospital's medical-surgical unit, and the historical utilization justifies the number of beds that are requested.

5) Service Accessibility
The number of beds being established or added for each category of service is necessary to improve access for planning area residents. The applicant shall document the following:

A) Service Restrictions
The applicant shall document that at least one of the following factors exists in the planning area:

i) The absence of the proposed service within the planning area;
ii) Access limitations due to payor status of patients, including, but not limited to, individuals with health care coverage through Medicare, Medicaid, managed care or charity care;
iii) Restrictive admission policies of existing providers;
iv) The area population and existing care system exhibit indicators of medical care problems, such as an average family income level below the State average poverty level, high infant mortality, or designation by the Secretary of Health and Human Services as a Health Professional Shortage Area, a Medically Underserved Area, or a Medically Underserved Population;

v) For purposes of this subsection (b)(5) only, all services within the established radii outlined in 77 Ill. Adm. Code 1100.510(d) meet or exceed the utilization standard specified in 77 Ill. Adm. Code 1100.

B) Supporting Documentation
The applicant shall provide the following documentation, as applicable, concerning existing restrictions to service access:

i) The location and utilization of other planning area service providers;
ii) Patient location information by zip code;
iii) Independent time-travel studies;
iv) A certification of waiting times;
v) Scheduling or admission restrictions that exist in area providers;
vi) An assessment of area population characteristics that document that access problems exist; and
vii) Most recently published IDPH Hospital Questionnaire.

The number of medical-surgical beds proposed is necessary to improve access to planning area residents. Multiple factors affecting service accessibility exist in the planning area. The area population exhibits indicators of medical care problems including:

(1) an average family income level below the State average poverty level:
(2) designation by the Secretary of HHS as a Health Professional Shortage Area, and;
(3) designation by the Secretary of HHS as a Medically Underserved Area.

The above factors are documented below.

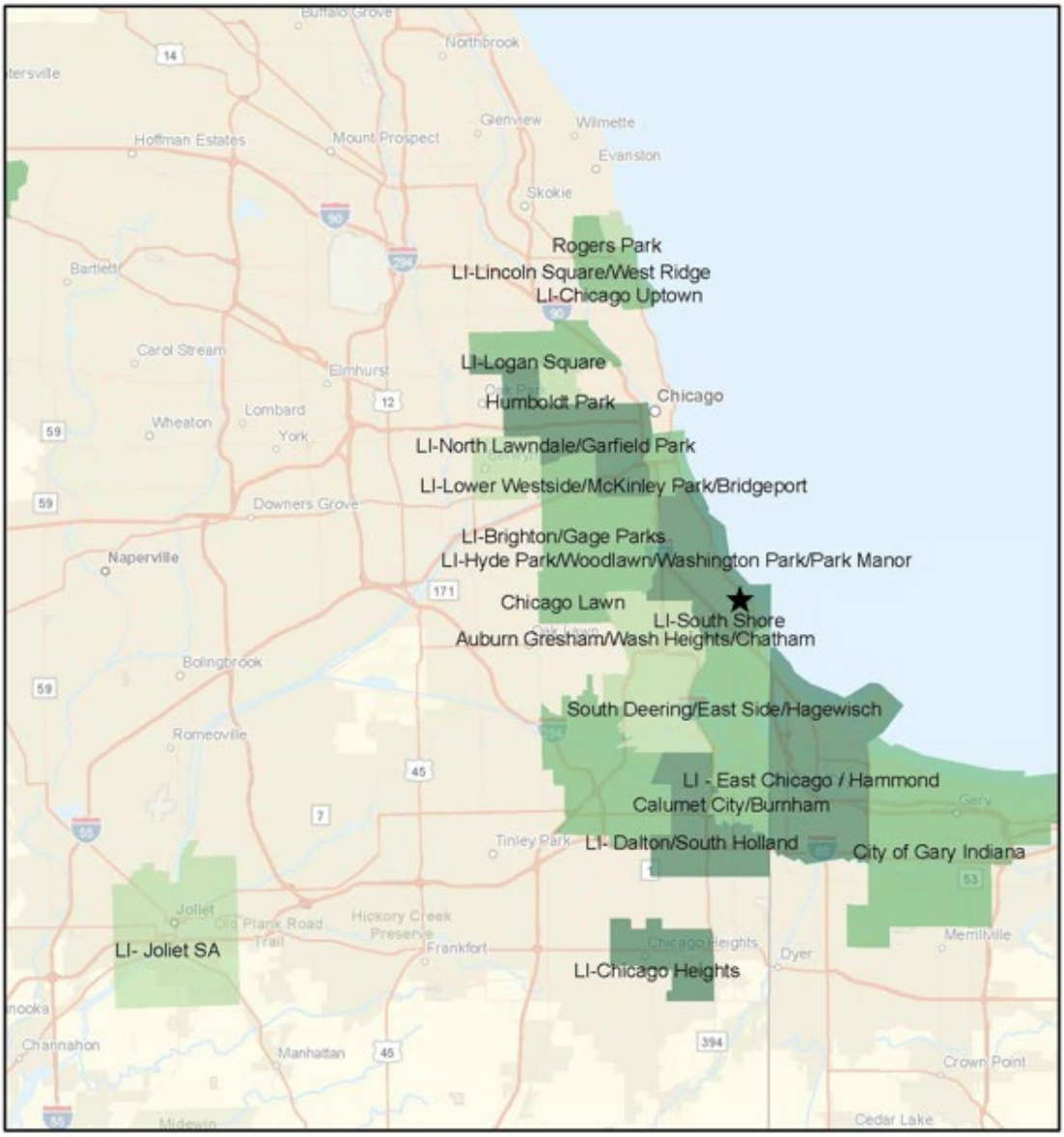
1. Average family income below the State average poverty level.

The average family income within the Advocate South Chicagoland service area is below the State Average poverty level. In 2023, the percentage of households below the poverty level in Illinois was 11.8%, compared to 17% of families below the poverty level within the Advocate South Chicagoland service area.
Source: 2020 U.S Census bureau data, Esri forecasted for 2024.

2. Designation as Health Professional Shortage Area (HPSA): Below is a map from Health Resources & Services Administration of the U.S. Department of Health & Human Services showing that the planning area consists largely of designated HPSAs.

The map below shows that the proposed site of the new Advocate Trinity Hospital is located within and surrounded by designated Health Professional Shortage Areas.

HRSA Map



11/16/2024

1:577,791

0 3.75 7.5 15 mi

0 5 10 20 km

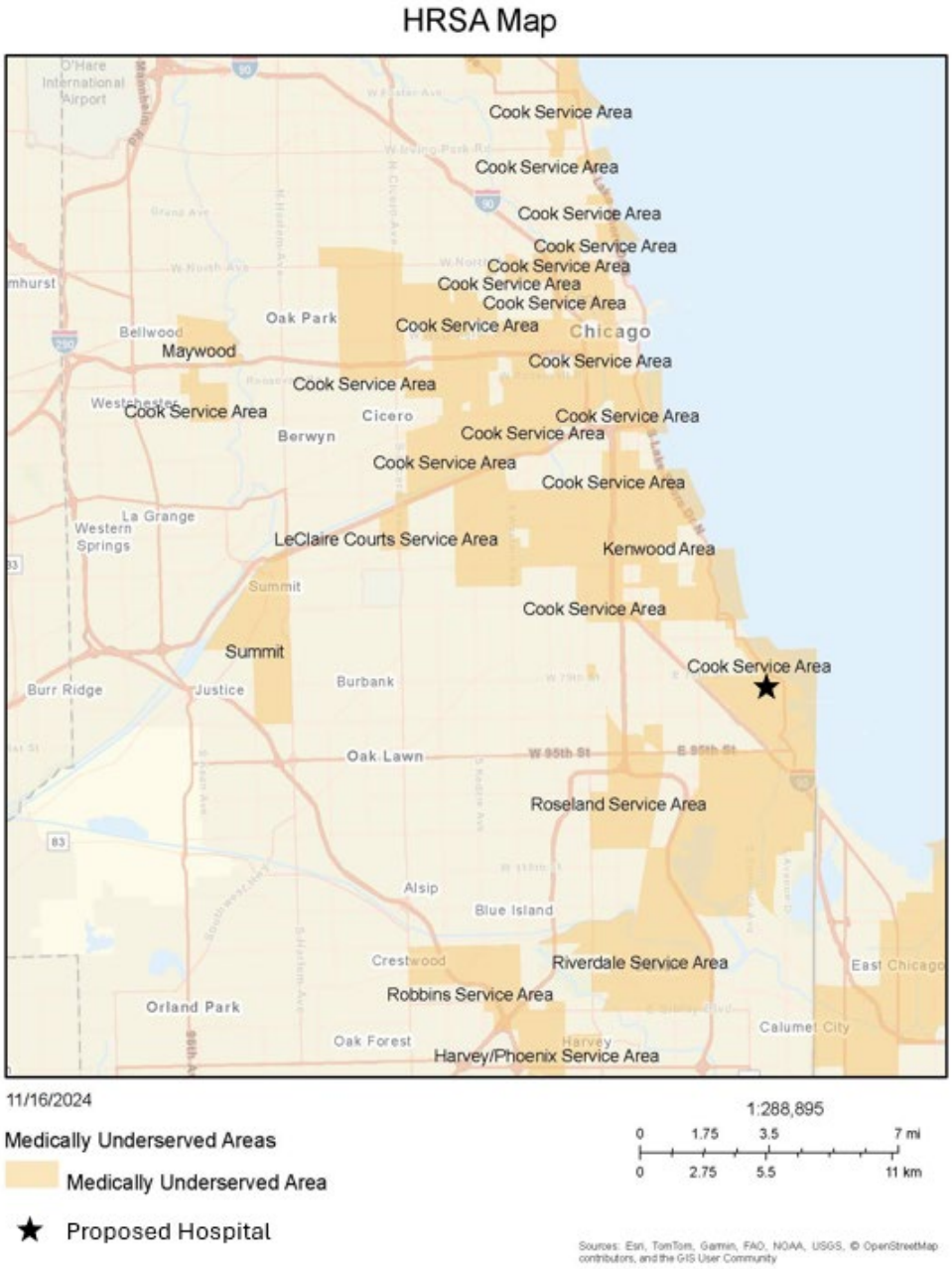
Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

Primary Care Area HPSAs (HPSA Score)

- 1 - 13
- 14 - 17
- 18 and above
- ★ Proposed Hospital

3. Designation as Medically Underserved Area (MUA): Below is a map from Health Resources & Services Administration of the U.S. Department of Health & Human Services showing that the planning area contains a number of designated MUAs.

The map below shows that the proposed site of the new Advocate Trinity Hospital is located within and surrounded by designated Medically Underserved Areas.



In addition to the above four factors of restrictive access, the need for the proposed 36-bed medical-surgical unit is also demonstrated by historical utilization at the existing Advocate Trinity Hospital and projected utilization at the proposed replacement hospital. As documented above, the existing Trinity Hospital had an average daily census in its medical-surgical unit for 2022 and 2023 of 63.8 and 58.2, respectively. For the first two years of operation of the replacement hospital, 2029 and 2030, the medical-surgical average daily census is projected to be 30.3 and 30.0, respectively. This corresponds to projected utilization of the 36-bed medical-surgical of 84% and 83%, respectively, which exceeds the 80% target utilization for a new medical-surgical unit of this size (see, 77 Ill. Adm. Code 1100.520(c)(2)(A), and demonstrates a need for the beds.

c) Unnecessary Duplication/Maldistribution − Review Criterion

1) The applicant shall document that the project will not result in an unnecessary duplication. The applicant shall provide the following information:

A) A list of all zip code areas that are located, in total or in part, within the established radii outlined in 77 Ill. Adm. Code 1100.510(d) of the project's site;

B) The total population of the identified zip code areas (based upon the most recent population numbers available for the State of Illinois); and

C) The names and locations of all existing or approved health care facilities located within the established radii outlined in 77 Ill. Adm. Code 1100.510(d) of the project site that provide the categories of bed service that are proposed by the project.

The project will not result in an unnecessary duplication of services. To the contrary, this project, with 36 medical-surgical beds, together with the discontinuation of the existing Advocate Trinity Hospital with 158 medical-surgical beds will result in the net reduction of 122 medical surgical beds, which will reduce the bed excess in the planning area of 660 beds to 478 beds. In addition, the proposed 36-medical surgical beds at the replacement hospital are justified by Advocate Trinity's historical and projected bed utilization. The proposed beds do not rely on patient volume from other area providers. The chart below provides the zip codes of the communities located in the Advocate Trinity PSC and the current and projected population.

Advocate Trinity Patient Service Community		
Patient Zip code	**2024 Total Population**	**2029 Total Population**
60609	61,996	60,086
60615	43,444	42,533
60616	53,166	52,115
60617	74,787	72,757
60619	60,870	59,384
60621	29,019	28,607
60628	59,065	57,083
60633	12,957	12,702
60636	31,986	31,028
60637	52,189	51,252
60649	46,666	45,527
60653	32,542	32,263
TOTAL	**558,687**	**545,337**

Source: Esri 2024

Hospitals in the Advocate Trinity Primary Service Area						
Hospital	**Street Address**	**City**	**Zip Code**	**Health Service Area**	**Hospital Planning Area**	**County**
Jackson Park Hospital	7531 S Stony Island Ave	Chicago	60649	6	A-03	Cook
Roseland Community Hospital	45 West 111th Street	Chicago	60628	6	A-03	Cook
La Rabida Children's Hospital (Pediatrics only)	6501 S. Promontory Dr.	Chicago	60649	6	A-03	Cook
South Shore Hospital	8012 S Crandon Ave.	Chicago	60617	6	A-03	Cook
The University of Chicago Medical Center	5841 S. Maryland Ave.	Chicago	60637	6	A-03	Cook
Advocate Trinity Hospital	2320 East 93rd Street	Chicago	60617	6	A-03	Cook
Provident Hospital - Cook County	500 East 51st Street	Chicago	60615	6	A-03	Cook
Insight Chicago	2525 S Michigan Ave	Chicago	60616	6	A-03	Cook

Source: IDPH Hospital Inventory 2023

2) The applicant shall document that the project will not result in maldistribution of services. Maldistribution exists when the identified area (within the planning area) has an excess supply of facilities, beds and services characterized by such factors as, but not limited to:

A) A ratio of beds to population that exceeds one and one-half times the State average;

B) Historical utilization (for the latest 12-month period prior to submission of the application) for existing facilities and services that is below the occupancy standard established pursuant to 77 Ill. Adm. Code 1100; or

C) Insufficient population to provide the volume or caseload necessary to utilize the services proposed by the project at or above occupancy standards.

As shown, there is an excess number of medical surgical beds in the Health Planning Area. This replacement hospital proposed less beds and will not be adding to the excess in the service area.

3) The applicant shall document that, within 24 months after project completion, the proposed project:

A) Will not lower the utilization of other area providers below the occupancy standards specified in 77 Ill. Adm. Code 1100; and

B) Will not lower, to a further extent, the utilization of other area hospitals that are currently (during the latest 12-month period) operating below the occupancy standards.

This replacement hospital will not lower the utilization of other area providers below the occupancy standards and will not lower, to a further extent, the utilization of other area hospitals that are currently operating below the occupancy standards. The proposed project does not rely on patient volume from any existing facility other than Advocate Trinity and will therefore not have any adverse impact on the utilization of other existing facilities.

Moreover, the project will significantly improve the utilization of Advocate Trinity Hospital. By reducing the number of medical-surgical beds, the project will allow the hospital to operate above target utilization compared to recent utilization that has been far below the target. In 2021 and 2022, Advocate Trinity's CON Occupancy Rate (including observations days) was 52.6% and 54.3%, respectively, compared to a target occupancy rate of 85% for a 158-bed medical-surgical unit. The proposed replacement hospital will exceed target occupancy of 80% for a 36-bed medical-surgical unit.

e) Staffing Availability − Review Criterion

The applicant shall document that relevant clinical and professional staffing needs for the proposed project were considered and that licensure and The Joint Commission staffing requirements can be met. In addition, the applicant shall document that necessary staffing is available by providing a narrative explanation of how the proposed staffing will be achieved.

Advocate Trinity Hospital has evaluated the staffing needs and does not expect any issues meeting the licensure and accreditation staffing requirements as a result of the proposed project.

Nursing and other clinical and non-clinical staff in areas that will no longer be located at Advocate Trinity Hospital will be provided with comparable opportunities at other Advocate Locations in the area.

f) Performance Requirements − Bed Capacity Minimum

1) Medical-Surgical

The minimum bed capacity for a new medical-surgical category of service within a Metropolitan Statistical Area (MSA), as defined by the U.S. Census Bureau, is 100 beds.

The above general rule relating to bed capacity in a new medical-surgical category of service does not apply to replacement hospitals as the Review Board has a specific medical-surgical bed capacity rule for replacement hospitals. Section 1110.200(a)(4) states:

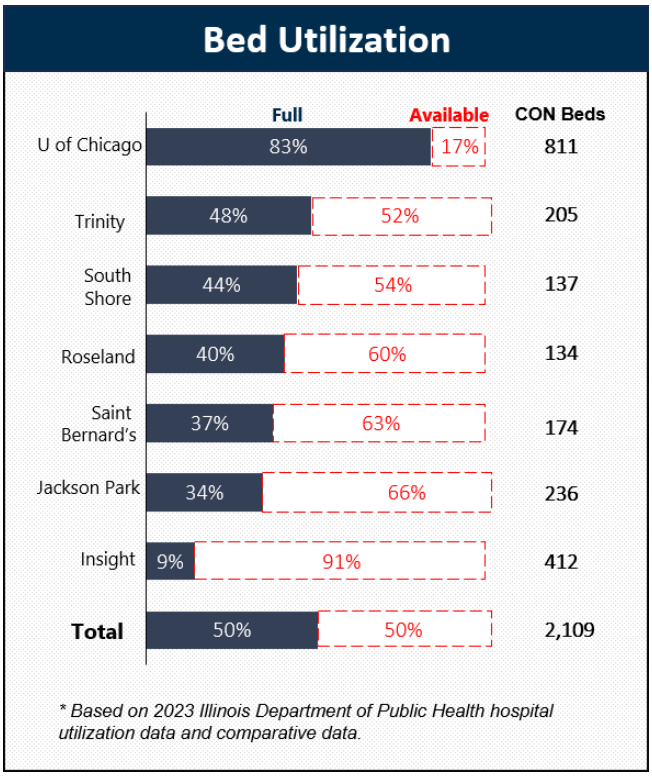
> "If the proposed project involves the replacement of a hospital or service (onsite or new site), the number of beds being replaced shall not exceed the number justified by historical occupancy rates for each of the latest 2 years, unless additional beds can be justified per the criteria for Expansion of Existing Services."

As the proposed project is a replacement hospital on a new site, Section 1110.200(a)(4) requires that the number of beds shall not exceed the number justified by historical occupancy rates for each of the latest two years. This rule imposes a maximum limit on medical-surgical beds in a replacement hospital, which may be less than 100 beds. The historical inpatient days for Advocate Trinity Hospital's medical-surgical unit in 2021, 2022, and 2023 justified 77 beds, 75 beds, and 68 beds respectively, based on inpatient days and excluding observation days. Moreover, patient days are projected to substantially decline.

Based on the analysis of historical and projected inpatient medical surgical inpatient utilization it was determined that 36 medical-surgical beds at Advocate Trinity Hospital would be the number of beds needed to support this community hospital into the future. The current Advocate Trinity Hospital has been underutilized, operating at less than 48% facility utilization over the last 2 years. A larger number of medical surgical beds would remain unused.

As outlined in Attachment 19, Exhibit 1 and the table below, the Health Planning Area has a significant number of available medical surgical beds in the area. With a replacement hospital

of 36 medical-surgical beds, the Planning Area would have sufficient capacity and would continue to have an excess capacity of medical surgical beds in the Planning Area.



g) Assurances

The applicant representative who signs the CON application shall submit a signed and dated statement attesting to the applicant's understanding that, by the second year of operation after project completion, the applicant will achieve and maintain the occupancy standards specified in 77 Ill. Adm. Code 1100 for each category of service involved in the proposal.

The letter required by this criterion is provided as Attachment 19, Exhibit 6.

B. INTENSIVE CARE UNIT BEDS

Category of Service	
Intensive Care Beds	
Replacement on a New Site – Establishment of Services or Facility	(b)(1) − Planning Area Need – 77 Ill. Adm. Code 1100
	(b)(2) − Planning Area Need – Service to Planning Area Residents
	(b)(3) − Planning Area Need – Service Demand - Establishment of Category of Service
	(b)(5) − Planning Area Need – Planning Area Need - Service Accessibility
	(c)(1) − Unnecessary Duplication of Services
	(c)(2) − Maldistribution
	(c)(3) − Impact of Project on Other Area Providers
	(e) − Staffing Availability
	(f) − Performance Requirements
	(g) − Assurances

(b)(1) Planning Area Need − Review Criterion
The applicant shall document that the number of beds to be established or added is necessary to serve the planning area's population, based on the following:

1) 77 Ill. Adm. Code 1100 (formula calculation)

A) The number of beds to be established for each category of service is in conformance with the projected bed deficit specified in 77 Ill. Adm. Code 1100, as reflected in the latest updates to the Inventory.

B) The number of beds proposed shall not exceed the number of the projected deficit, to meet the health care needs of the population served, in compliance with the occupancy standard specified in 77 Ill. Adm. Code 1100.

The proposed four-bed ICU service is appropriately sized. As shown in Attachment 19 Exhibit 1, Planning Area A-03 currently has nine hospitals with a total of 278 ICU beds and a calculated need for 260 ICU beds, creating an excess of 18 ICU beds.

Only two of the nine area hospitals are operating above the 60% utilization target for ICU, and all of the others are significantly below that level. The proposed discontinuation of 24 ICU beds at Advocate Trinity Hospital and addition of 4 beds at the proposed replacement hospital will result in a calculated need of two ICU beds. However, as shown below, all of the area providers have excess capacity. Even the two facilities operating above target utilization are still both below 70% utilization for their ICU services. There will remain more than enough ICU beds in the Planning Area, including 4 beds at the proposed replacement hospital for Advocate Trinity Hospital, to meet the area need.

Hospital	ICU Beds	Peak Beds Set Up & Staffed	Peak Census	Admissions	Patient Days	Utilization
Advocate Trinity Hospital	24	12	12	1,356	3,074	35.1%
Holy Cross Hospital	20	0*	0*	267	1,782	24.4%
Insight Hospital & Medical Center	30	10	10	85	357	3.3%
Jackson Park Hospital	8	8	8	167	1,460	50.0%
Provident Hospital of Cook County	6	6	4	149	412	18.8%
Roseland Community Hospital	10	0*	0*	318	2,461	67.4%
South Shore Hospital	8	8	8	127	1,877	64.3%
St. Bernard Hospital	10	10	10	196	1,634	44.8%
University of Chicago Medical Center	162	104	101	4,282	32,574	55.1%
TOTAL	**278**	**158**	**153**	**6,947**	**45,631**	**45.0%**

Source: 2023 Hospital Profiles

* Hospital reported zero Peak Beds Set Up & Staffed, and zero Peak Census

2) Service to Planning Area Residents

A) Applicants proposing to establish or add beds shall document that the primary purpose of the project will be to provide necessary health care to the residents of the area in which the proposed project will be physically located (i.e., the planning or geographical service area, as applicable), for each category of service included in the project

The proposed Advocate Trinity Hospital will include the Intensive Care category of service with 4 intensive care beds adjacent to the medical surgical bed unit. Advocate Health Care leadership determined that continuing to offer intensive care services at the replacement Advocate Trinity Hospital would be an important component of the continuum of care needed for residents of the community.

The 4-bed unit will provide care for patients that need the “step up care” and those that need a higher level of care as part of their admission. If a patient deteriorates on the Med/Surg Unit, the patient will be transferred to the ICU capable/Step down room. Our ICU/Step Down trained clinical staff will be well equipped/trained to provide appropriate medical treatment. It will also be used as an intermediate step down/ICU unit until a patient is stabilized and transferred to a higher level of care.

Advocate patients that require intensive care services will continue to have access to Advocate Health Care services through the Advocate South Chicagoland service area that includes the new Advocate Trinity Hospital and the continuum of services for high acuity complex care at Advocate Christ Medical Center.

The intensive care beds in this new hospital will also be designed with the current standard of care, supporting patient safety and quality, enhancing the patient experience, improving staff efficiency, and reducing unnecessary costs. The patient rooms will be right sized and designed in the Advocate Health standard developed by a team of clinicians and hospital facility experts from throughout the Advocate Health system. The ICU rooms will replace the existing undersized beds at the current Advocate Trinity Hospital that are outdated and in inefficient unit configurations with staffing challenges. This new hospital will provide the modern infrastructure for more integrated and advanced technology, offering appropriate space for patients and their families.

The new unit will be designed to support clinicians, nurses and physicians spending more time with the patient at their bedside. The larger patient room provides improved workspace for the multidisciplinary health care teams. The rooms will provide comfortable designated space for family members to stay with the patient, and improved safety with the newest technologic solutions for alarms, nurse call systems and computers in each room for ease of access to the electronic medical record (EMR). The ICU unit will have large storage areas for medical supplies and patient care equipment for a variety of patients. A key principle in the design is flexibility to meet the changing needs of the patients and respond to changes in the delivery of health care. This flexibility will include the infrastructure for future implementation of Smart Room technology.

When the new facility opens our various initiatives will enable baseline volumes of 400 ICU admissions with a target ALOS of 2.3. It is important to note that most Advocate Trinity patients that are admitted into the ICU eventually are transferred to a Med/Surg bed as their condition improves. The ALOS of 2.3 represents the portion of a patient's stay that is only in the ICU. Extremely ill patients that require specialized procedures and/or subspecialty care are transferred to Advocate Christ, our tertiary center for the region. Based on these projected volumes, we expect to have an average daily census of 2.5 out of 4 ICU beds for an occupancy rate of 63% in 2029.

B) Applicants proposing to add beds to an existing category of service shall provide patient origin information for all admissions for the last 12-month period, verifying that at least 50% of admissions were residents of the area. For all other projects, applicants shall document that at least 50% of the projected patient volume will be from residents of the area.

In 2023, similar to Medical Surgical patients, 90% of the Intensive Care inpatients at the current Advocate Trinity Hospital resided in the Hospital's primary service area PSC and 97% within the broader Advocate South Chicagoland Patient Service Area. The table below outlines the Intensive Care IP patient origin.

Intensive IP Patient Origin 2023	
Service Area	
Primary – Patient Service Community (PSC)	90%
Secondary – Patient Service Area (South Chicago PSA)	7%
Other	3%
TOTAL	100%

Source: Advocate Trinity Hospital Finance Department.

Intensive Care patient origin by zip code for 2023 is shown in Attachment 19, Exhibit 5.

C) Applicants proposing to expand an existing category of service shall submit patient origin information by zip code, based upon the patient's legal residence (other than a health care facility).

The new Advocate Trinity Hospital expects that the Intensive Care patients will have similar patient origin as the current Hospital.

3) Service Demand – Establishment of Bed Category of Service

The number of beds proposed to establish a new category of service is necessary to accommodate the service demand experienced annually by the existing applicant facility over the latest 2-year period, as evidenced by historical and projected referrals, or, if the applicant proposes to establish a new hospital, the applicant shall submit projected referrals. The applicant shall document subsection (b)(3)(A) and either subsection (b)(3)(B) or (C):

A) Historical Referrals

If the applicant is an existing facility, the applicant shall document the number of referrals to other facilities, for each proposed category of service, for each of the latest 2 years. Documentation of the referrals shall include: patient origin by zip code; name and specialty of referring physician; name and location of the recipient hospital.

As outlined in the Tables below, the Intensive Care occupancy had declined year over year. The inpatient Intensive Care patient days for the Advocate Trinity Hospital is projected to continue to decrease over the next five years. In the first year for the replacement hospital, patient days are projected to be 1,200.

Advocate Trinity Hospital AHQ Intensive Care Utilization 2021-2024 AY				
	2021	**2022**	**2023**	**2024 AY**
Beds	24	24	24	24
Inpatient Days	5,666	3,147	3,000	2,832
Admissions	2,285	1,505	1,356	941
ICU Transfer	732	487	430	414
Observation Days	84	40	74	43
ALOS	2.52	2.12	2.27	3.06
ALOS w/o Observation	2.48	2.09	2.21	3.01
ADC	15.8	8.7	8.4	8.1

Source: Advocate Trinity Hospital AHQ 2020-2023
Source: 2024 AY Advocate Trinity Hospital Finance Department. (Jan-Oct AY)

Advocate Trinity Hospital Intensive Care Utilization Projected 2025-2030						
	2025	**2026**	**2027**	**2028**	**2029**	**2030**
Beds	24	24	24	24	4	4
Inpatient Days	2,961	2,829	2,637	2,454	1,200	1,188
Admissions	987	943	879	818	400	396
ICU Transfer	434	415	387	360	50	45
Observation Days	-	-	-	-	-	-
ALOS	3.0	3.0	3.0	3.0	3.0	3.0
ALOS w/o Observation	3.0	3.0	3.0	3.0	3.0	3.0
ADC	8.1	7.7	7.2	6.7	3.3	3.2

Source: Advocate Trinity Hospital Finance Department

The current and projected utilization determined the number of intensive care beds needed for this new community hospital. As stated earlier in this attachment, the 4-bed unit will provide care for patients that need the “step up care” and those that need a higher level of care as part of their admission. If a patient deteriorates on the Med/Surg Unit, the patient will be transferred to the ICU capable/Step down room. Our ICU/Step Down trained clinical staff will

be well equipped/trained to provide appropriate medical treatment. It will also be used as an intermediate step down/ICU unit until a patient is stabilized and transferred to a higher level of care.

Advocate patients that require intensive care services will continue to have access to Advocate Health Care services through the Advocate South Chicagoland service area that includes the new Advocate Trinity Hospital and the continuum of services for high acuity complex care at Advocate Christ Medical Center.

B) Projected Referrals
An applicant proposing to establish a category of service or establish a new hospital shall submit the following:

i) Physician referral letters that attest to the physician's total number of patients (by zip code of residence) who have received care at existing facilities located in the area during the 12-month period prior to submission of the application;

ii) An estimated number of patients the physician will refer annually to the applicant's facility within a 24-month period after project completion. The anticipated number of referrals cannot exceed the physician's documented historical caseload;

iii) The physician's notarized signature, the typed or printed name of the physician, the physician's office address, and the physician's specialty; and

iv) Verification by the physician that the patient referrals have not been used to support another pending or approved CON application for the subject services.

The applicant did not include letters of referral from physicians. The patients are already presenting to the hospital and included in the current and projected utilization. Physicians on Advocate Trinity Medical Staff will continue to send their patients to the appropriate hospital for intensive care services within the Advocate Health system. Therefore, criteria i) to iv) are not included.

C) Projected Service Demand – Based on Rapid Population Growth:
If a projected demand for service is based upon rapid population growth in the applicant facility's existing market area (as experienced annually within the latest 24-month period).

This criterion is not applicable as the projected demand is not based on rapid population growth. Rather, projected demand is based on the historical utilization of Advocate Trinity Hospital's medical-surgical unit, and the historical utilization justifies the number of beds that are requested.

5) Service Accessibility

The number of beds being established or added for each category of service is necessary to improve access for planning area residents. The applicant shall document the following:

A) Service Restrictions

The applicant shall document that at least one of the following factors exists in the planning area:

i) The absence of the proposed service within the planning area;

ii) Access limitations due to payor status of patients, including, but not limited to, individuals with health care coverage through Medicare, Medicaid, managed care or charity care;

iii) Restrictive admission policies of existing providers;

iv) The area population and existing care system exhibit indicators of medical care problems, such as an average family income level below the State average poverty level, high infant mortality, or designation by the Secretary of Health and Human Services as a Health Professional Shortage Area, a Medically Underserved Area, or a Medically Underserved Population;

The number of ICU beds proposed is necessary to improve access to planning area residents. Multiple factors affecting service accessibility exist in the planning area. The area population exhibits indicators of medical care problems including:

(1) an average family income level below the State average poverty level:

(2) designation by the Secretary of HHS as a Health Professional Shortage Area, and;

(3) designation by the Secretary of HHS as a Medically Underserved Area.

These factors are documented above under Service Accessibility criterion for the Medical-Surgical category of service.

In addition to the above four factors of restrictive access, the need for the proposed 4-bed ICU is also demonstrated by historical utilization at the existing Advocate Trinity Hospital and projected utilization at the proposed replacement hospital. As documented above, the existing Advocate Trinity Hospital had an average daily census in its ICU for 2022 and 2023 of 8.7 and 8.4, respectively. The Table also shows that for the first two years of operation of the replacement hospital, 2029 and 2030, the ICU average daily census is projected to be 2.5 in both years. Based on project patient days of 920 in 2029 and 911 in 2030, this corresponds to projected utilization of the 4-bed ICU of 63% and 62%, respectively, which exceeds the 60% target utilization for an ICU (see, 77 Ill. Adm. Code 1100.540(c), and demonstrates a need for the beds.

c) Unnecessary Duplication/Maldistribution − Review Criterion

1) The applicant shall document that the project will not result in an unnecessary duplication. The applicant shall provide the following information:

A) A list of all zip code areas that are located, in total or in part, within the established radii outlined in 77 Ill. Adm. Code 1100.510(d) of the project's site;
B) The total population of the identified zip code areas (based upon the most recent population numbers available for the State of Illinois); and
C) The names and locations of all existing or approved health care facilities located within the established radii outlined in 77 Ill. Adm. Code 1100.510(d) of the project site that provide the categories of bed service that are proposed by the project.

The project will not result in an unnecessary duplication of services. To the contrary, this project, with 4 ICU beds, together with the discontinuation of the existing Advocate Trinity Hospital with 28 ICU beds, will result in a net reduction of 4 ICU beds. In addition, the proposed 4 bed ICU at the replacement hospital is justified by Advocate Trinity's historical and projected bed utilization. The proposed beds do not rely on patient volume from any other area providers.

The chart below provides the zip codes of the communities located in the Advocate Trinity PSC and the current and projected population.

Advocate Trinity Patient Service Community		
Patient Zip Code	2024 Total Population	2029 Total Population
60609	61,996	60,086
60615	43,444	42,533
60616	53,166	52,115
60617	74,787	72,757
60619	60,870	59,384
60621	29,019	28,607
60628	59,065	57,083
60633	12,957	12,702
60636	31,986	31,028
60637	52,189	51,252
60649	46,666	45,527
60653	32,542	32,263
TOTAL	**558,687**	**545,337**

Source: Esri

Hospitals in the Advocate Trinity Primary Service Area						
Hospital	**Street Address**	**City**	**Zip Code**	**Health Service Area**	**Hospital Planning Area**	**County**
Jackson Park Hospital	7531 S Stony Island Ave	Chicago	60649	6	A-03	Cook
Roseland Community Hospital	45 West 111th Street	Chicago	60628	6	A-03	Cook
South Shore Hospital	8012 S Crandon Ave.	Chicago	60617	6	A-03	Cook
The University of Chicago Medical Center	5841 S. Maryland Ave.	Chicago	60637	6	A-03	Cook
Advocate Trinity Hospital	2320 East 93rd Street	Chicago	60617	6	A-03	Cook
Provident Hospital - Cook County	500 East 51st Street	Chicago	60615	6	A-03	Cook
Insight Chicago	2525 S Michigan Ave	Chicago	60616	6	A-03	Cook

Source: AHQ 2023

2) The applicant shall document that the project will not result in maldistribution of services. Maldistribution exists when the identified area (within the planning area) has an excess supply of facilities, beds and services characterized by such factors as, but not limited to:

A) A ratio of beds to population that exceeds one and one-half times the State average;
B) Historical utilization (for the latest 12-month period prior to submission of the application) for existing facilities and services that is below the occupancy standard established pursuant to 77 Ill. Adm. Code 1100; or
C) Insufficient population to provide the volume or caseload necessary to utilize the services proposed by the project at or above occupancy standards.

Planning Area A-03 currently has an excess of 18 ICU beds. However, the proposed four-bed ICU will not result in maldistribution as this project is submitted together with the discontinuation of the existing Advocate Trinity Hospital, with 24 CON approved ICU beds. The two projects will result in a net reduction of 20 ICU beds in Planning Area A-03. Consequently, the project will not be adding to the excess of beds in the Planning Area and will be reducing beds. The two projects will also result in a reduction in the ratio of beds to population which will improve the distribution of services.

In addition, the project will improve the utilization of ICU beds at Advocate Trinity hospital. In 2023, the hospital's ICU utilization of its 24-bed ICU was only 35.1% which is significantly below the target utilization of 60% for ICUs. The new four-bed ICU is projected to be utilized at 81.3% in the second year of operation, exceeding target utilization.

3) The applicant shall document that, within 24 months after project completion, the proposed project:

A) Will not lower the utilization of other area providers below the occupancy standards specified in 77 Ill. Adm. Code 1100; and

B) Will not lower, to a further extent, the utilization of other area hospitals that are currently (during the latest 12-month period) operating below the occupancy standards.

As outlined, this replacement hospital will not increase licensed intensive beds and therefore will not lower the utilization of other area providers in the Planning Area.

e) Staffing Availability − Review Criterion

The applicant shall document that relevant clinical and professional staffing needs for the proposed project were considered and that licensure and The Joint Commission staffing requirements can be met. In addition, the applicant shall document that necessary staffing is available by providing a narrative explanation of how the proposed staffing will be achieved.

Advocate Trinity Hospital has evaluated the staffing needs and does not expect any issues meeting the licensure and accreditation staffing requirements as a result of the proposed project.

Nursing and other clinical and non-clinical staff in areas that will no longer be located at Advocate Trinity Hospital will be provided with comparable opportunities at other Advocate locations in the area.

f) Performance Requirements − Bed Capacity Minimum

1) Intensive Care

The minimum bed capacity for a new intensive care unit within a Metropolitan Statistical Area (MSA), as defined by the U.S. Census Bureau, is 4 beds.

The proposed unit will have four ICU beds, meeting the minimum requirement.

g) Assurances

The applicant representative who signs the CON application shall submit a signed and dated statement attesting to the applicant's understanding that, by the second year of operation after project completion, the applicant will achieve and maintain the occupancy standards specified in 77 Ill. Adm. Code 1100 for each category of service involved in the proposal.

The letter by this criterion is provided as Attachment 19, Exhibit 6.

INVENTORY OF HEALTH CARE FACILITIES AND SERVICES AND NEED DETERMINATIONS

Illinois Health Facilities and Services Review Board Illinois Department of Public Health

12/18/2023

Page A- 9

MEDICAL-SURGICAL and PEDIATRIC Categories of Service

Hospital Planning Area: A-03

Hospital	City	Beds	2021 Admissions	2021 Patient Days
CATEGORY OF SERVICE: Medical-Surgical				
Advocate Trinity Hospital	Chicago	158	3,898	30,306
Holy Cross Hospital	Chicago	204	4,340	22,690
Insight Hospital & Medical Center	Chicago	289	300	1,834
Jackson Park Hospital	Chicago	144	2,496	13,467
Provident Hospital of Cook County	Chicago	79	328	2,576
10/22/2019 19-037	**Received permit for replacement hospital; replacement hospital will have 42 Medical-Surgical beds, a reduction of 37 Medical-Surgical beds.**			
8/16/2022 19-037	**Hospital relinquished permit to discontinue 37 Medical-Surgical beds; hospital now has 79 authorized Medical-Surgical beds.**			
Roseland Community Hospital	Chicago	77	2,369	13,196
South Shore Hospital	Chicago	114	1,111	11,438
St. Bernard Hospital	Chicago	104	2,216	15,528
The University of Chicago Medical Center	Chicago	570	19,409	150,154
6/30/2023 23-011	**Received permit to add 64 Medical-Surgical beds to existing categoty of service; hospital will have 570 Medical-Surgical beds.**			
	Medical-Surgical TOTAL	**1,739**	**36,467**	**261,189**
CATEGORY OF SERVICE: Pediatrics				
Jackson Park Hospital	Chicago	1	0	0
La Rabida Children's Hospital	Chicago	49	265	10,240
The University of Chicago Medical Center	Chicago	60	3,303	16,497
	Pediatrics TOTAL	**110**	**3,568**	**26,737**
	Medical-Surgical/Pediatrics Planning Area Totals	**1,849**	**40,035**	**287,926**

Patient Days by Age	2019	2020	2021	TOTAL	3 Year Average	2021 Population	Use Rates	2026 Population	Projected Days
0-14 Years Old	28,060	25,814	27,383	81,257	27,086	147,580	0.1835	131,180	24,076
15-44 Years Old	50,563	50,763	50,472	151,798	50,599	331,450	0.1527	316,310	48,288
45-64 Years Old	109,038	98,633	94,101	301,772	100,591	188,720	0.5330	184,540	98,363
65-74 Years Old	66,150	65,292	63,375	194,817	64,939	64,180	1.0118	66,780	67,570
75-up Years Old	63,981	58,554	52,595	175,130	58,377	42,140	1.3853	56,230	77,896

Out-Migration	In-Migration	Net Migration	Average Length of Stay	Migration Days	Adjustment Factor	Adjustment	Total Projected Days	Adjusted Days
43,402	18,065	25,337	5.870	148,728	0.50	74,364	316,192	390,556

Adjusted Days	Days in Year 2026	Adjusted Average Daily Census	Occupancy Target*	Adjusted Beds Needed	Existing Beds	Excess Beds
390,556	365	1,070	0.90	1,189	**1,849**	660

* If ADC less than 100 in Planning Area, Occupancy Target is 80%; if the Planning Area has ADC of 100-199, the Occupancy Target is 85%; if ADC is 200 or more, 90%.

Attachment 19, Exhibit 2

ILLINOIS DEPARTMENT OF PUBLIC HEALTH
REVISED BED NEED DETERMINATIONS
10/1/2024

Hospital Planning Area	MEDICAL-SURGICAL/PEDIATRIC BEDS				INTENSIVE CARE BEDS				OBSTETRIC BEDS			
	Beds	Calculated Bed Need	Bed Need	Excess	Beds	Calculated Bed Need	Bed Need	Excess	Beds	Calculated Bed Need	Bed Need	Excess
A-001	2,137	1,125	0	1,012	479	449	0	30	201	111	0	90
A-002	1,557	874	0	683	378	485	107	0	232	73	0	159
A-003	1,849	1,189	0	660	278	260	0	18	112	59	0	53
A-004	1,787	1,664	0	123	350	360	10	0	134	97	0	37
A-005	1,076	847	0	229	233	265	32	0	168	103	0	65
A-006	1,012	613	0	399	212	245	33	0	75	32	0	43
A-007	1,230	801	0	429	207	236	29	0	172	76	0	96
A-008	613	521	0	92	108	81	0	27	52	39	0	13
A-009	841	734	0	107	135	118	0	17	112	63	0	49
A-010	227	300	73	0	42	40	0	2	20	24	4	0
A-011	296	348	52	0	45	37	0	8	28	33	5	0
A-012	409	294	0	115	58	81	23	0	68	38	0	30
A-013	713	710	0	3	121	116	0	5	93	63	0	30
A-014	264	120	0	144	57	56	0	1	42	14	0	28
B-001	529	435	0	94	98	107	9	0	67	37	0	30
B-002	103	82	0	21	8	2	0	6	14	4	0	10
B-003	148	107	0	41	14	16	2	0	17	10	0	7
B-004	107	107	0	0	20	14	0	6	11	12	1	0
C-001	906	578	0	328	146	142	0	4	74	36	0	38
C-002	135	124	0	11	16	14	0	2	25	13	0	12
C-003	88	75	0	13	9	9	0	0	9	8	0	1
C-004	69	64	0	5	12	10	0	2	16	5	0	11
C-005	395	189	0	206	33	36	3	0	39	18	0	21
D-001	500	307	0	193	76	59	0	17	40	28	0	12
D-002	294	229	0	65	46	28	0	18	42	20	0	22
D-003	186	132	0	54	20	8	0	12	17	9	0	8
D-004	300	202	0	98	38	55	17	0	26	18	0	8
D-005	139	108	0	31	14	11	0	3	19	8	0	11
E-001	744	481	0	263	128	144	16	0	59	28	0	31
E-002	93	71	0	22	4	2	0	2	3	5	2	0
E-003	64	30	0	34	4	2	0	2	0	2	2	0
E-004	122	59	0	63	13	6	0	7	11	5	0	6
E-005	260	151	0	109	28	26	0	2	28	13	0	15
F-001	978	482	0	496	93	86	0	7	89	44	0	45
F-002	159	88	0	71	10	9	0	1	17	9	0	8
F-003	132	74	0	58	12	5	0	7	8	4	0	4
F-004	262	143	0	119	38	25	0	13	13	13	0	0
F-005	121	42	0	79	0	0	0	0	0	2	2	0
F-006	206	150	0	56	26	16	0	10	0	8	8	0
F-007	281	120	0	161	23	24	1	0	28	12	0	16
Totals	**21,332**	**14,770**	**125**	**6,687**	**3,632**	**3,685**	**282**	**229**	**2,181**	**1,196**	**24**	**1,009**

INVENTORY OF HEALTH CARE FACILITIES AND SERVICES AND NEED DETERMINATIONS

Illinois Health Facilities and Services Review Board Illinois
Department of Public Health

12/18/2023
Page C- 8

INTENSIVE CARE Category of Service

Hospital Planning Area: A-03

Hospital	City	Beds	2021 Utilization Admissions	2021 Utilization Patient Days
Advocate Trinity Hospital	Chicago	24	3,017	5,750
Holy Cross Hospital	Chicago	20	260	2,374
Insight Hospital & Medical Center	Chicago	30	23	140
Jackson Park Hospital	Chicago	8	376	1,976
11/1/2019 Bed Change	**Facility discontinued 3 Intensive Care beds. Hospital now has 83 authorized Intensive Care beds.**			
Provident Hospital of Cook County	Chicago	6	0	0
Roseland Community Hospital	Chicago	10	760	3,535
South Shore Hospital	Chicago	8	162	2,205
St. Bernard Hospital	Chicago	10	267	2,704
The University of Chicago Medical Center	Chicago	162	7,775	40,624
6/30/2023 23-011	**Received permit to add 16 Intensive Care beds to existing categoty of service; hospital will have 162 Intensive Care beds.**			
	Planning Area Totals	**278**	**12,640**	**59,308**

Three-Year Utilization

2019	55,937
2020	59,938
2021	59,308
TOTAL	175,183
AVERAGE	58,394

Estimated 2021 Total Population	Average Use Rate	Projected 2026 Total Population	Projected Patient Days	Days in Year 2026	Projected Average Daily Census	Target Occupancy Rate	Projected Bed Need	Excess Beds
774,070	0.0754	755,040	56,959	365	156.1	0.60 (60%)	260	18

Attachment 19, Exhibit 4

Advocate Trinity Hospital Medical Surgical Patient Origin 2023		
Patient Zip Code	**Service Area**	**Med Surg Patient Volume**
60617	Primary	2,006
60619	Primary	861
60628	Primary	518
60649	Primary	325
60633	Primary	189
60620	Secondary	145
60637	Primary	71
60827	Secondary	70
60653	Primary	59
60621	Primary	57
60643	Secondary	52
60409	Secondary	48
60636	Primary	39
60419	Secondary	32
60616	Primary	29
60615	Primary	27
60609	Primary	24
60629	Secondary	18
60411	Secondary	17
60406	Secondary	13
60652	Secondary	13
60426	Secondary	12
60473	Secondary	12
60438	Secondary	8
60478	Secondary	8
60803	Secondary	7
60472	Secondary	6
60805	Secondary	6
60443	Secondary	5
60429	Secondary	4
60632	Secondary	4
60422	Secondary	3
60425	Secondary	3
60453	Secondary	3
60430	Secondary	2
60452	Secondary	2
60459	Secondary	2
60466	Secondary	2
60469	Secondary	2
60471	Secondary	2
60484	Secondary	2
60655	Secondary	2

60415	Secondary	1
60428	Secondary	1
60445	Secondary	1
60455	Secondary	1
60458	Secondary	1
60461	Secondary	1
60638	Secondary	1
60465	Secondary	0
Other		124
TOTAL		**4,841**

Source: Advocate Trinity Hospital Finance Department - Strata

Attachment 19, Exhibit 5

Advocate Trinity Hospital Intensive Care Patient Origin 2023		
Patient Zip Code	**Service Area**	**Intensive Care Patient Volume**
60617	Primary	502
60619	Primary	193
60628	Primary	120
60649	Primary	95
60633	Primary	47
60637	Primary	18
60620	Secondary	17
60827	Secondary	14
60643	Secondary	13
60653	Primary	9
60636	Primary	7
60621	Primary	5
60409	Secondary	5
60629	Secondary	5
60419	Secondary	4
60615	Primary	3
60411	Secondary	3
60453	Secondary	3
60609	Primary	2
60473	Secondary	2
60652	Secondary	2
60805	Secondary	2
60616	Primary	1
60406	Secondary	1
60425	Secondary	1
60426	Secondary	1
60429	Secondary	1
60430	Secondary	1
60438	Secondary	1
60445	Secondary	1
60465	Secondary	1
60478	Secondary	1
60632	Secondary	1
60638	Secondary	1
60415	Secondary	

60422	Secondary	
60428	Secondary	
60443	Secondary	
60452	Secondary	
60455	Secondary	
60458	Secondary	
60459	Secondary	
60461	Secondary	
60466	Secondary	
60469	Secondary	
60471	Secondary	
60472	Secondary	
60484	Secondary	
60655	Secondary	
60803	Secondary	
Other		32
TOTAL		**1,115**

Source: Advocate Trinity Hospital Finance Department - Strata

Attachment 19, Exhibit 6

ADVOCATEHEALTH

PO Box 32861
Charlotte, NC 28232-2861

advocatehealth.org

December 23, 2024

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

Re: Advocate Health and Hospitals Corporation d/b/a Trinity Hospital

Dear Mr. Kniery:

This letter is to provide the Illinois Health Facilities and Services Review Board the assurance required with the Certificate of Need application for the establishment of a replacement Advocate Trinity Hospital.

Based on the information at this time, it is my understanding that by the second year of operation after project completion, Advocate Trinity Hospital reasonably expects to achieve and maintain the utilization standards for the Inpatient Bed Units and the Surgical/Procedural areas, as specified in 77 Ill. Administrative Code 1100.

Respectfully,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital
Advocate South Suburban Hospital

Notarization:
Subscribed and sworn to before me

This 23rd day of December, 2024

(Seal of Notary)

Official Seal
CHARLENE SIMMONS WATTS
Notary Public, State of Illinois
Commission No. 835338
My Commission Expires September 5, 2028

Signature of Notary Public

Advocate Health Care · Atrium Health · Aurora Health Care · Wake Forest University School of Medicine

ATTACHMENT 23
CARDIAC CATHETERIZATION

E. Criterion 1110.225 - Cardiac Catheterization

1. Applicants proposing to establish, expand and/or modernize the Cardiac Catheterization category of service must submit the following information.

2. Indicate bed capacity changes by Service: Indicate # of beds changed by action(s):

Category of Service	# Existing	# Proposed
Cardiac Catheterization	**2***	**1**

*Existing Trinity Hospital Inventor. Currently operating 1 unit/room.

This project includes the relocation of the cardiac cath service at Advocate Trinity Hospital's current location and the establishment at the replacement hospital in this project.

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

1. Criterion 1110.225(a), Peer Review

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

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

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

a. A map (on 8 1/2" x 11" paper) showing the location of the other hospitals providing cardiac catheterization services within the planning area.

b. The number of cardiac catheterizations performed for the last 12 months at each of the hospitals shown on the map.

c. Provide the number of patients transferred directly from the applicant's hospital to another facility for cardiac catheterization services in each of the last three years.

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

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

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

b. Copies of the responses received from the facilities to which the letter was sent.

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

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

5. Criterion 1110.225(e), Support Services

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

6. Criterion 1110.225(f), Laboratory Location

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

7. Criterion 1110.225(g), Staffing

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

8. Criterion 1110.225(h), Continuity of Care

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

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

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

a. A copy of a fully executed affiliation agreement between the two facilities involved.

b. Names and positions of the shared staff at the two facilities.

c. The volume of open-heart surgeries performed for the latest 12-month period at the existing operating program.

d. A cost comparison between the proposed project and expansion at the existing operating program.

e. The number of cardiac catheterization procedures performed in the last 12 months at the operating program.

f. The number of catheterization laboratories at the operating program.

g. The projected cardiac catheterization volume at the proposed facility annually for the next 2 years.

h. The basis for the above projection.

APPEND DOCUMENTATION AS ATTACHMENT 22 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Advocate Trinity Hospital will continue to provide a cardiac catheterization service at the replacement hospital.

1. Criterion 1110.225(a), Peer Review

Advocate Trinity Hospital has an existing peer review process for its cardiac catheterization service that evaluates the quality of studies and related morbidity and mortality of patients and the technical aspects of providing the service. This existing peer review process will be continued at the proposed replacement hospital.

The Cardiovascular Services Peer Review Committee is a representative physician group that meets regularly for case review as outlined by Advocate Trinity Hospital's bylaws. Membership includes cardiologists, internists, nephrologists and electrophysiologists.

Cases are referred for review based on (but not limited to) patient safety reporting guidelines, CMS Quality Measures (including any other department defined indicator), National Cardiovascular Data Registry (NCDR) definition, Vascular Quality Initiative (VQI) definition, external referral (i.e. Quality Improvement Organization QIO), patient/family referral, site leadership referral, and/or nurse/physician referral. Case review information is electronically stored and becomes part of the hospital's focused and ongoing Physician Practice Evaluation reporting for physician privileges. This group also regularly reviews data to identify trends needing further evaluation.

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

There shall be no additional adult or pediatric catheterization categories of service started in a health planning area unless:

1) the standards as outlined in 77 Ill. Adm. Code 1100.620 are met; unless

2) in the circumstances where area programs have failed to meet those targets, the applicant can document historical referral volume in each of the prior 3 years for cardiac catheterization in excess of 400 annual procedures (e.g., certification of the number of patients transferred to other service providers in each of the last 3 years).

The planning area for new Advocate Trinity Hospital's cardiac catheterization services will be located in the same planning area, Health Service Area (HSA) 6, which consists of the City of Chicago. The table below lists the cardiac catheterization service providers in HSA 6 and the number of procedures performed by each provider in 2023.

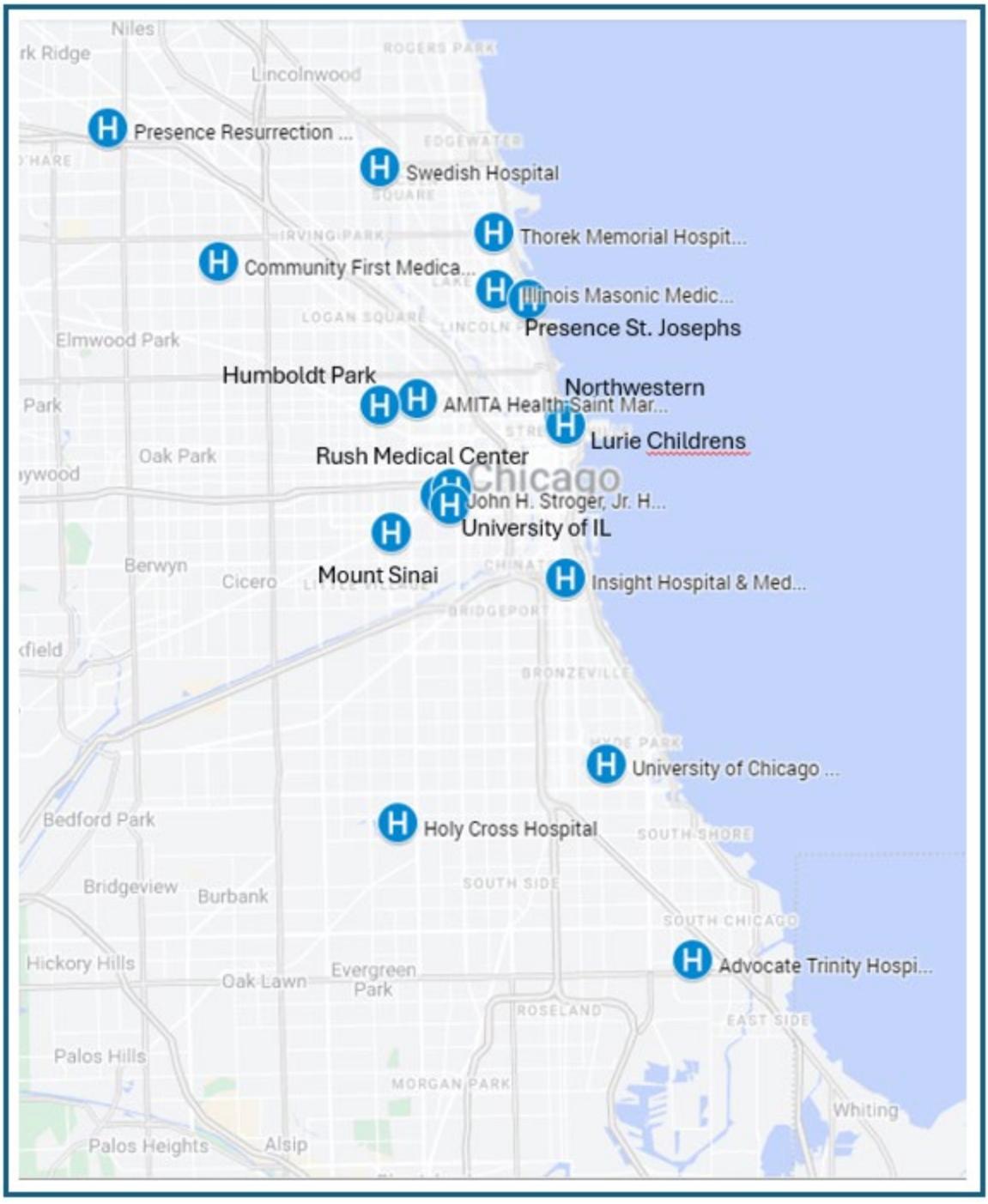
Hospital	City	HSA	HPA	County	2023 Cath Procedures
Advocate Trinity Hospital	Chicago	6	A-03	Cook	593
AMITA Health Saint Mary Medical Center	Chicago	6	A-02	Cook	568
Community First Medical Center*	Chicago	6	A-01	Cook	341
Holy Cross Hospital	Chicago	6	A-03	Cook	0
Humboldt Park Health	Chicago	6	A-02	Cook	295
Illinois Masonic Medical Center Campus	Chicago	6	A-01	Cook	1,963
Insight Hospital & Medical Center*	Chicago	6	A-03	Cook	136
John H. Stroger, Jr. Hospital of Cook County	Chicago	6	A-02	Cook	1,394
Lurie Children's	Chicago	6	A-01	Cook	1,005
Mount Sinai Hospital Medical Center	Chicago	6	A-02	Cook	0
Northwestern Memorial Hospital	Chicago	6	A-01	Cook	8,168
Presence Resurrection Medical Center	Chicago	6	A-01	Cook	1,818
Presence Saint Joseph Hospital – Chicago	Chicago	6	A-01	Cook	471
Rush University Medical Center	Chicago	6	A-06	Cook	4,112
Swedish Hospital	Chicago	6	A-01	Cook	2,531
University of Chicago Medical Center	Chicago	6	A-03	Cook	7,384
Thorek Memorial Hospital	Chicago	6	A-01	Cook	13
University of Illinois Hospital and Clinics	Chicago	6	A-02	Cook	3,038
Weiss Memorial Hospital	Chicago	6	A-01	Cook	310

Source: 2023 IDPH Hospital Profiles

As outlined in the table above, 15 of 19 area cardiac catheterization service providers in operation are operating above the 200-procedure utilization target. Although the Inventory of Health Care Facilities and Services dated December 20, 2023 includes Community First Medical Center and Insight Hospital and Medical Center, the 2021, 2022 and 2023, Hospital Profiles show that neither of these two facilities operated a catheterization lab or has performed any type of catheterization procedures.

Four facilities with catheterization labs are operating below 200 procedures annually. Volumes at Insight, Mount Sinai, Holy Cross Hospital and Thorek Memorial Hospital will not be affected as the proposed catheterization lab at the replacement hospital is based solely on Advocate Trinity Hospital's historical procedure volume.

The following map shows the location of all hospitals listed in the Inventory of Health Services for cardiac catheterization services within HSA 6.



This project will not result in the net addition of a cardiac catheterization service to the planning area. Rather, the project relocates an existing service of Advocate Trinity Hospital to a new location in the replacement hospital. The effect of the relocation is to maintain the same number of catheterization services in the planning area.

The standards outlined in Section 1100.620 will be met at the replacement hospital. The utilization standard of Section 1100.620(b) states that "[t]here should be a minimum of 200 cardiac catheterization procedures performed annually within two years after initiation." 77 Ill. Adm. Code 1100.620(b). That standard will be met as Advocate Trinity Hospital has historically performed more than 200 cardiac catheterizations annually and is projected to perform more than 200 procedures within two years after initiation of services at the replacement hospital.

The historical catheterization procedure volumes for Advocate Trinity Hospital are shown in the table below. Over the last four years Advocate Trinity Hospital has performed a total of 2,459 total catheterizations (including diagnostic, interventional and electrophysiology (EP) catheterizations), averaging 615 total procedures per year. The hospital anticipates at least 200 diagnostic procedures by the second year of operation, which is 2030.

	2021	2022	2023	2024 AY
Diagnostic	401	428	355	382
Interventional	169	225	214	210
EP	49	38	24	35
Total	**619**	**721**	**593**	**627**

Source: 2020-2023 Hospital Profiles; (Trinity Hospital Finance)
Copies of these Hospital Profiles and AHQ are included as Exhibit 4 to this Attachment 23.

The projected cardiac catheterization volumes at the proposed facility are provided below. These will be patients living in the service area that are currently receiving care at Advocate Trinity Hospital. In year 1, the number of procedures will be greater than the minimum state standard of 200 cardiac catheterization procedures performed annually within two years of initiation.

Advocate Trinity Replacement Hospital	**PROJECTED UTILIZATION**	
	Year 1	Year 2
Diagnostic	224	221
Interventional	123	122
EP	23	23
Total	**369**	**366**

Source: Advocate Trinity Hospital Finance Department

In addition to meeting the projected minimum utilization standard of Section 1100.620(b), the project also meets the historical criterion of Section 1110.225(b)(1) of 400 annual total procedures in each of the last three years. For the last three years covering 2021, 2022 and 2023, Advocate Trinity Hospital performed a total (including interventional catheterizations) of 619, 721, and 593 procedures, respectively, based on the 2021 and 2022 Hospital Profiles and the 2023 Annual Hospital Questionnaire. This volume justifies the proposed catheterization service even though there are some facilities in the planning area operating below the 200 procedure utilization target of Section 1100.620.

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

1) Any application proposing to establish cardiac catheterization services must indicate if it will reduce the volume of existing facilities below 200 catheterizations.

The primary purpose of this project is to maintain access for patients living in the Advocate Trinity Hospital service area. The proposed project is not anticipated to affect other hospital programs as the applicants are not relying on any referral volume from any other facility. The proposed service is to serve Advocate Trinity Hospital's existing patient volume. Advocate Trinity Hospital has sufficient historical volume to justify the single catheterization lab being requested.

In addition, Advocate Trinity Hospital is currently located in the same cardiac catheterization planning area as the proposed replacement hospital (HSA 6). Consequently, there will not be duplication of services.

2) Any applicant proposing the establishment of cardiac catheterization services must contact all facilities currently providing the service within the planning area in which the applicant facility is located, to determine the impact the project will have on the patient volume at existing services.

Attachment 23, Exhibit 1, provides copies of the request for impact statements sent to all cardiac catheterization programs in the Planning Area HSA VI.

Attachment 23, Exhibit 2 provides copes of the certified mail receipts for impact statements sent to all cardiac catheterization programs in the Planning Area HSA VI.

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

An applicant with a proposed project for the modernization of existing equipment that provides cardiac catheterization services shall document that the minimum utilization standards (as outlined in 77 Ill. Adm. Code 1100.620) are met.

The project includes replacing existing equipment with new equipment. As addressed above, the minimum utilizations standards of Section 1100.620 are met. The utilization standard is "a

minimum of 200 cardiac catheterization procedures performed annually within two years after initiation." That standard will be met as Advocate Trinity Hospital has performed a total of 2,152 diagnostic catheterizations (including EP catheterizations) over the last five years, averaging 430.4 procedures per year. The hospital anticipates at least 200 diagnostic procedures by the second year of operation, which is 2030.

5. Criterion 1110.225(e), Support Services

This is an established service and all the required support services shown below are currently available at Advocate Trinity Hospital and will be relocated upon completion of the proposed replacement hospital.

A) Nuclear medicine laboratory
B) Echocardiography Services, including stress testing and continuous cardiogram monitoring. Cardiology stress testing.
C) Pulmonary Function Unit - No.
D) Blood bank - 24/7.
E) Hematology laboratory/coagulation laboratory - 24/7.
F) Microbiology laboratory - 24/7.
G) Blood Gas laboratory - 24/7.
H) Blood Chemistry 24/7
I) Clinical pathology laboratory, Histology/Anatomical pathology

6. Criterion 1110.225(f), Laboratory Location

This criterion is not applicable as the project involves only a single cardiac catheterization lab. The criterion applies only to projects establishing multiple labs and requires they be located in close proximity to each other. All support services will be in close proximity to the Lab.

7. Criterion 1110.225(g), Staffing

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

Advocate Trinity Hospital's Cardiac Catheterization/Electrophysiology program is an established service and will include the following required personnel.

1. Lab director board-certified in internal medicine, pediatrics, or radiology with subspecialty training in cardiology or cardiovascular radiology.

   There is one Cath lab medical director board certified in Internal Medicine with a subspecialty of Cardiology and Interventional Cardiology and Electrophysiology. The following are those in the current positions:

- Cath Lab Medical Director: Dr. Marlon Everett, MD
- EP Lab./EP fellowship Medical Director: Dr. Adarsh Bhan, MD

2. A physician with training in cardiology and/or radiology present during examination with extra physician backup personnel available.

   A physician board certified in Interventional Cardiology, Electrophysiology, or Interventional Radiology will be present during examination and procedures with skilled personnel available. There will be a minimum of three (3) staff trained in Cath/EP procedures that will support cases in the Cath lab. This will include Registered Nurses (RNs) and Radiologic Technologists (RTs) that have experience working in the Cath lab and will be deemed competent in their roles. The roles of this 3-person team are circulator, scrub, and monitor/record services. All will be ACLS certified. They will work Monday-Friday daytime hours with on-call support in the off hours & weekends.

3. Nurse specially trained in critical care of cardiac patients, knowledge of cardiovascular medication, and understanding of catheterization equipment.

   RNs will be licensed by State of Illinois and competent in cardiac cath procedures.

4. Radiologic technologist highly skilled in conventional radiographic techniques and angiographic principles, knowledgeable in every aspect of catheterization instrumentation, and with thorough knowledge of the anatomy and physiology of the cardiovascular system.

   Radiologic technologists will be licensed in Radiography by IEMA (Illinois Emergency Management Agency and Office of Homeland Security), registered ARRT (American Registry Radiologic Technologist) and competent in cardiac cath procedures.

5. Cardiopulmonary technician for patient observation, handling blood samples and performing blood gas evaluation calculations.

   Radiologic technologists and RNs will carry out this function.

6. Monitoring and recording technician for monitoring physiologic data and alerting physician to any changes.

   RNs and Radiologic technologists will carry out this function.

7. Electronic radiologic repair technician to perform systematic tests and routine maintenance; must be immediately available in the event of equipment failure during a procedure.

   Clinical engineering is available days and on call during off hours.

8. Darkroom technician well trained in photographic processing and in the operation of automatic processors used for both sheet and cine film.

   The position of darkroom technician trained in photographic processing is no longer needed as all images are recorded electronically.

8. Criterion 1110.225(h), Continuity of Care

Any applicant proposing the establishment, expansion or modernization of a cardiac catheterization service must document that written transfer agreements have been established with facilities with open-heart surgery capabilities for the transfer of seriously ill patients for continuity of care.

Advocate Trinity Hospital has an existing written transfer agreement with Advocate Christ Medical Center, which has open-heart surgery capabilities. A copy of the transfer agreement is included as Exhibit 3 to this Attachment 23. Advocate Trinity Hospital anticipates continuing this transfer agreement at the replacement hospital.

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

This criterion is not applicable as the proposed project does not involve an affiliation with another operating program necessary to alleviate excessively high demands on an existing program.

Attachment 23, Exhibit 1

Advocate Health Care
Now part of ADVOCATEHEALTH

January 15, 2025

Via Certified mail

Robert M. Dahl
Ascension Saint Mary & Saint Elizabeth Medical Ctr
2233 West Division Street
Chicago, IL 60622

Re: Request for Impact Statement

Dear Mr. Dahl,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Advocate Health Care
Now part of ADVOCATEHEALTH

January 15, 2025

Via Certified mail

Len Wilk
Ascension Resurrection Medical Center
7435 West Talcott Avenue
Chicago, IL 60631

Re: Request for Impact Statement

Dear Len Wilk,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Advocate Health Care
Now part of ADVOCATEHEALTH

January 15, 2025

Via Certified mail

Barbara Martin
Ascension Saint Joseph Hospital
2900 Lake Shore Drive
Chicago, IL 60657

Re: Request for Impact Statement

Dear Barbara Martin,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Advocate Health Care
Now part of ADVOCATEHEALTH

January 15, 2025

Via Certified mail

Kristen Debits
Community First Medical Center
5654 W. Addison Street
Chicago, IL 60634

Re: Request for Impact Statement

Dear Kristen Debits,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Advocate Health Care
Now part of ADVOCATE HEALTH

January 15, 2025

Via Certified mail

Dr. Jeensoo Chang
Holy Cross Hospital
2701 W. 68th Street
Chicago, IL 60629

Re: Request for Impact Statement

Dear Dr. Chang,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Advocate Health Care
Now part of ADVOCATEHEALTH

January 15, 2025

Via Certified mail

Jose Sanchez
Humboldt Park Health, Inc.
1044 N. Francisco Avenue
Chicago, IL 60622

Re: Request for Impact Statement

Dear Jose Sanchez,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Advocate Health Care
Now part of ADVOCATEHEALTH

January 15, 2025

Via Certified mail

Susan Nordstrom-Lopez
Illinois Masonic Medical Center
836 West Wellington Avenue
Chicago, IL 60657

Re: Request for Impact Statement

Dear Ms. Nordstrom-Lopez,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Advocate Health Care
Now part of ADVOCATEHEALTH

January 15, 2025

Via Certified mail

Ali Madha
Insight Chicago, Inc.
2525 S. Michigan Avenue
Chicago, IL 60616

Re: Request for Impact Statement

Dear Ali Madha,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Advocate Health Care
Now part of ADVOCATEHEALTH

January 15, 2025

Via Certified mail

Thomas Shanely, MD
Ann & Robert H. Lurie Children's Hospital of Chicago
225 E. Chicago Avenue
Chicago, IL 60611

Re: Request for Impact Statement

Dear Dr. Thomas Shanley,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Advocate Health Care
Now part of ADVOCATEHEALTH

January 15, 2025

Via Certified mail

Howard Chrisman, MD
Northwestern Memorial Hospital
251 E. Huron Street
Chicago, IL 60611

Re: Request for Impact Statement

Dear Dr. Howard Chrisman,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Advocate Health Care
Now part of ADVOCATEHEALTH

January 15, 2025

Via Certified mail

Omar Lateef, DO
Rush University Medical Center
1653 West Congress Parkway
Chicago, IL 60612

Re: Request for Impact Statement

Dear Dr. Omar Lateef,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Advocate Health Care
Now part of ADVOCATEHEALTH

January 15, 2025

Via Certified mail

Sameer Shah
Mount Sinai Medical Center
2750 W. 15th Street
Chicago, IL 60608

Re: Request for Impact Statement

Dear Sameer Shah,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Advocate Health Care

Now part of ADVOCATEHEALTH

January 15, 2025

Via Certified mail

Donnica Austin-Cathey
John H Stroger, Jr Hospital of Cook County
1901 W. Harrison Street
Chicago, IL 60612

Re: Request for Impact Statement

Dear Donnica Austin-Cathey,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Advocate Health Care
Now part of ADVOCATEHEALTH

January 15, 2025

Via Certified mail

Jonathan Lind
Swedish Hospital
5140 N. California Avenue
Chicago, IL 60625

Re: Request for Impact Statement

Dear Jonathan Lind,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Advocate Health Care
Now part of ADVOCATEHEALTH

January 15, 2025

Via Certified mail

Edward Budd
Thorek Memorial Hospital
850 W. Irving Park Rd.
Chicago, IL 60613

Re: Request for Impact Statement

Dear Edward Budd,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Advocate Health Care
Now part of ADVOCATEHEALTH

January 15, 2025

Via Certified mail

Mark I. Rosenblatt MD, PhD, MBA, MHA
University of Illinois Hospital and Clinics
1740 West Taylor Street
Chicago, IL 60612

Re: Request for Impact Statement

Dear Dr. Rosenblatt,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Advocate Health Care
Now part of ADVOCATEHEALTH

January 15, 2025

Via Certified mail

Thomas Jackiewicz
The University of Chicago Medical Center
5841 S. Maryland Avenue
Chicago, IL 60637

Re: Request for Impact Statement

Dear Thomas Jackiewicz,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Advocate Health Care
Now part of ADVOCATEHEALTH

January 15, 2025

Via Certified mail

Roger Russell
Weiss Memorial Hospital
4646 N. Marine Drive
Chicago, IL 60640

Re: Request for Impact Statement

Dear Roger Russell,

This letter is to inform you that Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital is submitting a Certificate of Need application with the Illinois Health Facilities and Services Review Board for a replacement facility in Chicago, Illinois. This replacement facility will include a cardiac catheterization lab.

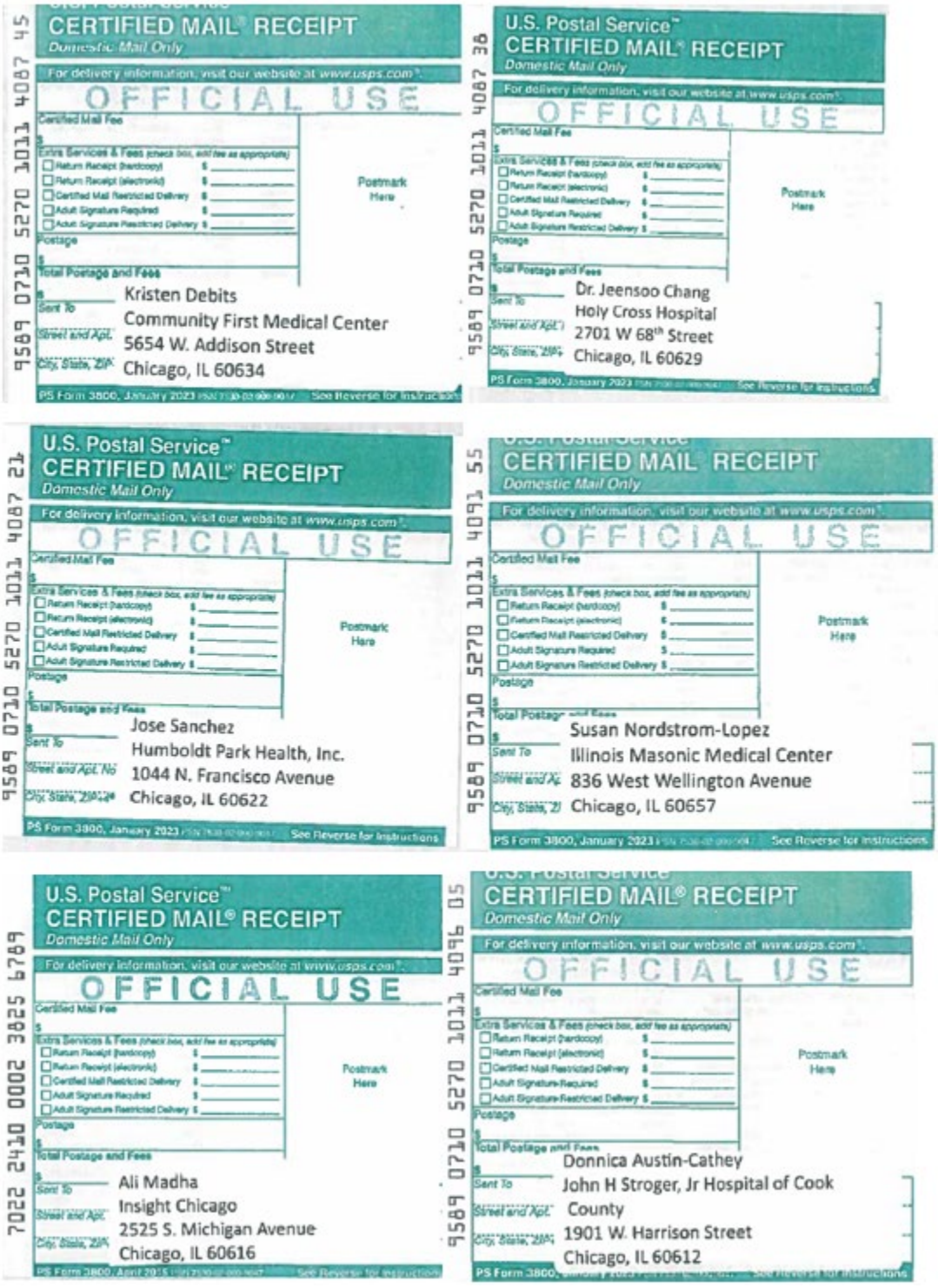
This catheterization service at the replacement facility will include one cardiac catheterization lab to continue to provide this needed service to patients living in the Advocate Trinity Hospital service area. The establishment of this cardiac catheterization lab should not affect other programs in the geographic area, as the Replacement Hospital is projected to perform approximately 369 Cardiac Catheterization cases for existing patients currently receiving care at Advocate Trinity Hospital.

Pursuant to Section 1110.225 of the HFSRB rules in the CON application, we are to notify all providers of cardiac catheterization services in the Health Service Area 6 and ask you to respond to us and quantify if you anticipate any impact to your hospital. These are current patients of Advocate Trinity hospital, and we do not anticipate that this will adversely impact your hospitals' program. Please direct any response or questions to me at michelle.blakely@aah.org. Thank you for your consideration of this request.

Sincerely,

Michelle Y. Blakely, PhD, MHSA, FACHE
President
Advocate Trinity Hospital

Attachment 23, Exhibit 2




U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only
For delivery information, visit our website at www.usps.com®.
OFFICIAL USE
Certified Mail Fee
Extra Services & Fees (check box, add fee as appropriate)
Return Receipt (hardcopy)
Return Receipt (electronic)
Certified Mail Restricted Delivery
Adult Signature Required
Adult Signature Restricted Delivery
Postage
Total Postage and Fees
Postmark Here
Sent To
Street and Apt. No.
City, State, ZIP+4®
Thomas Shanely, MD
Ann & Robert H. Lurie Children's
Hospital of Chicago
225 E. Chicago Avenue
Chicago, IL 60611
PS Form 3800, January 2023
See Reverse for Instructions
9589 0710 5270 1011 4091 31


U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only
For delivery information, visit our website at www.usps.com®.
OFFICIAL USE
Certified Mail Fee
Extra Services & Fees (check box, add fee as appropriate)
Return Receipt (hardcopy)
Return Receipt (electronic)
Certified Mail Restricted Delivery
Adult Signature Required
Adult Signature Restricted Delivery
Postage
Total Postage and Fees
Postmark Here
Sent To
Street and Apt. No.
City, State, ZIP+4®
Sameer Shah
Mount Sinai Medical Center
2750 W. 15th Street
Chicago, IL 60608
PS Form 3800, January 2023
See Reverse for Instructions
9589 0710 5270 1011 4091 12


U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only
For delivery information, visit our website at www.usps.com®.
OFFICIAL USE
Certified Mail Fee
Extra Services & Fees (check box, add fee as appropriate)
Return Receipt (hardcopy)
Return Receipt (electronic)
Certified Mail Restricted Delivery
Adult Signature Required
Adult Signature Restricted Delivery
Postage
Total Postage and Fees
Postmark Here
Sent To
Street and Apt. No.
City, State, ZIP+4®
Howard Chrisman, MD
Northwestern Memorial Hospital
251 E. Huron Street
Chicago, IL 60611
PS Form 3800, January 2023
See Reverse for Instructions
9589 0710 5270 1011 4088 04


U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only
For delivery information, visit our website at www.usps.com®.
OFFICIAL USE
Certified Mail Fee
Extra Services & Fees (check box, add fee as appropriate)
Return Receipt (hardcopy)
Return Receipt (electronic)
Certified Mail Restricted Delivery
Adult Signature Required
Adult Signature Restricted Delivery
Postage
Total Postage and Fees
Postmark Here
Sent To
Street and Apt. No.
City, State, ZIP+4®
Len Wilk
Ascension Resurrection Medical Center
7435 West Talcott Ave
Chicago, IL 60631
PS Form 3800, January 2023
See Reverse for Instructions


U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only
For delivery information, visit our website at www.usps.com®.
OFFICIAL USE
Certified Mail Fee
Extra Services & Fees (check box, add fee as appropriate)
Return Receipt (hardcopy)
Return Receipt (electronic)
Certified Mail Restricted Delivery
Adult Signature Required
Adult Signature Restricted Delivery
Postage
Total Postage and Fees
Postmark Here
Sent To
Street and Apt. No.
City, State, ZIP+4®
Barbara Martin
Ascension Saint Joseph Hospital
2900 Lake Shore Drive
Chicago, IL 60657
PS Form 3800, January 2023
See Reverse for Instructions
9589 0710 5270 1011 4091 24


U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only
For delivery information, visit our website at www.usps.com®.
OFFICIAL USE
Certified Mail Fee
Extra Services & Fees (check box, add fee as appropriate)
Return Receipt (hardcopy)
Return Receipt (electronic)
Certified Mail Restricted Delivery
Adult Signature Required
Adult Signature Restricted Delivery
Postage
Total Postage and Fees
Postmark Here
Sent To
Street and Apt. No.
City, State, ZIP+4®
Omar Lateef, DO
Rush University Medical Center
1653 West Congress Parkway
Chicago, IL 60612
PS Form 3800, January 2023
See Reverse for Instructions
9589 0710 5270 1011 4096 29


U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only
For delivery information, visit our website at www.usps.com®.
OFFICIAL USE
Certified Mail Fee
$
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) $
☐ Return Receipt (electronic) $
☐ Certified Mail Restricted Delivery $
☐ Adult Signature Required $
☐ Adult Signature Restricted Delivery $
Postage
$
Total Postage and Fees
$
Sent To
Jonathan Lind
Swedish Hospital
Street and Apt.
5140 N. California Avenue
City, State, ZIP
Chicago, IL 60625
Postmark Here
PS Form 3800, January 2023 See Reverse for Instructions
9589 0710 5270 1011 4088 20


CERTIFIED MAIL® RECEIPT
Domestic Mail Only
For delivery information, visit our website at www.usps.com®.
OFFICIAL USE
Certified Mail Fee
$
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) $
☐ Return Receipt (electronic) $
☐ Certified Mail Restricted Delivery $
☐ Adult Signature Required $
☐ Adult Signature Restricted Delivery $
Postage
$
Total Postage and Fees
$
Sent To
Thomas Jackiewicz
The University of Chicago Medical Center
Street and Apt. N
5841 S. Maryland Avenue
City, State, ZIP+4
Chicago, IL 60637
Postmark Here
PS Form 3800, January 2023 See Reverse for Instructions
9589 0710 5270 1011 4095 66


CERTIFIED MAIL® RECEIPT
Domestic Mail Only
For delivery information, visit our website at www.usps.com®.
OFFICIAL USE
Certified Mail Fee
$
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) $
☐ Return Receipt (electronic) $
☐ Certified Mail Restricted Delivery $
☐ Adult Signature Required $
☐ Adult Signature Restricted Delivery $
Postage
$
Total Postage and Fees
$
Sent To
Edward Budd
Thorek Memorial Hospital
Street and Apt.
850 W. Irving Park Rd.
City, State, ZIP
Chicago, IL 60613
Postmark Here
PS Form 3800, January 2023 See Reverse for Instructions
9589 0710 5270 1011 4088 37


U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only
For delivery information, visit our website at www.usps.com®.
OFFICIAL USE
Certified Mail Fee
$
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) $
☐ Return Receipt (electronic) $
☐ Certified Mail Restricted Delivery $
☐ Adult Signature Required $
☐ Adult Signature Restricted Delivery $
Postage
$
Total Postage and Fees
$
Sent To
Mark I. Rosenblatt MD, PhD, MBA, MHA
University of Illinois Hospital and Clinics
Street and Apt.
1740 West Taylor Street
City, State, ZIP
Chicago, IL 60612
Postmark Here
PS Form 3800, January 2023 See Reverse for Instructions
9589 0710 5270 1011 4066 44


U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com®.
OFFICIAL USE
Postage $
Certified Fee
Return Receipt Fee (Endorsement Required)
Restricted Delivery Fee (Endorsement Required)
Tot
Sent
Street or P
City
Roger Russell
Weiss Memorial Hospital
4646 N. Marine Drive
Chicago, IL 60640
Postmark Here
9589 0710 5270 1011 4095 20


CERTIFIED MAIL® RECEIPT
Domestic Mail Only
For delivery information, visit our website at www.usps.com®.
OFFICIAL USE
Certified Mail Fee
$
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) $
☐ Return Receipt (electronic) $
☐ Certified Mail Restricted Delivery $
☐ Adult Signature Required $
☐ Adult Signature Restricted Delivery $
Postage
$
Total Postage and Fees
$
Sent To
Robert M. Dahl
Ascension Saint Mary & Saint Elizabeth Medical Ctr
Street and Apt. No., or PO
2233 West Division Street
City, State, ZIP+4
Chicago, IL 60622
Postmark Here
PS Form 3800, January 2023 See Reverse for Instructions
9589 0710 5270 1011 4095 51

TRANSFER AGREEMENT

This Transfer Agreement (the "Agreement") is entered into on December 1, 2024 (the "**Effective Date**"), by and between Advocate Health and Hospitals Corporation d/b/a Advocate Christ Medical Center ("**Receiving Facility**"), an Illinois not-for-profit corporation, and Advocate Health and Hospitals Corporation d/b/a Advocate Trinity Hospital ("**Transferring Facility**").

WHEREAS, Receiving Facility is licensed under Illinois law as an acute care hospital;

WHEREAS, Transferring Facility is licensed under Illinois law as an acute care hospital;

WHEREAS, Receiving Facility and Transferring Facility desire to cooperate in the transfer of patients between Transferring Facility and Receiving Facility, when and if such transfer may, from time to time be deemed necessary and requested by the respective patient's physician, as necessitated by patient care needs and to facilitate appropriate patient care;

WHEREAS, the parties mutually desire to enter into a transfer agreement to provide for the medically appropriate transfer or referral of patients from Transferring Facility to Receiving Facility, for the benefit of the community and in compliance with applicable law;

WHEREAS, the parties recognize that Transferring Facility will be building a replacement hospital at another location within the area and the parties intend for this Agreement to apply to the replacement facility; and

WHEREAS, the parties desire to provide a full statement of their agreement in connection with the services to be provided hereunder.

NOW, THEREFORE, BE IT RESOLVED, that in consideration of the mutual covenants, obligations and agreements set forth herein, the parties agree as follows:

I. TERM

1.1 The term of this Agreement shall commence on the Effective Date and shall be for a period of one (1) year. This Agreement shall automatically renew for additional one (1) year terms and will remain in effect when Receiving Facility moves to a replacement hospital.

II. TERMINATION

2.1 Either party may terminate this Agreement at any time with or without cause upon thirty (30) days prior written notice to the other party." Additionally, this Agreement shall automatically terminate should either party fail to maintain the licensure or certification necessary to carry out the provisions of this Agreement.

III. OBLIGATIONS OF THE PARTIES

3.1 Transferring Facility agrees:

a. That Transferring Facility shall refer and transfer patients to Receiving Facility for higher level of medical treatment only when such transfer and referral has been determined to be medically appropriate by the patient's attending physician or, in the case of an emergency, the applicable Medical Director or treating physician for Transferring Facility, hereinafter referred to as the "Transferring Physician";

b. That the Transferring Physician shall contact Advocate Patient Command Center at 833-224-2337, prior to transport, to verify the transport and acceptance of the patient by Receiving Facility.

For patients with an emergency medical condition, the decision to accept the transfer of the emergency patient shall be made by Receiving Facility's Emergency Department Physician hereinafter referred to as the "Emergency Physician", based on consultation with the member of Receiving Facility's Medical Staff who will serve as the accepting attending physician, hereinafter referred to as the "Accepting Physician" to ensure the Receiving Facility has the capability and capacity to care for the patient. In the case of the non-emergency patient, the Medical Staff attending physician will act as the Accepting Physician and must indicate acceptance of the patient. Transferring Facility agrees that Receiving Facility shall have the sole discretion to accept the transfer of patients pursuant to this Agreement subject to the acceptance by a Medical Staff attending physician and the availability of equipment and personnel at Receiving Facility.

c. The Transferring Physician shall report all patient medical information which is necessary and pertinent for transport and acceptance of the patient by Receiving Facility to the Emergency Physician and/or Accepting Physician;

d. That pre-transfer treatment guidelines, if any, will be augmented by orders obtained by the Transferring Physician. The Accepting Physician may also obtain such orders;

e. That Transferring Facility shall have the responsibility for obtaining the patient's written informed consent to the transfer or that of the patient's authorized representative prior to the transfer. If such consent is not possible, the Transferring Facility shall obtain certification of the need for the transfer from the attending physician or other qualified medical personnel in accord with the requirements of the Emergency Medical Treatment and Active Labor Act ("Act"). When the patient has an emergency medical condition that has not been stabilized within the meaning of the Act, the Transferring Facility shall comply with the requirements of the Act in securing the patient's consent to transfer or certification of the need for transfer by a physician or other qualified medical personnel in accord with the Act's requirements;

f. That Transferring Facility shall be responsible for affecting the transfer of all patients referred to Receiving Facility under the terms of this Agreement, including arranging for appropriate transportation, financial responsibility for the transfer and care for the patient during the transfer. The Transferring Physician shall determine the appropriate level of patient care during transport in consultation with the Emergency Physician and/or Accepting Physician;

g. That in the event the transfer is only temporary and for a specific procedure or service with the intent that the patient is to be returned to the Transferring Facility, the Transferring Facility agrees to accept the patient for continued care upon completion of the procedure or service that necessitated the transfer, provided the patient is stabilized within the meaning of the Act;

h. That Transferring Facility will maintain and provide proof to Receiving Facility of professional and general liability insurance coverage in the amount of One Million Dollars ($1,000,000.00) per occurrence and Three Million Dollars ($3,000,000.00) in the aggregate with respect to the actions of its employees and agents connected with or arising out of services provided under this Agreement.

3.2 Receiving Facility agrees:

a. To accept and admit in a timely manner, subject to bed availability, Transferring Facility patients referred for medical treatment, as more fully described in Section 3.1;

b. To accept patients from Transferring Facility in need of inpatient hospital care as more fully described in Section 3.1, when such transfer and referral has been determined to be medically appropriate by the patient's Transferring Physician at Transferring Facility;

c. That Receiving Facility will seek to facilitate referral of transfer patients to specific Accepting Physicians when this is requested by Transferring Physicians and/or transfer patients;

d. That Receiving Facility shall provide Transferring Facility patients with medically appropriate and available treatment; and

e. To maintain professional and general liability insurance coverage in the amount of One Million Dollars ($1,000,000.00) per occurrence and Three Million Dollars ($3,000,000.00) in the aggregate with respect to the actions of its employees and agents connected with or arising out of services provided under this Agreement.

IV. GENERAL COVENANTS AND CONDITIONS

4.1 Release of Medical Information. In all cases of patients transferred for the purpose of receiving medical treatment under the terms of this Agreement, Transferring Facility shall insure that copies of the patient's medical records, including X-rays and reports of all diagnostic tests, accompany the patient to Receiving Facility, subject to the provisions of applicable State and Federal laws governing the confidentiality of such information. Information to be exchanged shall include any completed transfer and referral forms mutually agreed upon for the purpose of providing the medical and administrative information necessary to determine the appropriateness of treatment or placement, and to enable continuing care to be provided to the patient. The medical records in the care and custody of Receiving Facility and Transferring Facility shall remain the property of each respective institution.

4.2 Personal Effects. Transferring Facility shall be responsible for the security, accountability and appropriate disposition of the personal effects of patients prior to and during transfer to Receiving Facility. Receiving Facility shall be responsible for the security, accountability and appropriate disposition of the personal effects of transferred patients upon arrival of the patient at Receiving Facility.

4.3 Independent Contractor. Nothing contained in this Agreement shall constitute or be construed to create a partnership, joint venture, employment, or agency relationship between the parties and/or their respective successors and assigns, it being mutually understood and agreed that the parties shall provide the services and fulfill the obligations hereunder as independent contractors. Further, it is mutually understood and agreed that nothing in this Agreement shall in any way affect the independent operation of either Receiving Facility or Transferring Facility. The governing body of Receiving Facility and Transferring Facility shall have exclusive control of the management, assets, and affairs at their respective institutions. No party by virtue of this Agreement shall assume any liability for any debts or obligations of a financial or legal nature incurred by the other, and neither institution shall look to the other to pay for service rendered to a patient transferred by virtue of this Agreement.

4.4 Publicity and Advertising. Neither the name of Receiving Facility nor Transferring Facility shall be used for any form of publicity or advertising by the other without the express written consent of the other.

4.5 Cooperative Efforts. The parties agree to devote their best efforts to promoting cooperation and effective communication between the parties in the performance of services hereunder, to foster the prompt and effective evaluation, treatment and continuing care of recipients of these services. Parties shall each designate a representative who shall meet as often as necessary to discuss quality improvement measures related to patient stabilization and/or treatment prior to and subsequent to transfer and patient outcome. The parties agree to reasonably cooperate with each other to oversee performance improvement and patient safety applicable to the activities under this Agreement to the extent permissible under applicable laws. All information obtained and any materials prepared pursuant to this section and used in the course of internal quality control or for the purpose of reducing morbidity and mortality, or for improving patient care, shall be privileged and strictly confidential for use in the evaluation and improvement of patient care according to 735 ILCS 5/802101 et seq., as may be amended from time to time.

4.6 Nondiscrimination. The parties agree to comply with Title VI of the Civil Rights Act of 1964, all requirements imposed by regulations issued pursuant to that title, section 504 of the Rehabilitation Act of 1973, and all related regulations, to insure that neither party shall discriminate against any recipient of services hereunder on the basis of race, color, sex, creed, national origin, age or handicap, under any program or activity receiving Federal financial assistance.

4.7 Affiliation. Each party shall retain the right to affiliate or contract under similar agreements with other institutions while this Agreement is in effect.

4.8 Applicable Laws. The parties agree to fully comply with applicable federal, and state laws and regulations affecting the provision of services under the terms of this Agreement.

4.9 Governing Law. All questions concerning the validity or construction of this Agreement shall be determined in accordance with the laws of Illinois.

4.10 Assignment. Neither Receiving Facility nor Transferring Facility shall assign, sell or otherwise transfer the Agreement or any interest therein without the prior written consent of the other.

4.11 Writing Constitutes Full Agreement. This Agreement embodies the complete and full understanding of Receiving Facility and Transferring Facility with respect to the services to be provided hereunder. There are no promises, terms, conditions, or obligations other than those contained herein; and this Agreement shall supersede all previous communications, representations, or agreements, either verbal or written, between the parties hereto. Neither this Agreement nor any rights hereunder may be assigned by either party without the written consent of the other party.

4.12 Written Modification. There shall be no modification of this Agreement, except in writing and exercised with the same formalities of this Agreement.

4.13 Severability. It is understood and agreed by the parties hereto that if any part, term, or provision of this Agreement is held to be illegal by the courts or in conflict with any law of the state where made, the validity of the remaining portions or provisions shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision held to be invalid.

4.14 Notices. All notices permitted or required to be given under the terms of this Agreement shall be deemed received when delivered personally within three (3) days after it has been post-marked in the United States Mail, certified, postage prepaid and addressed as follows:

If to Receiving Facility: Advocate Christ Medical Center
4440 West 95th Street
Oak Lawn, Illinois 60453
Attention: President

With a Copy to: Advocate Health Care
2025 Windsor Drive
Oak Brook, Illinois 60523
Attention: Legal Department

If to Transferring Facility: Advocate Trinity Hospital
2320 East 93rd Street
Chicago, Illinois 60617
Attention: President

Any party may change the address for notice by notifying the other party, in writing, of the new address.

IN WITNESS WHEREOF, this Agreement has been executed by the parties as of the Effective Date.

Advocate Christ Medical Center

By: Signed by: _____
Dia Nichols
President - Advocate Health Care

Date: 12/11/2024

Advocate Trinity Hospital

By: Signed by: Michelle Y Blakely _____
Michelle Blakely
President Advocate Trinity Hospital

Date: 12/18/2024

DS
12/10/2024

Attachment 23, Exhibit 4

Hospital Profile - CY 2020 **Advocate Trinity Hospital** **Chicago** Page 1

Ownership, Management and General Information

ADMINISTRATOR NAME:	Rashard Johnson
ADMINSTRATOR PHONE:	773-967-5001
OWNERSHIP:	Advocate Health and Hospitals Corporation
OPERATOR:	Advocate Health and Hospitals Corporation
MANAGEMENT:	Not for Profit Church
CERTIFICATION:	
FACILITY DESIGNATION:	General Hospital
ADDRESS	2320 East 93rd Street **CITY:** Chicago **COUNTY:** Suburban Cook (Chicago)

Patients by Race

White	11.9%
Black	82.2%
American Indian	1.2%
Asian	0.1%
Hawaiian/ Pacific	0.1%
Unknown	4.5%

Patients by Ethnicity

Hispanic or Latino:	4.2%
Not Hispanic or Latino:	93.4%
Unknown:	2.4%
License Number:	4176
Site Number:	4176
HPA:	A-03
HSA:	6

Facility Utilization Data by Category of Service

Clinical Service	Authorized CON Beds 12/31/2020	Peak Beds Setup and Staffed	Peak Census	Admissions	Inpatient Days	Observation Days	Average Length of Stay	Average Daily Census	CON Occupancy Rate %	Staffed Bed Occupancy Rate %
Medical/Surgical	158	122	100	3,818	20,862	6,025	7.0	73.5	46.5	60.2
0-14 Years				*144*	*539*					
15-44 Years				*524*	*2,372*					
45-64 Years				*1,236*	*6,340*					
65-74 Years				*780*	*4,500*					
75 Years +				*1,134*	*7,111*					
Pediatric	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Intensive Care	24	30	24	2,954	5,954	158	2.1	16.7	69.6	55.7
Direct Admission				*2,285*	*5,954*					
Transfers				*669*	*0*					
Obstetric/Gynecology	23	19	14	382	908	17	2.4	2.5	11.0	13.3
Maternity				*382*	*908*					
Clean Gynecology				*0*	*0*					
Neonatal	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Long Term Care	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Swing Beds			0	0	0		0.0	0.0		
Total AMI	0			0	0	0	0.0	0.0	0.0	
Adolescent AMI		0	0	0	0	0	0.0	0.0		0.0
Adult AMI		0	0	0	0	0	0.0	0.0		0.0
Rehabilitation	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Long-Term Acute Care	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Dedicated Observation	*0*					*0*				
Facility Utilization	**205**			**6,485**	**27,724**	**6,200**	**5.2**	**92.7**	**45.2**	

(Includes ICU Direct Admissions Only)

Inpatients and Outpatients Served by Payor Source

	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Charity Care	Totals
Inpatients	**51.2%**	**31.9%**	**0.0%**	**14.5%**	**0.0%**	**2.4%**	
	3323	2066	0	939	0	157	**6,485**
Outpatients	**30.5%**	**36.6%**	**0.0%**	**27.6%**	**0.6%**	**4.7%**	
	17607	21139	0	15906	346	2727	**57,725**

Financial Year Reported: 1/1/2020 *to* 12/31/2020

Inpatient and Outpatient Net Revenue by Payor Source

	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Totals	Charity Care Expense
Inpatient Revenue ($)	**44.2%**	**38.9%**	**0.0%**	**16.7%**	**0.2%**	**100.0%**	
	37,575,014	33,096,694	24,921	14,231,057	178,864	85,106,550	1,355,000
Outpatient Revenue ($)	**27.1%**	**16.4%**	**0.2%**	**53.8%**	**2.5%**	**100.0%**	
	12,603,637	7,641,575	105,543	25,069,304	1,163,134	46,583,193	2,767,000

Total Charity Care Expense
4,122,000

Total Charity Care as % of Net Revenue
3.1%

Birthing Data

Number of Total Births:	352
Number of Live Births:	352
Birthing Rooms:	0
Labor Rooms:	0
Delivery Rooms:	0
Labor-Delivery-Recovery Rooms:	0
Labor-Delivery-Recovery-Postpartum Rooms:	9
C-Section Rooms:	2
CSections Performed:	81

Newborn Nursery Utilization

	Level I	Level II	Level II+
Beds	18	0	0
Patient Days	605	61	127
Total Newborn Patient Days			**793**

Laboratory Studies

Inpatient Studies	223,849
Outpatient Studies	128,808
Studies Performed Under Contract	0

Organ Transplantation

Kidney:	0
Heart:	0
Lung:	0
Heart/Lung:	0
Pancreas:	0
Liver:	0
Total:	**0**

Surgery and Operating Room Utilization

Surgical Specialty	Operating Rooms				Surgical Cases		Surgical Hours			Hours per Case	
	Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours	Inpatient	Outpatient
Cardiovascular	0	0	0	0	0	0	0	0	0	0.0	0.0
Dermatology	0	0	0	0	0	0	0	0	0	0.0	0.0
General	0	0	5	5	269	504	1369	796	2165	5.1	1.6
Gastroenterology	0	0	0	0	0	0	0	0	0	0.0	0.0
Neurology	0	0	0	0	1	1	10	3	13	10.0	3.0
OB/Gynecology	0	0	0	0	79	205	589	349	938	7.5	1.7
Oral/Maxillofacial	0	0	0	0	0	0	0	0	0	0.0	0.0
Ophthalmology	0	0	0	0	0	329	0	330	330	0.0	1.0
Orthopedic	0	0	0	0	145	444	881	980	1861	6.1	2.2
Otolaryngology	0	0	0	0	12	117	102	262	364	8.5	2.2
Plastic Surgery	0	0	0	0	0	0	0	0	0	0.0	0.0
Podiatry	0	0	0	0	44	152	167	264	431	3.8	1.7
Thoracic	0	0	0	0	0	1	0	3	3	0.0	3.0
Urology	0	0	1	1	3	19	13	34	47	4.3	1.8
Totals	**0**	**0**	**6**	**6**	**553**	**1772**	**3131**	**3021**	**6152**	**5.7**	**1.7**

SURGICAL RECOVERY STATIONS Stage 1 Recovery Stations 7 Stage 2 Recovery Stations 7

Dedicated and Non-Dedicated Procedure Room Utilization

Procedure Type	Procedure Rooms				Surgical Cases		Surgical Hours			Hours per Case	
	Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours	Inpatient	Outpatient
Gastrointestinal	0	0	4	4	376	1864	370	1746	2116	1.0	0.9
Laser Eye Procedures	0	0	0	0	0	0	0	0	0	0.0	0.0
Pain Management	0	0	1	1	0	0	0	0	0	0.0	0.0
Cystoscopy	0	0	1	1	20	21	27	32	59	1.4	1.5
Multipurpose Non-Dedicated Rooms											
					0	0	0	0	0	0.0	0.0
					0	0	0	0	0	0.0	0.0
					0	0	0	0	0	0.0	0.0
					0	0	0	0	0	0.0	0.0
					0	0	0	0	0	0.0	0.0

Certified Trauma Center **No**

Trauma Service **Level 1** **Level 2**

Operating Rooms Dedicated for Trauma Care	0
Number of Trauma Visits:	0
Patients Admitted from Trauma	0

Emergency Service Type: **Comprehensive**

Number of Emergency Room Stations	27
Persons Treated by Emergency Services:	32,905
Patients Admitted from Emergency:	5,577
Total ED Visits (Emergency+Trauma):	**32,905**
Beds in Free-Standing Emergency Centers	0
Patient Visits in Free-Standing Emergency Centers	0
Hospital Admissions from Free-Standing Emergency Center	0

Total Outpatient Visits **57,725**

Outpatient Visits at the Hospital/ Campus:	57,725
Outpatient Visits Offsite/off campus	0

Total Cardiac Catheterization Labs: **2**

Cath Labs used for Angiography procedures	0
Dedicated Diagnostic Catheterization Labs	0
Dedicated Interventional Catheterization Labs	0
Dedicated EP Catheterization Labs	0

Total Cardiac Catheterization Procedures: **556**

Diagnostic Catheterizations (0-14)	0
Diagnostic Catheterizations (15+)	343
Interventional Catheterizations (0-14):	0
Interventional Catheterization (15+)	169
EP Catheterizations (15+)	44

Total Cardiac Surgery Cases: **0**

Pediatric (0 - 14 Years):	0
Adult (15 Years and Older):	0
Coronary Artery Bypass Grafts (CABGs) performed of total Cardiac Cases :	0

Diagnostic/Interventional Equipment	Owned	Contract	Examinations Inpatient	Outpt	Contract	Therapeutic Equipment	Owned	Contract	Therapies/ Treatments
General Radiography/Fluoroscopy	4	0	9,931	21,120	0	*Lithotripsy*	0	0	0
Nuclear Medicine	2	0	770	1,025	0	*Linear Accelerator*	0	0	0
Mammography	3	0	0	5,884	0	Image Guided Rad Therapy			0
Ultrasound	6	0	3,214	9,289	0	Intensity Modulated Rad Thrpy			0
Angiography	2	0				High Dose Brachytherapy	0	0	0
Diagnostic Angiography			782	375	0	*Proton Beam Therapy*	0	0	0
Interventional Angiography			286	108	0	*Gamma Knife*	0	0	0
Positron Emission Tomography (PET)	0	0	0	0	0	*Cyber knife*	0	0	0
Computerized Axial Tomography (CAT)	2	0	7,142	10,821	0				
Magnetic Resonance Imaging	1	0	834	1,498	0				

Source: 2020 Annual Hospital Questionnaire, Illinois Department of Public Health, Health Systems Development.

Hospital Profile - CY 2021 **Advocate Trinity Hospital** **Chicago**

Ownership, Management and General Information

ADMINISTRATOR NAME:	Rashard Johnson
ADMINSTRATOR PHONE	773-967-5001
OWNERSHIP:	Advocate Health and Hospitals Corporation
OPERATOR:	Advocate Health and Hospitals Corporation
MANAGEMENT:	Not for Profit Church
CERTIFICATION:	
FACILITY DESIGNATION:	General Hospital
ADDRESS	2320 East 93rd Street **CITY:** Chicago **COUNTY:** Suburban Cook (Chicago)

Patients by Race

White	14.6%
Black	81.5%
American Indian	1.2%
Asian	0.1%
Hawaiian/ Pacific	0.6%
Unknown	2.1%

Patients by Ethnicity

Hispanic or Latino:	11.5%
Not Hispanic or Latino:	86.7%
Unknown:	1.8%
License Number:	4176
Site Number:	4176
HPA:	A-03
HSA:	6

Facility Utilization Data by Category of Service

Clinical Service	Authorized CON Beds 12/31/2021	Peak Beds Setup and Staffed	Peak Census	Admissions	Inpatient Days	Observation Days	Average Length of Stay	Average Daily Census	CON Occupancy Rate %	Staffed Bed Occupancy Rate %
Medical/Surgical	158	110	100	3,898	23,700	6,606	7.8	83.0	52.6	75.5
0-14 Years				*143*	*577*					
15-44 Years				*871*	*3,679*					
45-64 Years				*1,070*	*6,672*					
65-74 Years				*766*	*5,039*					
75 Years +				*1,048*	*7,733*					
Pediatric	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Intensive Care	24	24	11	3,017	5,666	84	1.9	15.8	65.6	65.6
Direct Admission				*2,285*	*5,666*					
Transfers				*732*	*0*					
Obstetric/Gynecology	23	19	12	706	1,732	136	2.6	5.1	22.3	26.9
Maternity				*697*	*1,718*					
Clean Gynecology				*9*	*14*					
Neonatal	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Long Term Care	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Swing Beds			0	0	0		0.0	0.0		
Total AMI	0			0	0	0	0.0	0.0	0.0	
Adolescent AMI		0	0	0	0	0	0.0	0.0		0.0
Adult AMI		0	0	0	0	0	0.0	0.0		0.0
Rehabilitation	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Long-Term Acute Care	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Dedicated Observation	*0*					*0*				
Facility Utilization	**205**			**6,889**	**31,098**	**6,826**	**5.5**	**103.9**	**50.7**	

(Includes ICU Direct Admissions Only)

Inpatients and Outpatients Served by Payor Source

	Medicare	*Medicaid*	*Other Public*	*Private Insurance*	*Private Pay*	*Charity Care*	*Totals*
Inpatients	**48.5%**	**36.2%**	**0.0%**	**13.3%**	**2.0%**	**0.0%**	
	3338	2494	0	916	141	0	**6,889**
Outpatients	**35.1%**	**34.1%**	**0.0%**	**27.2%**	**3.6%**	**0.0%**	
	32274	31401	0	25046	3302	0	**92,023**

Financial Year Reported: 1/1/2021 *to* 12/31/2021

Inpatient and Outpatient Net Revenue by Payor Source

	Medicare	*Medicaid*	*Other Public*	*Private Insurance*	*Private Pay*	*Totals*	*Charity Care Expense*
Inpatient Revenue ($)	**46.2%**	**36.2%**	**0.0%**	**15.8%**	**1.8%**	**100.0%**	
	40,987,106	32,095,127	34,330	13,988,478	1,574,762	88,679,803	0
Outpatient Revenue ($)	**27.1%**	**17.7%**	**0.0%**	**51.2%**	**3.9%**	**100.0%**	
	16,149,821	10,511,301	11,805	30,492,845	2,336,907	59,502,679	0

Total Charity Care Expense
0

Total Charity Care as % of Net Revenue
0.0%

Birthing Data

Number of Total Births:	638
Number of Live Births:	646
Birthing Rooms:	0
Labor Rooms:	0
Delivery Rooms:	0
Labor-Delivery-Recovery Rooms:	0
Labor-Delivery-Recovery-Postpartum Rooms:	9
C-Section Rooms:	2
CSections Performed:	124

Newborn Nursery Utilization

	Level I	Level II	Level II+
Beds	18	0	0
Patient Days	1,125	90	396
Total Newborn Patient Days			**1,611**

Laboratory Studies

Inpatient Studies	250,551
Outpatient Studies	162,844
Studies Performed Under Contract	0

Organ Transplantation

Kidney:	0
Heart:	0
Lung:	0
Heart/Lung:	0
Pancreas:	0
Liver:	0
Total:	**0**

Surgery and Operating Room Utilization

Surgical Specialty	Operating Rooms				Surgical Cases		Surgical Hours			Hours per Case	
	Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours	Inpatient	Outpatient
Cardiovascular	0	0	0	0	0	0	0	0	0	0.0	0.0
Dermatology	0	0	0	0	0	0	0	0	0	0.0	0.0
General	0	0	5	5	183	624	404	1063	1467	2.2	1.7
Gastroenterology	0	0	0	0	0	0	0	0	0	0.0	0.0
Neurology	0	0	0	0	2	5	7	13	20	3.5	2.6
OB/Gynecology	0	0	0	0	57	302	160	613	773	2.8	2.0
Oral/Maxillofacial	0	0	0	0	0	0	0	0	0	0.0	0.0
Ophthalmology	0	0	0	0	0	557	0	559	559	0.0	1.0
Orthopedic	0	0	0	0	148	457	338	985	1323	2.3	2.2
Otolaryngology	0	0	0	0	22	150	39	363	402	1.8	2.4
Plastic Surgery	0	0	0	0	0	0	0	0	0	0.0	0.0
Podiatry	0	0	0	0	103	244	163	448	611	1.6	1.8
Thoracic	0	0	0	0	0	0	0	0	0	0.0	0.0
Urology	0	0	1	1	9	74	11	114	125	1.2	1.5
Totals	**0**	**0**	**6**	**6**	**524**	**2413**	**1122**	**4158**	**5280**	**2.1**	**1.7**

SURGICAL RECOVERY STATIONS Stage 1 Recovery Stations 7 Stage 2 Recovery Stations 7

Dedicated and Non-Dedicated Procedure Room Utilization

Procedure Type	Procedure Rooms				Surgical Cases		Surgical Hours			Hours per Case	
	Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours	Inpatient	Outpatient
Gastrointestinal	0	0	4	4	582	2505	661	2326	2987	1.1	0.9
Laser Eye Procedures	0	0	0	0	0	0	0	0	0	0.0	0.0
Pain Management	0	0	0	0	0	0	0	0	0	0.0	0.0
Cystoscopy	0	0	1	1	56	102	74	149	223	1.3	1.5
Multipurpose Non-Dedicated Rooms											
					0	0	0	0	0	0.0	0.0
					0	0	0	0	0	0.0	0.0
					0	0	0	0	0	0.0	0.0
					0	0	0	0	0	0.0	0.0
					0	0	0	0	0	0.0	0.0

Certified Trauma Center **No**

Trauma Service **Level 1** **Level 2**

Operating Rooms Dedicated for Trauma Care	0
Number of Trauma Visits:	0
Patients Admitted from Trauma	0
Emergency Service Type:	**Comprehensive**
Number of Emergency Room Stations	27
Persons Treated by Emergency Services:	30,269
Patients Admitted from Emergency:	4,704
Total ED Visits (Emergency+Trauma):	**30,269**
Beds in Free-Standing Emergency Centers	0
Patient Visits in Free-Standing Emergency Centers	0
Hospital Admissions from Free-Standing Emergency Center	0
Total Outpatient Visits	**92,023**
Outpatient Visits at the Hospital/ Campus:	92,023
Outpatient Visits Offsite/off campus	0

Total Cardiac Catheterization Labs:	**2**
Cath Labs used for Angiography procedures	0
Dedicated Diagnostic Catheterization Labs	0
Dedicated Interventional Catheterization Labs	0
Dedicated EP Catheterization Labs	0
Total Cardiac Catheterization Procedures:	**619**
Diagnostic Catheterizations (0-14)	0
Diagnostic Catheterizations (15+)	401
Interventional Catheterizations (0-14):	0
Interventional Catheterization (15+)	169
EP Catheterizations (15+)	49
Total Cardiac Surgery Cases:	**0**
Pediatric (0 - 14 Years):	0
Adult (15 Years and Older):	0
Coronary Artery Bypass Grafts (CABGs) performed of total Cardiac Cases :	0

Diagnostic/Interventional Equipment	Owned	Contract	Examinations Inpatient	Examinations Outpt	Examinations Contract
General Radiography/Fluoroscopy	4	0	10,995	20,835	0
Nuclear Medicine	2	0	796	1,238	0
Mammography	3	0	1	8,026	0
Ultrasound	6	0	3,923	10,960	0
Angiography	2	0			
Diagnostic Angiography			829	479	0
Interventional Angiography			399	79	0
Positron Emission Tomography (PET)	0	0	0	0	0
Computerized Axial Tomography (CAT)	2	0	8,281	11,233	0
Magnetic Resonance Imaging	1	0	1,016	1,712	0

Therapeutic Equipment	Owned	Contract	Therapies/ Treatments
Lithotripsy	0	0	0
Linear Accelerator	0	0	0
Image Guided Rad Therapy			0
Intensity Modulated Rad Thrpy			0
High Dose Brachytherapy	0	0	0
Proton Beam Therapy	0	0	0
Gamma Knife	0	0	0
Cyber knife	0	0	0

Source: 2021 Annual Hospital Questionnaire, Illinois Department of Public Health, Health Systems Development.

Hospital Profile - CY 2022 **Advocate Trinity Hospital** **Chicago** Page 1

Ownership, Management and General Information			
ADMINISTRATOR NAME:	Michelle Y. Blakely		
ADMINISTRATOR PHONE	708-213-3002		
OWNERSHIP:	Advocate Health and Hospitals Corporation		
OPERATOR:	Advocate Health and Hospitals Corporation		
MANAGEMENT:	Not for Profit Church		
CERTIFICATION:			
FACILITY DESIGNATION:	General Hospital		
ADDRESS	2320 East 93rd Street	**CITY:** Chicago	**COUNTY:** Suburban Cook (Chicago)

Patients by Race		Patients by Ethnicity	
White	16.0%	Hispanic or Latino:	12.4%
Black	79.9%	Not Hispanic or Latino:	86.3%
American Indian	1.3%	Unknown:	1.3%
Asian	0.2%	License Number:	4176
Hawaiian/ Pacific	0.8%	Site Number:	4176
Unknown	1.8%	HPA:	A-03
		HSA:	6

Facility Utilization Data by Category of Service

Clinical Service	Authorized CON Beds 12/31/2022	Peak Beds Setup and Staffed	Peak Census	Admissions	Inpatient Days	Observation Days	Average Length of Stay	Average Daily Census	CON Occupancy Rate %	Staffed Bed Occupancy Rate %
Medical/Surgical	158	107	94	3,822	23,289	8,028	8.2	85.8	54.3	80.2
0-14 Years				*247*	*809*					
15-44 Years				*420*	*2,215*					
45-64 Years				*1,067*	*6,322*					
65-74 Years				*879*	*5,770*					
75 Years +				*1,209*	*8,173*					
Pediatric	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Intensive Care	24	12	11	1,992	3,147	40	1.6	8.7	36.4	72.8
Direct Admission				*1,505*	*3,147*					
Transfers				*487*	*0*					
Obstetric/Gynecology	23	19	12	624	1,547	147	2.7	4.6	20.2	24.4
Maternity				*597*	*1,491*					
Clean Gynecology				*27*	*56*					
Neonatal	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Long Term Care	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Swing Beds			0	0	0		0.0	0.0		
Total AMI	0			0	0	0	0.0	0.0	0.0	
Adolescent AMI		0	0	0	0	0	0.0	0.0		0.0
Adult AMI		0	0	0	0	0	0.0	0.0		0.0
Rehabilitation	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Long-Term Acute Care	0	0	0	0	0	0	0.0	0.0	0.0	0.0
Dedicated Observation	*0*					*0*				
Facility Utilization	**205**			**5,951**	**27,983**	**8,215**	**6.1**	**99.2**	**48.4**	

(Includes ICU Direct Admissions Only)

Inpatients and Outpatients Served by Payor Source

	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Charity Care	Totals
Inpatients	**52.2%**	**32.6%**	**0.0%**	**13.4%**	**1.7%**	**0.0%**	
	3108	1942	0	798	103	0	**5,951**
Outpatients	**59.0%**	**28.6%**	**0.0%**	**11.0%**	**1.4%**	**0.0%**	
	49227	23857	0	9149	1198	0	**83,431**

Financial Year Reported: 1/1/2022 *to* 12/31/2022

Inpatient and Outpatient Net Revenue by Payor Source

	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Totals	Charity Care Expense
Inpatient Revenue ($)	**49.3%**	**32.5%**	**0.1%**	**16.7%**	**1.5%**	**100.0%**	
	41,493,063	27,357,618	59,826	14,020,347	1,229,756	84,160,610	0
Outpatient Revenue ($)	**27.7%**	**22.7%**	**0.0%**	**47.8%**	**1.9%**	**100.0%**	
	17,302,914	14,172,130	19,443	29,856,162	1,158,588	62,509,237	0

Total Charity Care Expense
0

Total Charity Care as % of Net Revenue
0.0%

Birthing Data

Number of Total Births:	555
Number of Live Births:	559
Birthing Rooms:	0
Labor Rooms:	0
Delivery Rooms:	0
Labor-Delivery-Recovery Rooms:	0
Labor-Delivery-Recovery-Postpartum Rooms:	9
C-Section Rooms:	2
CSections Performed:	112

Newborn Nursery Utilization

	Level I	Level II	Level II+
Beds	18	0	0
Patient Days	706	35	353
Total Newborn Patient Days			**1,094**

Laboratory Studies

Inpatient Studies	229,998
Outpatient Studies	159,551
Studies Performed Under Contract	0

Organ Transplantation

Kidney:	0
Heart:	0
Lung:	0
Heart/Lung:	0
Pancreas:	0
Liver:	0
Total:	**0**

Surgery and Operating Room Utilization

Surgical Specialty	Operating Rooms				Surgical Cases		Surgical Hours			Hours per Case	
	Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours	Inpatient	Outpatient
Cardiovascular	0	0	0	0	0	0	0	0	0	0.0	0.0
Dermatology	0	0	0	0	0	0	0	0	0	0.0	0.0
General	0	0	5	5	159	640	325	1049	1374	2.0	1.6
Gastroenterology	0	0	0	0	0	0	0	0	0	0.0	0.0
Neurology	0	0	0	0	1	2	4	10	14	4.0	5.0
OB/Gynecology	0	0	0	0	72	373	210	756	966	2.9	2.0
Oral/Maxillofacial	0	0	0	0	0	0	0	0	0	0.0	0.0
Ophthalmology	0	0	0	0	0	580		586		0.0	1.0
Orthopedic	0	0	0	0	145	466	343	1002	1345	2.4	2.2
Otolaryngology	0	0	0	0	25	178	55	425	480	2.2	2.4
Plastic Surgery	0	0	0	0	0	1	0	1	1	0.0	1.0
Podiatry	0	0	0	0	98	267	135	445	580	1.4	1.7
Thoracic	0	0	0	0	0	0	0	0	0	0.0	0.0
Urology	0	0	1	1	71	149	91	213	304	1.3	1.4
Totals	**0**	**0**	**6**	**6**	**571**	**2656**		**4487**			**1.7**

SURGICAL RECOVERY STATIONS Stage 1 Recovery Stations 7 Stage 2 Recovery Stations 7

Dedicated and Non-Dedicated Procedure Room Utilization

Procedure Type	Procedure Rooms				Surgical Cases		Surgical Hours			Hours per Case	
	Inpatient	Outpatient	Combined	Total	Inpatient	Outpatient	Inpatient	Outpatient	Total Hours	Inpatient	Outpatient
Gastrointestinal	0	0	4	4	545	2667	557	2401	2958	1.0	0.9
Laser Eye Procedures	0	0	0	0	0	0	0	0	0	0.0	0.0
Pain Management	0	0	0	0	0	0	0	0	0	0.0	0.0
Cystoscopy	0	0	1	1	65	91	83	128	211	1.3	1.4

Multipurpose Non-Dedicated Rooms

0	0	0	0	0	0.0	0.0
0	0	0	0	0	0.0	0.0
0	0	0	0	0	0.0	0.0
0	0	0	0	0	0.0	0.0
0	0	0	0	0	0.0	0.0

Certified Trauma Center		**No**	**Total Cardiac Catheterization Labs:**	**2**
Trauma Service	**Level 1** **Level 2**		Cath Labs used for Angiography procedures	0
Operating Rooms Dedicated for Trauma Care		0	Dedicated Diagnostic Catheterization Labs	0
Number of Trauma Visits:		0	Dedicated Interventional Catheterization Labs	0
Patients Admitted from Trauma		0	Dedicated EP Catheterization Labs	0
Emergency Service Type:		**Comprehensive**	**Total Cardiac Catheterization Procedures:**	**721**
Number of Emergency Room Stations		27	Diagnostic Catheterizations (0-14)	0
Persons Treated by Emergency Services:		27,563	Diagnostic Catheterizations (15+)	428
Patients Admitted from Emergency:		4,945	Interventional Catheterizations (0-14):	0
Total ED Visits (Emergency+Trauma):		**27,563**	Interventional Catheterization (15+)	255
Beds in Free-Standing Emergency Centers		0	EP Catheterizations (15+)	38
Patient Visits in Free-Standing Emergency Centers		0	**Total Cardiac Surgery Cases:**	**0**
Hospital Admissions from Free-Standing Emergency Center		0	Pediatric (0 - 14 Years):	0
Total Outpatient Visits		**83,431**	Adult (15 Years and Older):	0
Outpatient Visits at the Hospital/ Campus:		83,431	Coronary Artery Bypass Grafts (CABGs) performed of total Cardiac Cases :	0
Outpatient Visits Offsite/off campus		0		

Diagnostic/Interventional Equipment	Owned	Contract	Examinations Inpatient	Outpt	Contract	Therapeutic Equipment	Owned	Contract	Therapies/ Treatments
General Radiography/Fluoroscopy	4	0	9,544	20,981	0	*Lithotripsy*	0	0	0
Nuclear Medicine	2	0	639	1,123	0	*Linear Accelerator*	0	0	0
Mammography	3	0	5	8,529	0	Image Guided Rad Therapy			0
Ultrasound	6	0	3,336	10,989	0	Intensity Modulated Rad Thrpy			0
Angiography	2	0				High Dose Brachytherapy	0	0	0
Diagnostic Angiography			864	534	0	*Proton Beam Therapy*	0	0	0
Interventional Angiography			313	88	0	*Gamma Knife*	0	0	0
Positron Emission Tomography (PET)	0	0	0	0	0	*Cyber knife*	0	0	0
Computerized Axial Tomography (CAT)	2	0	7,883	11,416	0				
Magnetic Resonance Imaging	1	0	1,134	2,030	0				

Source: 2022 Annual Hospital Questionnaire, Illinois Department of Public Health, Health Systems Development.

Hospital Profile - CY 2023		Advocate Trinity Hospital					
Ownership, Management, and General Information		**Patients by Race**		**Patients by Ethnicity**		**Organ Transplantation**		**Birthing Data**	
Administrator Name:	Michelle Y. Blakely	White	15.2%	Hispanic/Latino	12.8%	Kidney:	0	Number of Total Births:	646
Administrator Phone:	7082133002	Black	79.9%	Not Hispanic/Latino	85.7%	Heart:	0	Number of Live Births:	652
Ownership:	Advocate Health and Hospitals Corporation	Native American	1.9%	Ethnicity Unknown	1.5%	Lung:	0	Birthing Rooms:	0
Operator:	Advocate Health and Hospitals Corporation	Asian	0.2%	License #:	0004176	Heart/Lung:	0	Labor Rooms:	0
Management:	Not for Profit Church	PI/Hawaiian	0.7%	Site #:	0004176	Pancreas:	0	Delivery Rooms:	0
Certification:	None	Unknown	2.2%	HPA:	A-03	Liver:	0	L-D-Recovery Rooms:	0
Facility Designation:	General Hospital			HSA:	6	Total:	0	L-D-R-Postpartum Rooms:	9
Address:	2320 East 93rd Street	City:	Chicago	County:	Cook	C-Section Rooms	2	C-Sections Performed	142

Facility Utilization Data by Category of Service

Clinical Service	12/31/23 CON Authorized Beds	Peak Beds Set Up & Staffed	Peak Census	Admissions	Inpatient Days	Observation Days	Average Length of Stay	Average Daily Census	CON Occupancy Rate	Staffed Bed Occupancy Rate
Medical/Surgical	158	107	89	3,572	21,158	8,405	8.3	81.0	51.3%	75.7%
0-14 years				0	0					
15-44 years				437	2,179					
45-64 years				1,012	5,997					
65-74 years				894	5,330					
75 years +				1,229	7,652					
Pediatric	0	0	0	0	0	0	0.0	0.0	0.0%	0.0%
Intensive Care	24	12	12	1,356	3,000	74	2.3	8.4	35.1%	70.2%
Direct Admission				1,356	3,000					
Transfers				430	0					
Obstetric/Gynecology	23	19	12	758	1,924	172	2.8	5.7	25.0%	30.2%
Obstetrics				714	1,837					
Clean Gynecology				44	87					
Neonatal	0	0	0	0	0	0	0.0	0.0	0.0%	0.0%
Long-Term Care	0	0	0	0	0	0	0.0	0.0	0.0%	0.0%
Swing Beds			0	0	0		0.0	0.0		
Total AMI	0			0	0	0	0.0	0.0	0.0%	
Adolescent AMI		0	0	0	0	0	0.0	0.0		0.0%
Adult AMI		0	0	0	0	0	0.0	0.0		0.0%
Rehabilitation	0	0	0	0	0	0	0.0	0.0	0.0%	0.0%
Long-Term Acute Care	0	0	0	0	0	0	0.0	0.0	0.0%	0.0%
Dedicated Observation	0					0				
Facility Utilization	**205**			**5,686**	**26,082**	**8,651**	**6.1**	**95.2**	**46.4%**	
				(Includes ICU Direct Admissions Only)						

Inpatients & Outpatients Served by Payor Source

	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Charity Care	Totals
Inpatients	**53.6%**	**31.7%**	**0.0%**	**13.2%**	**1.5%**	**0.0%**	
	3,049	1,803	0	748	86	0	**5,686**
Outpatients	**38.2%**	**34.2%**	**0.0%**	**24.7%**	**2.9%**	**0.0%**	
	32,988	29,551	0	21,374	2,518	0	**86,431**

Financial Year Reported:	1/1/2023	to	12/31/2023

Inpatient & Outpatient Net Revenue by Payor Source

	Medicare	Medicaid	Other Public	Private Insurance	Private Pay	Totals	Charity Care Expense
Inpatient Revenue ($)	**45.1%**	**37.6%**	**0.0%**	**16.4%**	**0.9%**	**100%**	
	$ 36,929,414	$ 30,731,689	$ 40,049	$ 13,412,250	$ 726,116	$ 81,839,518	$ -
Outpatient Revenue ($)	**31.9%**	**25.5%**	**0.0%**	**41.5%**	**1.1%**	**100%**	
	$ 20,287,110	$ 16,229,003	$ 28,881	$ 26,400,120	$ 681,333	$ 63,626,447	$ -

Total Charity Care Expense	
$ -	
Total Charity Care as % of Net Revenue	
0.0%	

Laboratory Studies	
Inpatient Studies	220,714
Outpatient Studies	151,711
Studies Performed Under Contract	0

Hospital Profile - CY 2023 — **Advocate Trinity Hospital**

Surgery & Operating Room Utilization

Surgical Specialty	Procedure Rooms				Surgical Cases		Surgical Hours			Hours per Case	
	Inpatient	*Outpatient*	*Combined*	*Total*	*Inpatient*	*Outpatient*	*Inpatient*	*Outpatient*	*Total Hours*	*Inpatient*	*Outpatient*
Cardiovascular	0	0	0	0	0	0	0	0	0	0.0	0.0
Dermatology	0	0	0	0	0	0	0	0	0	0.0	0.0
General	0	0	5	5	196	580	397	882	1,279	0.0	1.5
Gastroenterology	0	0	0	0	0	0	0	0	0	0.0	0.0
Neurology	0	0	0	0	0	0	0	0	0	0.0	0.0
OB/GYN	0	0	0	0	69	430	222	804	1,026	3.2	1.9
Oral/Maxillofacial	0	0	0	0	0	0	0	0	0	0.0	0.0
Ophthalmology	0	0	0	0	1	658	1	645	646	1.0	1.0
Orthopedic	0	0	0	0	152	340	329	695	1,024	2.2	2.0
Otolaryngology	0	0	0	0	57	217	130	428	558	2.3	2.0
Plastic Surgery	0	0	0	0	0	0	0	0	0	0.0	0.0
Podiatry	0	0	0	0	118	282	168	471	639	1.4	1.7
Thoracic	0	0	0	0	0	0	0	0	0	0.0	0.0
Urology	0	0	1	1	70	150	92	227	319	1.3	1.5
Totals	**0**	**0**	**6**	**6**	**663**	**2,657**	**1,339**	**4,152**	**5,491**	**2.0**	**1.6**

Dedicated & Non-Dedicated Procedure Room Utilization

Procedure Type	Surgical Cases		Surgical Hours			Hours per Case	
	Inpatient	*Outpatient*	*Inpatient*	*Outpatient*	*Total Hours*	*Inpatient*	*Outpatient*
Gastrointestinal	384	2,177	382	1,893	2,275	1.0	0.9
Laser Eye Procedures	0	0	0	0	0	0.0	0.0
Pain Management	0	0	0	0	0	0.0	0.0
Cystoscopy	58	81	76	117	193	1.3	1.4

Multipurpose Non-Dedicated Rooms	0					
N/A	0	0	0	0	0	
N/A	0	0	0	0	0	
N/A	0	0	0	0	0	
N/A	0	0	0	0	0	
N/A	0	0	0	0	0	
N/A	0	0	0	0	0	

Certified Trauma Center			No	**Total Cardiac Catheterization Labs:**		2	**Newborn Nursery Utilization**		Total Newborn PDs	**1,222**
Level 1 Trauma:	N/A	Level 2 Trauma	N/A	Cath Labs Used for Angiography Procedures:		0		Level I	Level II	Level II+
Operating Rooms Dedicated for Trauma Care			0	Dedicated Diagnostic Catheterization Labs		0	Beds	18	0	0
Number of Trauma Visits			0	Dedicated Interventional Catheterization Labs		0	Patient Days	586	77	559
Patients Admitted From Trauma			0	Dedicated EP Catheterization Labs		0	**Theraputic Equipment**			
Emergency Service Type:			Comprehensive	**Total Cardiac Catheterization Procedures:**		593		Owned	Contract	Treatments
Number of Emergency Room Stations			27	Diagnostic Catheterizations (0-14)		0	Cyber Knife	0	0	0
Persons Treated by Emergency Services			26,476	Diagnostic Catheterizations (15+)		355	Lithotripsy	0	0	0
Patients Admitted From Emergency:			4,618	Interventional Catheterizations (0-14)		0	Linear Accelerator	0	0	0
Total ED Visits (Emergency+Trauma):			26,476	Interventional Catheterizations (15+)		214	*IGRT*			0
Beds in Free-Standing Emergency Centers			0	EP Catheterizations (15+)		24	*IMRT*			0
Patient Visits in FSE Centers			0	**Total Cardiac Surgery Cases:**		0	HD Brachytherapy	0	0	0
Hospital Admissions from FSE Centers			0	Pediatric (0-14 years):		0	Proton Beam Therapy	0	0	0
Total Outpatient Visits			86,431	Adult (15+ years):		0	Gamma Knife	0	0	0
Outpatient Visits at the Hospital/Campus			86,431	Coronary Artery Bypass Grafts (CABGs):		0	**Surgical Recovery Stations**			
Outpatient Visits Offsite/Off Campus			0	**Diagnostic/Interventional Equipment**			Stage 1	7	Stage 2	7

	Owned	*Contract*	*Inpatient*	*Outpatient*	*Contract*		*Owned*	*Contract*	*Inpatient*	*Outpatient*	*Contract*
PET	0	0	0	0	0	Angiography	2	0			
Radiography/Fluoroscopy	4	0	8,989	21,587	0	*Diagnostic Angiography*			696	415	0
Nuclear Medicine	2	0	408	915	0	*Interventional Angiography*			295	124	0
Mammography	3	0	5	9,516	0	CAT	2	0	7,667	13,122	0
Ultrasound	6	0	3,048	10,561	0	MRI	1	0	1,122	2,760	0

ATTACHMENT 31
CLINICAL SERVICE AREAS OTHER THAN CATEGORIES OF SERVICE

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

Service	# Existing Key Rooms	# Proposed Key Rooms
☒ **Emergency Department**	**27***	**16 stations**
☒ **Dedicated Observation Unit**	**0***	**8 stations**
☒ **Surgical Operating Suite, Class C Rooms**	**6***	**3**
☒ **GI/Endoscopy Procedure Rooms**	**4***	**2**
☒ **GI Pre-Post Recovery****	**14****	**0****
☒ **PACU/Phase I Recovery**	**7***	**5 bays**
☒ **Pre-Op/Phase II Recovery**	**7***	**17 bays**
☒ **Imaging – General Radiology**	**4***	**2**
☒ **Imaging – Ultrasound**	**6***	**2**
☒ **Imaging – CT**	**2***	**1**
☒ **Imaging – MRI**	**1***	**1**
☒ **Imaging – Nuclear Medicine**	**2***	**1**
☒ **Dialysis (4 bays – 3 semi, 1 private)**	**4**	**4 bays**
☒ **Echo/Stress US**	**0***	**2**
☒ **Lab**	**1***	**1**
☒ **Pharmacy**	**1***	**1**

*Existing Advocate Trinity Hospital Inventory

**Replacement Trinity Hospital will have a combined pre-post recovery unit for GI and Operating Suites.

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
APPEND DOCUMENTATION AS <u>ATTACHMENT 31,</u> IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

The proposed Replacement Advocate Trinity Hospital Project includes the following Clinical Service Areas Other than those with a Category of Service.

Emergency Department

b) New Services – Need Determination - Establishment

The applicant shall document that the proposed Project meets one of the following:

1) A) i) Service to the Planning Area Residents

The primary purpose of the proposed project is to provide care to the residents of the planning area in which the proposed service will be physically located; or

B) Documentation shall consist of strategic plans or market studies conducted, indicating the historical and projected incidence of disease or health conditions, or use rates of the population. The number of years projected shall not exceed the number of historical years documented. Any projections and/or trend analyses shall not exceed 10 years.

The proposed project includes the establishment of a state of art 16-room Emergency Department in the Advocate Trinity replacement hospital to continue to provide needed access to emergency services for residents of the service area. The Emergency Department will be staffed with ER physicians and a highly skilled clinical team and will be a Comprehensive Emergency Department. This Emergency Department will be designed to support current and future Emergency Department volume as outlined below.

2) Service Demand

To demonstrate need for the proposed CSA services, the applicant shall document one or more of the indicators presented in subsections (b)(2)(A) through (D). For any projections, the number of years projected shall not exceed the number of historical years documented. Any projections and/or trend analyses shall not exceed 10 years.

A) Referrals from Inpatient Base

For CSAs that will serve as a support or adjunct service to existing inpatient services, the applicant shall document a minimum 2-year historical and 2-year projected number of inpatients requiring the subject CSA.

B) Physician Referrals

For CSAs that require physician referrals to create and maintain a patient base volume, the applicant shall document patient origin information for the referrals. The applicant shall submit original signed and notarized referral letters, containing certification by the physicians that the representations contained in the letters are true and correct.

C) Historical Referrals to Other Providers
If, during the latest 12-month period, patients have been sent to other area providers for the proposed CSA services, due to the absence of those services at the applicant facility, the applicant shall submit verification of those referrals, specifying: the service needed; patient origin by zip code; recipient facility; date of referral; and physician certification that the representations contained in the verifications are true and correct.

D) Population Incidence
The applicant shall submit documentation of incidence of service based upon IDPH statistics or category of service statistics.

The Emergency Department (ED) at the replacement Advocate Trinity Hospital will support the patients that use ED services at the current Advocate Trinity Hospital.

The projected utilization is based on ED visit trends at the current Advocate Trinity Hospital. The historic and projected volumes are outlined below. The decrease in emergency room visits year over year has been due to population changes, less patients accessing health care (Covid factors), an increased use of virtual services (as CMS has approved alternative pathways for health care services), and patients choosing other locations. ED volume is projected to continue to decline as the volume of low-acuity visits will have access to an increasing number of ambulatory sites and primary care providers developed in the area.

Advocate Trinity Hospital will continue to serve as a community hospital and lower acuity patients will continue to be admitted to Advocate Trinity Hospital. Those patients with higher acuity and more complex needs will be transferred to Advocate Christ Medical Center and other higher-level hospitals.

The ambulatory programs are outlined in Attachment 31, Exhibit 1. One of the goals of this project is to right-size the capacity to the demand for emergency services and bring a state-of-the-art Emergency Department to the community.

Advocate Trinity Emergency Department Utilization					
Patients	**2020**	**2021**	**2022**	**2023**	**Patient % Change 2020-2023**
Visits	**32,905**	**30,269**	**27,563**	**26,476**	**-20%**

Source: Advocate Trinity Hospital AHQ 2020-2023

Projected Utilization	**2024 AY**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
Visits	**28,112**	**26,707**	**24,036**	**22,834**	**21,921**	**22,500**	**22,750**

Source: Advocate Trinity Hospital Finance Department. (2024 Jan-Oct AY)

3) Impact of the Proposed Project on Other Area Providers
The applicant shall document that, within 24 months after project completion, the proposed project will not:

A) Lower the utilization of other area providers below the utilization standards specified in Appendix B.

B) Lower, to a further extent, the utilization of other area providers that are currently (during the latest 12-month period) operating below the utilization standards.

The Emergency Department is designed to serve the current and future Advocate Trinity patients and is not anticipated to lower the utilization of other area providers.

The replacement Advocate Trinity Hospital will continue to be supported by Advocate Christ Medical Center's level I Trauma Center. Christ Medical Center's Emergency Department has been designated as a comprehensive emergency service; the highest designation category recognized by the Illinois Department of Public Health.

4) Utilization
Projects involving the establishment of CSAs shall meet or exceed the utilization standards for the services, as specified in Appendix B. If no utilization standards exist in Appendix B, the applicant shall document its anticipated utilization in terms of incidence of disease or conditions, or historical population use rates.

With the State Guideline for utilization of emergency services of 2,000 visits/station/year, the projected volume in 2029 of 26,476 ED visits supports at least the need for 12 ED rooms in the replacement Advocate Trinity Hospital. Based on the recommendation of the Emergency Medicine Physicians at Advocate Trinity Hospital, 1,500 visits per room would be needed to support the variability and seasonality of the ED for residents in this community. Additionally, with the plan to transfer patients who need higher acuity care, some additional time in the ED may be needed for the patient care to be provided. It was determined to meet peak ED demand with 16 ED rooms in this new hospital and is projected to meet or exceed the utilization standards. The new hospital with 16 ED rooms will provide continued access to high quality emergency room services to meet the needs of the residents living in the community.

Building strong partnerships between Advocate Health and local Emergency Medical Services (EMS) plays a vital role in delivering high-quality, patient-centered care. Working closely with local EMS teams, first responders are able to make informed decisions about the best facility for patient care. These partnerships also foster a collaborative environment where EMS personnel are familiar with the capabilities of each hospital. With knowledge of the strengths and resources at each facility, whether it's a trauma center, a stroke-certified hospital, or a pediatric specialty unit, EMS teams can route patients directly to the location best suited to provide rapid, effective treatment. Such coordination reduces wait times, minimizes the need for patient transfers, and improves overall

patient outcomes. As a result, patients receive timely care at the right facility, enhancing their likelihood of a full recovery. These partnerships strengthen the entire healthcare ecosystem, creating a seamless care journey from the point of contact with EMS to the optimal hospital setting, benefiting both patients and healthcare providers.

With patients seeking the right care, at the right time and right location, the future hospital will be right-sized to fit the needs of the community.

Advocate Trinity Hospital has justified the need for the 16 Emergency Rooms. The hospital meets and exceeds the utilization standards.

Dedicated Observation Unit

b) New Services – Need Determination - Establishment
The applicant shall document that the proposed Project meets one of the following:

2) A) i) Service to the Planning Area Residents
The primary purpose of the proposed project is to provide care to the residents of the planning area in which the proposed service will be physically located; or

B) Documentation shall consist of strategic plans or market studies conducted, indicating the historical and projected incidence of disease or health conditions, or use rates of the population. The number of years projected shall not exceed the number of historical years documented. Any projections and/or trend analyses shall not exceed 10 years.

The proposed project includes the establishment of a Dedicated Observation unit to provide needed access to Observation services for the community. A Dedicated Observation Unit ensures that patients receive the appropriate level of care delivered after a visit to the ED. The Observation Unit adjacent to the ED will serve as a clinical decision unit and provide continued evaluation and treatment as clinicians evaluate the patient care needs to determine if patients need to be admitted or discharged for continuity of care.

Dedicated Observation teams have the ability to effectively manage the patient's stay. When observation patients are placed in inpatient spaces, the care team may need to direct their attention to the more acute patients thus delaying the clinical decisions for the observation patients who are generally less acute.

A Dedicated Observation Unit helps maintain ED patient flow and avoid utilization of more costly inpatient beds while providing additional time for patients who need to be evaluated closely. Patients will have a reduced wait time in the ED to bed placement and be evaluated quicker.

The close proximity to the ED provides clinical collaboration and may reduce the need to work up a patient in the ED. While the patient receives care in the Observation Unit, the ED physician can still support or review diagnostics and labs, reassess, or treat on the same floor. Additionally, there is the ability to cross train staff and share teams to maintain competencies.

2) Service Demand
To demonstrate need for the proposed CSA services, the applicant shall document one or more of the indicators presented in subsections (b)(2)(A) through (D). For any projections, the number of years projected shall not exceed the number of historical years documented. Any projections and/or trend analyses shall not exceed 10 years.

A) Referrals from Inpatient Base
For CSAs that will serve as a support or adjunct service to existing inpatient services, the applicant shall document a minimum 2-year historical and 2-year projected number of inpatients requiring the subject CSA.

B) Physician Referrals
For CSAs that require physician referrals to create and maintain a patient base volume, the applicant shall document patient origin information for the referrals. The applicant shall submit original signed and notarized referral letters, containing certification by the physicians that the representations contained in the letters are true and correct.

C) Historical Referrals to Other Providers
If, during the latest 12-month period, patients have been sent to other area providers for the proposed CSA services, due to the absence of those services at the applicant facility, the applicant shall submit verification of those referrals, specifying: the service needed; patient origin by zip code; recipient facility; date of referral; and physician certification that the representations contained in the verifications are true and correct.

D) Population Incidence
The applicant shall submit documentation of incidence of service based upon IDPH statistics or category of service statistics.

The Dedicated Observation Unit at the replacement Advocate Trinity Hospital will support the current patients that receive observation care at the current Advocate Trinity Hospital. The projected utilization is based on the current observation patient days and is provided below. The analysis of Advocate Trinity's ED volume, which drives observation volumes, showed that much of the volume is categorized as low acuity.

The number of observation patient days is projected to decline year over year as patients have increasing access to ambulatory and preventive care and chronic care management programs to support their chronic conditions. The new replacement hospital will appropriately transfer complex patients and specific service line observation patients to other Advocate hospitals that have higher level and more comprehensive resources needed for these patients.

With the new operational model, the observation ratio of 25% will meet national standards and clinical needs of patients in the community. It was determined that 8 observation stations will meet the clinical needs of these patients.

Advocate Trinity Observation Days					
	2020	**2021**	**2022**	**2023**	**% Change 2020-2023**
Trinity Observation Days	**6,200**	**6,826**	**8,215**	**8,651**	**40%**

Source: Advocate Trinity Hospital AHQ 2020-2023

Projected Utilization	**2024 AY**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
Trinity Observation Days	**7,423**	**6,459**	**5,261**	**4,556**	**3,840**	**2,830**	**2,802**

Source: Advocate Trinity Hospital Finance Department. (2024 Jan-Oct AY)

3) Impact of the Proposed Project on Other Area Providers
The applicant shall document that, within 24 months after project completion, the proposed project will not:

A) Lower the utilization of other area providers below the utilization standards specified in Appendix B.

B) Lower, to a further extent, the utilization of other area providers that are currently (during the latest 12-month period) operating below the utilization standards.

The Dedicated Observation Unit is designed to serve the current Advocate Trinity patients and is not anticipated to lower the utilization of other area providers.

4) Utilization
Projects involving the establishment of CSAs shall meet or exceed the utilization standards for the services, as specified in Appendix B. If no utilization standards exist in Appendix B, the applicant shall document its anticipated utilization in terms of incidence of disease or conditions, or historical population use rates.

The number of rooms in the Dedicated Observation Unit was based on the projected number of Medical Surgical admissions and a 25% observation ratio of admissions to observation patients.

As there is no state utilization standard for observation rooms, based on the projected volume of observation days, it was determined that 8 observation stations would continue to provide the number of observation rooms to meet the needs of the projected number of patients.

Procedural Services (OR, GI, Phase I and II Recovery)

b) New Services – Need Determination - Establishment
The applicant shall document that the proposed Project meets one of the following:

3) A) i) Service to the Planning Area Residents
The primary purpose of the proposed project is to provide care to the residents of the planning area in which the proposed service will be physically located; or

B) Documentation shall consist of strategic plans or market studies conducted, indicating the historical and projected incidence of disease or health conditions, or use rates of the population. The number of years projected shall not exceed the number of historical years documented. Any projections and/or trend analyses shall not exceed 10 years.

The proposed project will be designed with a procedural floor in the Advocate Trinity replacement hospital that includes:

- 3 Operating Rooms
- 2 GI/Endoscopy Procedure Rooms
- 5 PACU/Phase I and 17 Phase II Recovery Rooms
- 1 Cardiac Cath Room

These services will provide continued access to essential surgical services for residents of the service area. The co-location of these procedural rooms to one floor will provide maximum efficiency, effective clinical staff coverage, a better coordinated patient experience and collaboration within these clinical teams.

The procedural rooms in this replacement hospital will have right-sized operating rooms to meet current standards and have an improved layout of the suites designed for robotic cases and the future of surgical design. These rooms will accommodate the number and types of equipment needed for these procedures.

The new configuration will provide the support space and storage needs for all of the surgical areas and will be designed for efficiency and upgraded clinical standards. The project addresses a critical lack of space in the existing hospital for storage, case carts, equipment, and other specialty related carts.

The mechanical areas supporting the establishment of this new and state-of-the-art surgical suite will be upgraded to address deficiencies that exist in the current hospital in the air handling, HVAC, and electrical infrastructure.

2) Service Demand
To demonstrate need for the proposed CSA services, the applicant shall document one or more of the indicators presented in subsections (b)(2)(A) through (D). For any projections,

the number of years projected shall not exceed the number of historical years documented. Any projections and/or trend analyses shall not exceed 10 years.

A) Referrals from Inpatient Base
For CSAs that will serve as a support or adjunct service to existing inpatient services, the applicant shall document a minimum 2-year historical and 2-year projected number of inpatients requiring the subject CSA.

B) Physician Referrals
For CSAs that require physician referrals to create and maintain a patient base volume, the applicant shall document patient origin information for the referrals. The applicant shall submit original signed and notarized referral letters, containing certification by the physicians that the representations contained in the letters are true and correct.

C) Historical Referrals to Other Providers
If, during the latest 12-month period, patients have been sent to other area providers for the proposed CSA services, due to the absence of those services at the applicant facility, the applicant shall submit verification of those referrals, specifying: the service needed; patient origin by zip code; recipient facility; date of referral; and physician certification that the representations contained in the verifications are true and correct.

D) Population Incidence
The applicant shall submit documentation of incidence of service based upon IDPH statistics or category of service statistics.

Advocate Trinity Hospital will continue to provide high quality surgical services in the 3 Operating Rooms that focus on surgical procedure areas in General Surgery, Gynecology, ENT, Orthopedics, Ophthalmology, Podiatry and Urology.

The surgical services will be enhanced with a new da Vinci Robot that will provide a minimally invasive approach to procedures providing better outcomes for identified General Surgery, Gynecology and Urology procedures. Integrating robotic procedures will enhance patient outcomes with shorter recovery times and reduced inpatient admissions. This approach allows for efficient handling of lower acuity procedures like appendectomies, hernia repairs, and joint sports medicine.

The Digestive Health program at Advocate Trinity Hospital will provide access to diagnostic colonoscopy screenings in the 2 GI/Endoscopy procedure rooms. The GI program will continue to provide innovative community outreach to address economic and racial disparities in colon cancer screening. Advocate Trinity operates a Direct Access Screening Colonoscopy Program (DASC). The DASC program allows patients that meet criteria to schedule a colonoscopy directly with a physician increasing access to this important screening.

The GI Navigation program supports patients with complex medical conditions including liver diseases, GI cancers, Inflammatory Bowel Disease, and chronic continence issues to connect and coordinate patient clinical visits, resources for charity care, second opinions, mental health support, and any other clinical or social factors affecting their health to reduce barriers of access for patients.

The state standard for calculation of the number of Operating Rooms and GI Procedure Rooms is based on surgical and procedural hours. The historic and projected surgical hours for the Operating Rooms and GI Procedure Rooms are outlined in the table below.

Advocate Trinity Surgical Procedural Case Projection and Room Need

As outlined in the projections, the number of inpatient surgical procedures will decrease in the new replacement hospital due to the market dynamics with overall surgical cases projected to decline in the Advocate Trinity Hospital service area and as patients continue to choose other hospitals for their more complex surgical care. Sg2's Forecast of Demand for this service area suggests a 2.3% decline in overall surgery by 2028, and a 5.2% decline by 2033.

Patients requiring more complex surgical care will be transported or when appropriate transferred to Advocate Christ Medical Center and other academic centers.

While the number of outpatient surgeries will remain constant due to the continued shift from inpatient to outpatient sites of care, the hours per case will continue to decline as the complex outpatient cases will shift to tertiary centers of care. The procedure time for the remaining procedures will be shorter in duration and allow us to meet the patient care needs in the designed Operating Rooms.

2020-2023 Advocate Trinity Hospital Surgical Cases and Hours						
Year	Surgical Cases			Surgical Hours		
	IP	OP	TOTAL	IP	OP	TOTAL
2020	553	1,772	2,325	1,252	3,021	4,152
2021	524	2,413	2,937	1,122	4,158	5,280
2022	571	2,656	3,227	1,163	4,487	5,650
2023	663	2,657	3,320	1,339	4,152	5,491

Source: Advocate Trinity Hospital AHQ 2020-2023. excluding cysto cases

Projected Advocate Trinity Hospital Surgical Cases and Hours						
Year	Surgical Cases			Surgical Hours		
	IP	OP	TOTAL	IP	OP	TOTAL
2024AY	570	2,296	2,866	1,261	3,571	4,832
2025	679	2,359	3,038	1,403	2,854	4,257
2026	700	2,396	3,096	1,446	2,899	4,345
2027	721	2,434	3,155	1,489	2,945	4,434
2028	735	2,459	3,194	1,518	2,951	4,469
2029*	473	2,559	3,032	975	3,071	4,046
2030*	473	2,585	3,058	977	3,102	4,079

*2029 and 2030 includes cysto cases

Source: Advocate Trinity Hospital Finance Department. (2024 Jan-Oct AY)

Based on the projected surgical hours divided by 1,500 hours per OR, 3 Operating Rooms would provide the capacity needed to provide continued surgical access in the future.

Advocate Trinity Gastrointestinal Procedural Case Projection and Room Need

As outlined in the projections, the number of GI procedures will continue in the new replacement hospital. Sg2 expects demand for gastroenterology procedures to increase over the next five years with growth in specific areas, including inflammatory bowel disease and gastrointestinal hemorrhage. Outpatient volumes will grow due to the aging population, and the benefits of preventive procedures.

2020-2023 Advocate Trinity Hospital Gastrointestinal Cases and Hours						
Year	Gastrointestinal Cases			Gastrointestinal Hours		
	IP	OP	TOTAL	IP	OP	TOTAL
2020	376	1,864	2,240	370	1,746	2,116
2021	582	2,505	3,087	661	2,326	2,987
2022	545	2,667	3,212	557	2,401	2,958
2023	384	2,177	2,561	382	1,893	2,275

Source: Advocate Trinity Hospital AHQ 2020-2023.

Projected Advocate Trinity Hospital Gastrointestinal Cases and Hours						
Year	Gastrointestinal Cases			Gastrointestinal Hours		
	IP	OP	TOTAL	IP	OP	TOTAL
2024AY	464	2,405	2,869	416	1,936	2,352
2025	448	2,450	2,898	448	2,205	2,653
2026	413	2,450	2,863	413	2,205	2,618
2027	380	2,450	2,830	380	2,205	2,585
2028	350	2,550	2,900	350	2,295	2,645
2029	242	2,550	2,792	242	2,295	2,537
2030	239	2,610	2,849	239	2,349	2,588

Source: Advocate Trinity Hospital Finance Department (2024 Jan-Oct AY)

Based on the projected GI hours divided by 1,500 hours per GI/Endoscopy Room, it was determined that 2 procedure rooms would provide the capacity needed to provide continued access in the future.

Advocate Trinity's proposed surgery, endoscopy, and cardiac catheterization services will be located on one procedural floor. The Recovery Suite will be included on this floor and will contain the Post Anesthesia Care unit (PACU) and the Phase II Recovery bays to support the 3 Operating Rooms, 2 Procedure Rooms and the 1 IR Combination Cardiac Catheterization lab. The new PACU and Pre-

op/Phase II Recovery Bays will provide updated monitoring technology and facilities, critical to care for post-surgical patients.

The project includes the appropriate number of Phase I and Phase II Recovery beds to support patients in the Operating Rooms, GI Procedure Rooms and Cath Lab.

4) Impact of the Proposed Project on Other Area Providers

The applicant shall document that, within 24 months after project completion, the proposed project will not:

A) Lower the utilization of other area providers below the utilization standards specified in Appendix B.

B) Lower, to a further extent, the utilization of other area providers that are currently (during the latest 12-month period) operating below the utilization standards.

The Operating Rooms and GI Procedure Rooms are designed to serve the current Advocate Trinity patients and are not anticipated to lower the utilization of other area providers.

4) Utilization
Projects involving the establishment of CSAs shall meet or exceed the utilization standards for the services, as specified in Appendix B. If no utilization standards exist in Appendix B, the applicant shall document its anticipated utilization in terms of incidence of disease or conditions, or historical population use rates.

The number of ORs and GI Endoscopy Procedure Rooms was based on the projected number of patients currently using surgical and procedural services at Advocate Trinity Hospital.

Advocate Trinity Hospital has outlined the need for the 3 Operating Rooms and 2 GI/Procedure Rooms and meets and exceeds the utilization standards.

Imaging

b) New Services – Need Determination - Establishment
The applicant shall document that the proposed Project meets one of the following:

5) A) i) Service to the Planning Area Residents
The primary purpose of the proposed project is to provide care to the residents of the planning area in which the proposed service will be physically located; or

B) Documentation shall consist of strategic plans or market studies conducted, indicating the historical and projected incidence of disease or health conditions, or use rates of the population. The number of years projected shall not exceed the number of historical years documented. Any projections and/or trend analyses shall not exceed 10 years.

The proposed project will include imaging services that are an integral part of care for the Advocate Trinity Hospital patients. The Imaging Center will include the following types of diagnostic imaging equipment:

- 2 General Diagnostic Units
- 2 Ultrasound units
- 1 CT unit
- 1 MRI unit
- 1 Nuclear Medicine unit

This proposed project will provide access to essential imaging services to continue to support inpatient and outpatient care. The imaging services were designed based on the imaging capabilities located within the existing Advocate Trinity Hospital and those projected for the future. The number of units were based on projected volume with ratios of imaging services to the types of care in the replacement hospital.

Factors used to project volume, specifically for outpatient imaging, were influenced by Advocate's expanded ambulatory imaging services being developed in the service area such as the addition of General X-Ray and Ultrasound Mammography to Imani Village.

Patients will benefit having additional capacity for ambulatory imaging providing both convenience and a lower cost site of care for residents of the service area.

2) Service Demand
To demonstrate need for the proposed CSA services, the applicant shall document one or more of the indicators presented in subsections (b)(2)(A) through (D). For any projections, the number of years projected shall not exceed the number of historical years documented. Any projections and/or trend analyses shall not exceed 10 years.
A) Referrals from Inpatient Base

For CSAs that will serve as a support or adjunct service to existing inpatient services, the applicant shall document a minimum 2-year historical and 2-year projected number of inpatients requiring the subject CSA.

The historic Inpatient and Outpatient Imaging Volumes from the current Advocate Trinity Hospital are provided below.

The projected inpatient volumes were determined based on the ratio of imaging services needed for the inpatient volume projected in the replacement hospital. Although, the ratio of imaging tests for each inpatient and observation will remain, with the decreased number of inpatient and observation patients, this will translate to a lower number of total imaging tests and units in the replacement hospital.

The outpatient volume at the replacement hospital was projected based on the expanded ambulatory imaging services planned in the service area. Additional imaging at Advocate sites such as Imani Village support the outpatient imaging needed to support the residents of this service area. The ambulatory imaging volume projected at Imani Village is provided in Attachment 31, Exhibit 1.

Advocate Trinity Hospital Imaging Volume						
	2020	**2021**	**2022**	**2023**	**2024 AY**	**Patient % Change 2020-2024 AY**
General Radiology	31,051	31,830	30,525	30,576	31,084	0.1%
Ultrasound	12,503	14,883	14,325	13,609	15,028	20%
CT Scan	17,963	19,514	19,299	20,789	23,489	30%
MRI	2,332	2,728	3,164	3,882	4,441	117%
Nuclear Medicine	1,795	2,034	1,762	1,323	1,427	-20%
Total:	65,644	70,989	69,075	70,179	75,469	14%

Source: Advocate Trinity Hospital AHQ 2020-2023.
Source Advocate Trinity Hospital Finance Department 2024 Jan-Oct AY

Advocate Trinity Hospital Imaging Projections		
	2029	**2030**
General Radiology	23,325	23,558
Ultrasound	4,824	4,854
CT Scan	12,272	12,151
MRI	2,318	2,295
Nuclear Medicine	752	746
Total:	35,429	35,206

Source Advocate Trinity Hospital Finance Department

B) Physician Referrals
For CSAs that require physician referrals to create and maintain a patient base volume, the applicant shall document patient origin information for the referrals. The applicant shall submit original signed and notarized referral letters, containing certification by the physicians that the representations contained in the letters are true and correct.

C) Historical Referrals to Other Providers
If, during the latest 12-month period, patients have been sent to other area providers for the proposed CSA services, due to the absence of those services at the applicant facility, the applicant shall submit verification of those referrals, specifying: the service needed; patient origin by zip code; recipient facility; date of referral; and physician certification that the representations contained in the verifications are true and correct.

D) Population Incidence
The applicant shall submit documentation of incidence of service based upon IDPH statistics or category of service statistics.

3) Impact of the Proposed Project on Other Area Providers
The applicant shall document that, within 24 months after project completion, the proposed project will not:

A) Lower the utilization of other area providers below the utilization standards specified in Appendix B.

B) Lower, to a further extent, the utilization of other area providers that are currently (during the latest 12-month period) operating below the utilization standards.

The Imaging services are designed to serve the current Advocate Trinity patients and are not anticipated to lower the utilization of other area providers.

4) Utilization
Projects involving the establishment of CSAs shall meet or exceed the utilization standards for the services, as specified in Appendix B. If no utilization standards exist in Appendix B, the applicant shall document its anticipated utilization in terms of incidence of disease or conditions, or historical population use rates.

The number of imaging units was based on the projected number of patients currently using imaging services at Advocate Trinity Hospital and the projected number that will require Imaging services as part of their care at the Advocate Trinity replacement Hospital. This will be coupled with the expanded ambulatory imaging services in development for this service area to support area residents.

Advocate Trinity Hospital has justified the need for the number of each type of imaging service and meets and exceeds the utilization standards.

Hospital Ancillary Services (Lab/Pharmacy/Dialysis/Echo/Stress)

b) New Services – Need Determination - Establishment
The applicant shall document that the proposed project meets one of the following:

6) A) i) Service to the Planning Area Residents
The primary purpose of the proposed project is to provide care to the residents of the planning area in which the proposed service will be physically located; or

B) Documentation shall consist of strategic plans or market studies conducted, indicating the historical and projected incidence of disease or health conditions, or use rates of the population. The number of years projected shall not exceed the number of historical years documented. Any projections and/or trend analyses shall not exceed 10 years.

The following are key clinical services to the operation at the new replacement Advocate Trinity Hospital. These services are integral to Advocate Trinity Hospital continuing to provide state-of-the-art, high quality, inpatient, surgical and outpatient care to the communities in the service area. These areas were designed for the projected utilization of each service based on existing Trinity Hospital services and those projected for the future.

- Laboratory Service
- Pharmacy Service
- Inpatient Dialysis Service
- Echo/Stress

The proposed project will address the space needed for hospital Laboratory services. The core function of the clinical laboratory is to perform various tests on collected specimens. These tests can range from simple point-of-care tests to complex analyses involving biochemistry, hematology, microbiology, immunology, cytology, and molecular biology.

The department will be designed to support the new regulatory standards and the infrastructure to support updated equipment and technology. The new equipment will allow for more accurate as well as timely results for the tests that will be sent to the laboratory to be performed. The new space is being designed for optimal clinician work efficiency and workflow.

The Pharmacy Department at the new Advocate Trinity Hospital will be appropriately designed to support the state-of-the-art equipment and technology needed for this service. Replacement with updated equipment and technology is needed to support current and projected capacity for Inpatients and Emergency Department patients. This equipment requires additional space and updated infrastructure. This new equipment is necessary to continue to support the patients at the hospital.

Ambulatory services include Echo and Stress/Echo will be provided to offer access to these needed services. Providing these services empowers patients to manage their heart health while staying within their community, enhancing overall care and reducing hospital visits. Stress/Echo services will

continue at the new hospital to ensure patients receive comprehensive and coordinated care in Cardiology.

The Inpatient Dialysis Service will provide End Stage Renal Disease (ESRD) treatment to inpatients who require treatments during their inpatient admission for other medical care. The service will be provided by Trinity nursing staff with specialized competency in dialysis services. This central dialysis service will include 4 patient bays comprised of 3 semi-private bays and 1 private bay.

For those with ESRD, they can receive dialysis during their inpatient stay, benefiting from the comprehensive services offered at the replacement hospital. Patients would have definitive scheduled time and timely delivery of treatment of their dialysis care. This would avoid conflicts with other required medical care and testing. A centralized dialysis unit also ensures the correct supplies are easily accessible and back up supplies are within close proximity to allow for minimal interruptions to treatment. This central dialysis service would allow highly skilled dialysis nurses to collaborate on their care and provide operational efficiencies for the nursing team.

The majority of inpatients that require dialysis are currently able to receive their treatment in the current centralized dialysis suite. The few ICU and isolation patients that require dialysis will continue to receive treatment at their bed side.

2) Service Demand

To demonstrate need for the proposed CSA services, the applicant shall document one or more of the indicators presented in subsections (b)(2)(A) through (D). For any projections, the number of years projected shall not exceed the number of historical years documented. Any projections and/or trend analyses shall not exceed 10 years.

A) Referrals from Inpatient Base

For CSAs that will serve as a support or adjunct service to existing inpatient services, the applicant shall document a minimum 2-year historical and 2-year projected number of inpatients requiring the subject CSA.

B) Physician Referrals

For CSAs that require physician referrals to create and maintain a patient base volume, the applicant shall document patient origin information for the referrals. The applicant shall submit original signed and notarized referral letters, containing certification by the physicians that the representations contained in the letters are true and correct.

C) Historical Referrals to Other Providers

If, during the latest 12-month period, patients have been sent to other area providers for the proposed CSA services, due to the absence of those services at the applicant facility, the applicant shall submit verification of those referrals, specifying: the service needed; patient origin by zip code; recipient facility; date of referral; and physician certification that the representations contained in the verifications are true and correct.

D) Population Incidence

The applicant shall submit documentation of incidence of service based upon IDPH statistics or category of service statistics.

The historic Laboratory and Pharmacy volumes from the current Advocate Trinity Hospital are provided below.

The projected volumes for the Laboratory and Pharmacy service were based on the current utilization and the projected decrease of inpatient days at the replacement hospital.

Number of Lab Tests	2020	2021	2022	2023	2024 AY
Laboratory Total	352,657	413,395	389,549	372,425	379,205

Source: Advocate Trinity Hospital AHQ 2020-2023.
Source Advocate Trinity Hospital Finance Department 2024 Jan-Oct AY

Lab Tests Projections	2029	2030
Laboratory Total	293,791	294,142

Source Advocate Trinity Hospital Finance Department

Number of Pharmacy Doses	2020	2021	2022	2023	2024AY
Pharmacy Total	2,429,106	3,047,387	3,002,705	3,208,651	4,343,590

Source: Advocate Trinity Hospital AHQ 2020-2023.
Source: Advocate Trinity Hospital Finance Department 2024 Jan-Oct AY

Pharmacy Doses Projections	2029	2030
Pharmacy Total	2,810,251	2,793,327

Source: Advocate Trinity Hospital Finance Department

The historic Echo/Stress and Inpatient Dialysis volumes from the current Advocate Trinity Hospital are provided below.

Echo and echo/stress volumes were based on the current utilization and the projected decrease of inpatient days at the replacement hospital. The increased availability at ambulatory locations such as Imani Village and improved access to care at various sites will reduce inpatient admissions, thus reducing the use of echo stress testing in the hospital setting.

The Dialysis projected utilization was based on the current ratio of inpatients needing dialysis and the decreased number of inpatient days in the replacement hospital.

Number of Echo/Stress Tests	2020	2021	2022	2023	2024AY
Echo/Stress	4,999	6,196	5,847	5,731	5,653

Source: Advocate Trinity Hospital Finance Department
2024 Jan-Oct AY

Number of Echo/Stress Tests Projections	2029	2030
Echo/Stress	3,209	3,177

Source: Advocate Trinity Hospital Finance Department

Number of Dialysis Cases	2020	2021	2022	2023	2024AY
Dialysis	701	806	816	753	774

Source: Advocate Trinity Hospital Finance Department
2024 Jan-Oct AY

Number of Dialysis Cases Projections	2029	2030
Dialysis	373	369

Source: Advocate Trinity Hospital Finance Department

3) Impact of the Proposed Project on Other Area Providers

The applicant shall document that, within 24 months after project completion, the proposed project will not:

A) Lower the utilization of other area providers below the utilization standards specified in Appendix B.

B) Lower, to a further extent, the utilization of other area providers that are currently (during the latest 12-month period) operating below the utilization standards.

The Laboratory, Pharmacy, Echo/Stress and Inpatient Dialysis services are designed to serve the Advocate Trinity patients and are not anticipated to lower the utilization of other area providers.

4) Utilization

Projects involving the establishment of CSAs shall meet or exceed the utilization standards for the services, as specified in Appendix B. If no utilization standards exist in Appendix B, the applicant shall document its anticipated utilization in terms of incidence of disease or conditions, or historical population use rates.

There are no utilization standards for Laboratory and Pharmacy services. Industry standards were used by the Design and Construction and architect team to develop the appropriate number of rooms based on projected utilization.

The state standard for ambulatory services such as Echo/Stress tests is 2,000 visits/unit.
The hospital meets and exceeds the utilization standards.

As there are no state utilization standards for inpatient dialysis, based on the projected volume, maintaining access to dialysis bays would provide the continued access to these needed for patients in the community.

Attachment 31, Exhibit 1

In conjunction with our colleagues at the Advocate National Center for Health Equity, we conducted an epidemiological study that followed a group of Advocate Health patients for 2 years. The study included patients who received care at a facility located on the Southside of Chicago. This study revealed that visiting a primary care physician (PCP) significantly reduced healthcare utilization and improved patient outcomes. Specifically, patients who saw a PCP in the first year had fewer inpatient and emergency department visits in the second year, with notable decreases in avoidable ED visits.

The analysis of Advocate Trinity's Emergency Department volume showed that much of the volume is categorized as low acuity. For Trinity's 2022 Emergency Department visits, 14,032 (51%) could have been treated in a non-Emergency Department care setting.

According to the CDC, the current geography where Advocate Trinity hospital is situated reflect communities marked by pronounced "medium-high" to "high" social vulnerabilities.

The ambulatory plan includes development of 10 Neighborhood Care sites embedded within trusted community organizations on the South Side. Patients will be able to access these clinics by walk-in or scheduling an appointment. In addition to seeing a healthcare provider, patients will be connected to needed Social Determinants of Health (SDOH) programs, health system navigation assistance, follow up scheduling, pharmaceutical resources, and point of care testing. Upon completion and adoption of this transformative model to receive care, we will be able to support over 50,000 visits annually.

As part of our Emergency Department analysis of low acuity visits, the scope of services offered at the Neighborhood Care Site would support 3,949 ambulatory sensitive visits currently seen in the Emergency Department in year 1 alone, with the ability to provide proactive care for chronic disease management, primary care visits, specialty care visits, and more.

Projected Neighborhood Care Site Volumes						
	2025	2026	2027	2028	2029	2030
Neighborhood Care Sites	10,584	19,584	28,200	38,376	45,864	50,544

Source: Advocate Trinity Hospital Finance Department

Imani Village Immediate Care Expansion

In addition to the Neighborhood Care Sites, the Imani Village expansion to add Immediate Care is scheduled to be completed by November 2025. This will provide care for higher acuity non-emergent needs. This much needed immediate care center on the South Side of Chicago will provide patients with a lower cost alternative to the Emergency Department. This immediate care center will be staffed with Physicians and Advanced Practice Clinicians. The projected volume for Imani Village Immediate Care Center will provide an alternative site outside of the Emergency Department.

Imani Projected Immediate Care Volumes						
	2025	2026	2027	2028	2029	2030
Imani Village	820	10,240	10,240	10,240	10,240	10,240

Source: Advocate Trinity Hospital Finance Department
*Immediate Care tentative opening Nov 2025

Chronic Disease Management Programs

The development of Chronic Disease Programs include: Cardiometabolic, cardio-obstetrics, and CV fast track will provide preventive and comprehensive care to patients with chronic diseases.

Thirty five percent of Advocate Trinity's Hospital admissions have been determined to be preventable and avoidable, as 82% of patients who were admitted to Trinity Hospital have 2 or more chronic conditions. Providing preventative and primary care to these patients will decrease the need for Emergency room visits and hospital admissions.

Cardiometabolic Program

The Cardiometabolics Program is a specialized initiative that focuses on managing and preventing conditions that simultaneously affect the cardiovascular system and metabolic health. These conditions typically include heart disease, diabetes, high blood pressure (hypertension), obesity, and dyslipidemia (abnormal cholesterol levels). Benefits of a Cardiometabolics Program are plentiful and include improved overall health by addressing multiple risk factors simultaneously thus reducing cardiovascular events (e.g., heart attack, stroke) and complications related to metabolic disorders (e.g., kidney disease, neuropathy). The ultimate goal of a Cardiometabolics Program is to provide an integrated, proactive approach to managing and reducing the risks associated with cardiovascular and metabolic diseases, improving both quality of life and longevity for individuals affected by these conditions.

Cardio-Obstetrics Program

Cardio-obstetrics is a specialized program that focuses on the cardiovascular health of pregnant individuals, aiming to manage and prevent cardiovascular complications during pregnancy and postpartum. It integrates obstetric care with cardiology, addressing the unique physiological changes and challenges that occur in pregnancy, as well as the cardiovascular risks that may be exacerbated by pregnancy. Multidisciplinary Collaboration: Cardiologists, Obstetricians, Maternal-Fetal medicine specialists, and other providers collaborate together to deliver coordinated care tailored to the needs of each individual. The goal of a cardio-obstetrics program is to ensure a safe pregnancy and delivery for both the mother and the baby, while reducing the risk of cardiovascular events during and after pregnancy.

CV Fast Track

The CV Fast Track service will be a "one stop shop" providing evaluation and clinical services for low-risk chest pain patients in an outpatient location. These patients will be evaluated by an advanced

clinical provider and receive the necessary cardiac diagnostic and ancillary testing as part of this visit and receive results before they leave. A cardiologist will also be onsite to read testing and consult the patient.

The Fast Track program is for patients with non-life-threatening heart conditions such as palpitations, chest pain, hypertension, and indigestion or patients with a family history that want a comprehensive quick workup. These patients can be sent from another physician office, a program such as Advocate's South Asian Community Outreach program or patients discharged from an emergency room for low-risk chest pain or palpitations and need further evaluation. The patient can be seen the next day for a complete evaluation, testing and treatment. Many of these patients never follow up due to the complexities in navigating care. Improving the patient experience by making access easy and quick will help them navigate the testing and provide the answers they need for peace of mind and have their fears addressed quickly. Patients that need higher level procedures at the hospital will be navigated and scheduled quickly to provide a comprehensive, positive experience.

Imani Village Imaging Expansion

In addition to Mammography, the Imani Village expansion will also include the following diagnostic imaging services: General X-ray and Ultrasound. By expanding the imaging capabilities at the AMG Imani Village clinic by November of 2025, the projections include 23,000 imaging orders to be performed annually at Imani Village, which otherwise would have been completed at the existing Advocate Trinity Hospital campus.

Imani Village Imaging Projected Utilization		
Dept/Service	**2025** (Nov* & Dec)	**2026**
Mammography	1,333	8,000
Ultrasound	1,166	7,000
General Xray	1,333	8,000
TOTAL	3,832	23,000

Source: Advocate Trinity Hospital Finance Department

* Tentative opening Nov 2025

ATTACHMENT 34
AVAILABILITY OF FUNDS

Not applicable. Advocate Aurora Health, Inc. has an AA long-term bond rating from Fitch and Standard & Poors. Advocate Aurora Health, Inc has an Aa3 long-term bond rating from Moody's.

FitchRatings

RATING ACTION COMMENTARY

Fitch Affirms Advocate Aurora Health (WI) IDR at 'AA'; Outlook Stable

Fri 09 Aug, 2024 - 3:06 PM ET

Fitch Ratings - Chicago - 09 Aug 2024: Fitch Ratings has affirmed Advocate Aurora Health's (AAH) Issuer Default Rating (IDR) at 'AA'. Fitch has also affirmed the outstanding revenue bonds issued directly by AAH or by the Wisconsin Health and Educational Facilities Authority, Illinois Finance Authority, and Illinois Health Facilities Authority on behalf of AAH/Advocate Health Care Network at 'AA'.

The Rating Outlook is Stable.

Fitch has additionally affirmed AAH's short-term rating at 'F1+' on variable rate debt and CP debt supported by AAH's self-liquidity.

RATING ACTIONS

ENTITY / DEBT	RATING			PRIOR
Advocate Aurora Health, Inc. (WI)	LT IDR	AA Rating Outlook Stable	Affirmed	AA Rating Outlook Stable
Advocate Aurora Health, Inc. (WI) /General Revenues/1 LT	LT	AA Rating Outlook Stable	Affirmed	AA Rating Outlook Stable
Advocate Health Care Network (IL) /General Revenues/1 LT	LT	AA Rating Outlook Stable	Affirmed	AA Rating Outlook Stable
Advocate Aurora Health, Inc. (WI) /Self-Liquidity/1 ST	ST	F1+	Affirmed	F1+
Advocate Health Care Network (IL) /Self-Liquidity/1 ST	ST	F1+	Affirmed	F1+

VIEW ADDITIONAL RATING DETAILS

AAH's 'AA' IDR is based on the system's very strong financial profile in the context of a sound operating profile, leading positions in markets across two states, and good balance sheet metrics. AAH also benefits from the strong financial profile of the combined Advocate Health as evidenced by Atrium Health's (Atrium) 'AA' IDR.

Combined, Advocate treats approximately six million unique patients in more than 1,000 sites of care (including 68 hospitals) across six states in the Southeast (North Carolina, South Carolina, Georgia, and Alabama) and Midwest (Illinois and Wisconsin). The system also benefits from being the primary teaching affiliate of the Wake Forest University (WFU) School of Medicine.

While like most acute care providers in the U.S. Advocate's operating margins were compressed in FY22 due to macro labor and inflationary pressures, Fitch believes the system has the foundation to generate good margins in the long term. Advocate's operating EBITDA margin improved in FY23 (driven by considerable improvement at Atrium). Advocate's (and AAH's) combined capital-related metrics should remain strong in Fitch's forward-looking scenario analysis, even in a stress case.

Advocate Health Joint Operating Agreement (JOA)

AAH is a member of Advocate Health. Advocate is the result of the December 2022 combination of AAH and Atrium. Combined, Advocate Health recorded more than $31 billion in operating revenue in FY23. While the organizations have not yet combined debt obligations, Advocate Health operates with a common management team and one board and the system is deeply integrated.

Most of the financial ratios in this release reference the combined Advocate Health (unless otherwise noted). For the rest of this release "Advocate Health" and "Advocate" refer to the new combined system. For more information regarding Atrium, please see rating action commentary dated Aug. 9, 2024.

SECURITY

Bonds are unsecured joint and several obligations of the obligated group, which consists of the vast majority of AAH hospitals, the AAH parent, and the Advocate Health Care Network and AAH physician practices.

KEY RATING DRIVERS

Revenue Defensibility - 'bbb'

Broad Reach Across Multiple States; Competition Present in Key Markets

Advocate Health has diversified operations across multiple markets in six states in distinct regions of the U.S. (the Southeast and Midwest). While diversified among many service areas, Advocate hospital operations are centered around Charlotte and Winston-Salem in North Carolina, the Macon area in Georgia, the Chicago area in Illinois, and Milwaukee and Green Bay in Wisconsin. Advocate maintains the market lead in most core service areas, although competition is present in many markets.

AAH is the largest health care system in both Illinois and Wisconsin. While the system is the market share leader in the Chicago, Milwaukee, and Green Bay metro areas, competition is present in each.

Advocate Health operates in varying service area demographic profiles, as expected from a large and geographically diverse health system. The Charlotte metro area and Winston-Salem area enjoy population

growth in excess of the national average, and growth in Bibb County (Rome) and Floyd County (Macon) are in-line with the national average.

The unemployment rates in each of these counties is in line with or below the national average. Much of suburban Chicago (e.g., Lake County), suburban Milwaukee, and other markets such as Brown County, WI (Green Bay) demonstrate generally sound characteristics such as median household income levels in-line with or better than the national average, although population trends tend to be somewhat stagnant.

Combined Advocate Health system Medicaid and self-pay are below Fitch's threshold of 25% of gross revenue for a midrange assessment. North Carolina recently expanded Medicaid per the Affordable Care Act (ACA). North Carolina also recently approved a Medicaid directed payment program, which significantly increases net Medicaid reimbursement rates in the state. Georgia and Wisconsin did not expand Medicaid under the ACA, while Illinois did expand.

Operating Risk - 'a'

Track-Record Sound Operating Results; Macro Pressures Compressed Margins, with Improvement in FY23

Both AAH and Atrium have a track record of sound operating results. Together (per management combination of audited results), the combined Advocate Health would have generated an average operating margin of roughly 3.1% and operating EBITDA margin of about 8.5% in the four years prior to FY22, despite the pandemic (and of course these ratios do not include any potential efficiencies or synergies from the combination).

Like the rest of the sector, Advocate Health was not immune to macro labor and inflationary pressures, as the system recorded an adjusted -0.8% operating margin and 4.3% operating EBITDA margin in FY22 (combination of Atrium and AAH audits, adjusted to move the portion of investment income included in operating revenue to non-operating).

Advocate's adjusted operating margin and operating EBITDA margin improved notably to 1.8% and 6.5%, respectively, in audited FY23 (as of FY23, Advocate Health now completes a combined system audit). Most of the system's improvement in FY23 were driven by gains at Atrium, whose operating EBITDA margin increased to 8.2% in FY23 from 3.9% in FY22 (AAH also improved, but more modestly, to an operating EBITDA margin of 4.9% in FY23 from 4.7% in FY22).

Overall, Advocate benefited in FY23 from strong volume growth, with inpatient admissions up 6.6% in FY23 over FY22, inpatient surgeries up 6.2%, and outpatient surgeries up 5.9%, as well as continued gains in outpatient visits (including gains in each of these areas at AAH). Moreover, the system continues to capture integration synergies.

Management estimates significant synergy benefits over the first three years since the integration, which include: supply chain, pharmacy optimization, revenue cycle, continued reduction in contract labor and nurse vacancy, and IT consolidation. Also, the aforementioned implementation of a Medicaid directed payment program in North Carolina to complement Medicaid expansion in the state, is of particular benefit to Advocate Health Southeast (Atrium). Advocate also received $238 million in 340b settlement funding in FY23.

Moving forward, Fitch expects Advocate Health to continue to show steady improvement and to record sound profitability and an operating EBITDA margin closer to historical averages. Favorably, Advocate was profitable in the first six-months of FY24 and to-date the system is ahead of prior year and budget. Volume growth continues in interim FY24.

Capital Spending

Advocate Health has maintained a steady pace of capital spending over time (e.g., AAH's capital spending ratio averaged just over 1x between FY19 and FY23, and Atrium's averaged about 1.5x). The combined system's average age of plant measured a sound 11.4 years at FYE 2023. Fitch expects Advocate will continue to reinvest in its plant. Management notes that capital spending is contingent on meeting EBITDA targets, and capex will flex accordingly.

Highlighted ongoing and future projects include a new patient tower in Winston-Salem, a new hospital in Cornelius (NC), the Pearl (a joint venture education and research project in Charlotte with the WFU medical school), a replacement hospital in Sheboygan (WI), a major addition in Chicago, and additional ambulatory access points. Both the legacy Atrium and AAH systems are on the Epic EMR platform, so a major EMR update is not required. Fitch expects that a system of Advocate's scope and reach will access the debt markets on a regular basis.

Financial Profile - 'aa'

Very Strong Capital-Related Ratios Should be Sustained

Advocate Health's financial profile is very strong. Capital-related metrics should remain strong in the forward-looking scenario analysis, including in a stress case.

At FYE 2023, Advocate Health had nearly $22 billion of unrestricted cash and investments (approximately $11.7 billion at AAH) and around $8.8 billion of debt ($3.8 billion at AAH) (inclusive of operating leases). Advocate sponsors six private defined benefit (DB) pension plans, each of which is more than 80% funded (Fitch includes as a debt equivalent the portion of a FASB DB pension plan below 80% funded). Atrium also has the CMHA government DB pension, which was approximately 57% funded as of Dec. 31, 2023. Advocate's net adjusted debt (adjusted debt minus unrestricted cash and investments) is favorably negative and cash-to-adjusted debt exceeded 245% at FYE 2023.

Advocate's capital-related ratios should remain strong, even in the stress case of Fitch's forward-looking scenario analysis. In the stress case, Advocate's net adjusted debt-to-adjusted EBITDA is favorably negative in every year and cash-to-adjusted debt does not drop below 210% (and exceeds 275% by year four).

Short-Term Rating

The 'F1+' short-term rating is based on AAH maintaining a long-term rating of at least 'AA-'. AAH (and Advocate) maintains sufficient discounted internal liquid resources and has implemented written procedures to fund any un-remarketed put on the approximately $1.1 billion of theoretical maximum potential AAH debt supported by self-liquidity. AAH's self-liquidity supported demand debt includes CP and puttable variable rate demand bonds

(VRDB) not supported by standby bond purchase agreements (SBPAs) or letters of credit (LOC), which are adequately covered by internal liquidity (per Fitch's standard discounting of assets).

Asymmetric Additional Risk Considerations

There are no asymmetric risk factors affecting Atrium's rating.

Advocate Health's debt is comprised of approximately 55/45 fixed rate/variable rate mix. Variable rate debt includes bank private placements, VRDB, floating rate notes (FRN), and CP. Combined Advocate maximum annual debt service (MADS) is $458 million, based on smoothing debt service (there are more than $1 billion in bullets due in FY26). Advocate's MADS coverage based on FY23 results was sound at 7.1x and does not pose an asymmetric risk. The legacy AAH's MADS coverage was 4.6x in FY23.

Advocate had just over 265 days cash on hand at FYE 2023, and therefore days cash does not pose an asymmetric risk.

Since created in December 2022, Advocate Health has operated with a common management team and a single board.

RATING SENSITIVITIES

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

--Compression in operating margins, such that the operating EBITDA margin is expected to remain closer to 6% for a sustained period;

--Weaker balance sheet metrics, leading to thinner capital-related ratios, particularly if compounded with a weaker operating risk assessment.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

--Combined Advocate Health operating EBITDA margin consistently above 10%;

--Considerable growth in unrestricted cash levels leading to superlative cash-to-adjusted debt.

PROFILE

Advocate Health is the result of the December 2022 combination of Atrium and AAH. The combined system operates 68 hospitals and more than 1,000 sites of care. The system an academic affiliation with Wake Forest University and engages in considerable research efforts and has more than 220 GME programs.

Advocate has acute care operations in six states: North Carolina, South Carolina, Georgia, and Alabama (Advocate Health - Southeast, the legacy Atrium); and Illinois and Wisconsin (Advocate Health - Midwest, the legacy AAH). Core hospital operations are diversified, with particular penetration around Charlotte and Winston-Salem in North Carolina, Macon and Rome in Georgia, Milwaukee and Green Bay in Wisconsin, and the Chicago area in Illinois. Advocate Health treats approximately six million unique patients.

Advocate's total operating revenue measured more than $31 billion in FY23, making Advocate one of the five largest not-for-profit health systems in the U.S., and is the largest health system in North Carolina, Illinois, and Wisconsin. The system is structured as a JOA. Advocate Health has a common board with 14 members (seven

each from Atrium and AAH). While Atrium and AAH are not obligated on each other's respective debt, it is Fitch's belief that management and the board are committed to the combined Advocate Health system and are deeply integrated

AAH consists of 28 hospitals across two states, with particularly focus on operations in Chicagoland, metro Milwaukee, and Green Bay.

Sources of Information

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

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' 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. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit https://www.fitchratings.com/topics/esg/products#esg-relevance-scores.

FITCH RATINGS ANALYSTS

Mark Pascaris
Senior Director
Primary Rating Analyst
+1 312 368 3135
mark.pascaris@fitchratings.com
Fitch Ratings, Inc.
One North Wacker Drive Chicago, IL 60606

Brian Williamson
Director
Secondary Rating Analyst
+1 312 368 3168
brian.williamson@fitchratings.com

Margaret Johnson, CFA
Senior Director
Committee Chairperson
+1 212 908 0545
margaret.johnson@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)

U.S. Public Sector, Revenue-Supported Entities Rating Criteria (pub. 12 Jan 2024) (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

Advocate Health and Hospitals Corporation	EU Endorsed, UK Endorsed

DISCLAIMER & DISCLOSURES

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. Fitch Ratings makes routine, commonly-accepted adjustments to reported financial data in accordance with the relevant criteria and/or industry standards to provide financial metric consistency for entities in the same sector or asset class.

The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Fitch also provides information on best-case rating upgrade scenarios and worst-case rating downgrade scenarios (defined as the 99th percentile of rating transitions, measured in each direction) for international credit ratings, based on historical performance. A simple average across asset classes presents best-case upgrades of 4 notches and worst-case downgrades of 8 notches at the 99th percentile. For more details on sector-specific best- and worst-case scenario credit ratings, please see Best- and Worst-Case Measures under the Rating Performance page on Fitch's website.

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.

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.

S&P Global
Ratings

RatingsDirect®

Atrium Health, North Carolina
Advocate Aurora Health, Illinois; CP; Joint Criteria; System

Primary Credit Analyst:
Patrick Zagar, Dallas + 1 (214) 765 5863; patrick.zagar@spglobal.com

Secondary Contact:
Suzie R Desai, Chicago + 1 (312) 233 7046; suzie.desai@spglobal.com

Table Of Contents

Atrium Health, North Carolina
Advocate Aurora Health, Illinois; CP; Joint Criteria; System

Credit Profile		
Atrium Health		
Long Term Rating	AA/Stable	Current
Illinois Finance Authority, Illinois		
Advocate Aurora Health, Illinois		
Illinois Fin Auth (Advocate Aurora Health Credit Group) sys		
Long Term Rating	AA/Stable	Current
North Carolina Medical Care Commission, North Carolina		
Wake Forest Baptist Obligation Group, North Carolina		
North Carolina Med Care Comm (Wake Forest Baptist Obligated Group)		
Long Term Rating	AA/Stable	Current

Credit Highlights

- S&P Global Ratings' long-term rating on various series of debt issued by Atrium Health (Charlotte-Mecklenburg Hospital Authority; CMHA), N.C., as well as various series of taxable debt issued by Advocate Aurora Health (AAH), Ill. and various series of tax-exempt debt issued by the Illinois Finance Authority (IFA) and the Wisconsin Health & Education Facilities Authority for AAH is 'AA'.
- In addition, our long-term rating on various series of debt issued by the North Carolina Medical Care Commission for Wake Forest Baptist Obligation Group (WFB) is 'AA', and our long-term rating on WFB's series 2016 taxable bonds is 'AA'.
- Our dual rating on CMHA's series 2018F variable-rate demand bonds (VRDBs) supported by its self-liquidity is 'AA/A-1+' and our short-term rating on its commercial paper (CP) program, also supported by self-liquidity, is 'A-1+'.
- Our dual rating on CMHA's series 2007B, 2007C, 2018G, and 2018H VRDBs is 'AA/A-1', all of which are supported by standby bond purchase agreements (SBPAs) from JPMorgan Chase Bank. In addition, our dual rating on its series 2007E VRDBs is 'AAA/A-1+' and our underlying rating (SPUR) is 'AA'.
- Our dual rating on the IFA's series 2011B VRDBs issued for AAH and supported by AAH's self-liquidity is 'AA/A-1+' and our short-term rating on AAH's CP program, also supported by self-liquidity, is 'A-1+'.
- Our dual rating on IFA's series 2008C-1 and 2008C-2B VRDBs, which are supported by SBPAs from JPMorgan Chase Bank, is 'AA/A-1'. In addition, our dual rating on IFA's series 2008C-3A VRDBs, which are supported by an SBPA from Northern Trust, is 'AA/A-1+'. These bonds were all issued for AAH.
- The outlook on all ratings, where applicable, is stable.

Security

CMHA bonds are secured by a revenue pledge of CMHA, the Atrium Health Foundation, and guarantees of the other members of the CMHA obligated group. Wake Forest Baptist Obligated Group bonds are general, unsecured obligations of its obligated group, which includes North Carolina Baptist Hospital, Wake Forest University Health Sciences, and Wake Forest University Baptist Medical Center; Wake Forest University is not a member of the obligated group; CMHA and WFB are part of the Atrium Health enterprise (Atrium Health). Lastly, Advocate Aurora Health bonds are general, unsecured obligations of its obligated group.

Although CMHA, Wake Forest Baptist, and Advocate Aurora Health currently maintain rated debt across separate obligated groups, all are part of the consolidated Advocate Health following the execution of a joint operating agreement in December 2022 between Atrium Health and Advocate Aurora Health. We rate the systems based on the group credit profile of Advocate Health per our group rating methodology criteria, with each affiliate considered core. As such, this analysis focuses on the enterprise and financial profile characteristics of Advocate Health as a whole, and all metrics cited are for the entire system unless stated otherwise. We understand management intends to consolidate its obligated group structure over the medium term, which we would not expect to have an effect on the existing ratings, all else unchanged.

For VRDBs supported by SBPAs, the long-term rating reflects the 'AA' long-term rating on the health care obligor, and the short-term rating reflects the short-term rating on the respective bank. For CMHA's series 2007E VRDBs supported by a letter of credit (LOC) from TD Bank, we base the long-term rating on the application of low correlation joint criteria between TD Bank and the 'AA' SPUR on CMHA. The short-term rating reflects the 'A-1+' short-term rating on TD Bank. The 'AAA' long-term rating on its series 2007E variable-rate demand bonds is eligible to be rated above the sovereign based on joint criteria and the fact that the rating is not constrained by the sovereign rating.

Credit overview

The rating reflects our view of the credit strength of the consolidated Advocate Health, namely an extremely broad and diverse service area spanning several noncontiguous states across the Midwest and Southeast, a robust and diverse medical staff with numerous academic relationships, including full integration with Winston-Salem-based Wake Forest Baptist. In addition to its large and geographically diverse revenue base, Advocate Health maintains solid balance sheet metrics characterized by sound days' cash on hand and only moderate debt levels.

System operating performance firmly improved in fiscal 2023 (ended Dec. 31), rebounding from a loss in fiscal 2022 given strong demand, above-budget integration synergies and cost savings, added revenue from North Carolina's Healthcare Access Stabilization Program (HASP), and a material one-time 340B settlement payment. These factors offset slower than budgeted progress on contract labor across markets. For fiscal 2024, budgets were prepared through a unified system process, in contrast with the prior year which combined bridge budgets prepared across affiliates. Advocate Health results through the first quarter are ahead of target and we believe longer-term upside remains as further operating synergies and next-level improvement opportunities are unlocked. Management's three-year integration plan targets just over $1 billion in synergies, with the system ahead of target through its first year. We view sustained healthy cash flow as key to rating stability, particularly given the system's ample capital spending plans.

We view the unified management team's early integration efforts favorably, with significant progress made since our

last review under the philosophy of making critical decisions early in the process. Key milestones include the consolidation of all vendor contracts and most of its investment platform, standardizing quality scorecards and charity care policies, and harmonizing IT system instances in the southeast and committing to a common enterprise resource planning (ERP) system to be implemented over the outlook period. In addition, Advocate Health moved to a single CEO structure under Gene Woods (formerly of Atrium Health) effective June 2024, as previously articulated. Over the course of 2024 the system is developing its next five-year roadmap called Rewire 2030, which aims to position Advocate Health as an integrated national health learning platform. We do not anticipate any major strategic pivots from the system's current trajectory, and we think further geographic growth is possible over time.

The rating is based on our view of Advocate Health's credit strengths:

- Substantial geographic and revenue diversity, anchored around acute care operations in Illinois, Wisconsin, North Carolina, and Georgia;
- Healthy unrestricted reserves, with days' cash on hand over 250 days and lighter debt load relative to net assets and operations;
- Rebounded operating performance in fiscal 2023, aided by strong synergy realization and added HASP funds;
- Expansive and diverse clinical staff of nearly 16,000 active physicians, including faculty, employed and independent physicians, residents, and fellows; and
- Compelling and ambitious strategy to drive change in the sector, supported by a solidified leadership team that we view as well-qualified.

The strengths are partly offset, in our view, by the following credit weaknesses:

- Growing reliance on supplemental funding programs to support operating results, with HASP being especially critical and requiring annual approval; and
- Expected heightened capital spending, which we think could pressure reserve growth, particularly if operating cash flow is not sustained or if investment market volatility occurs.

Environmental, social, and governance

We view Advocate Health's social capital risk as lower within our credit rating analysis given the size of its multi-state service area, including several markets with healthy demographic trends such as population and employment growth, though this is partially offset by markets with weaker growth prospects. Additionally, the system remains subject to higher human capital risks tied to labor supply, with elevated contract labor exposure being the primary deviation from budget in 2023.

We analyzed Advocate Health's environmental and governance risks and determined that both are neutral in our credit rating analysis. We believe the system's geographic diversity provides some hedge against the minor physical risks faced in each service area. In addition, the system's parent board will transition to self-perpetuating over the coming years following its inaugural appointments. Atrium Health includes multiple governing boards with various levels of local authority and specific legacy appointment structures, but key reserve powers rest with the Advocate Health parent.

This past year, the Advocate Health board size was decreased to 14 members from the initial 20 members. Management believes the smaller size is more effective for the system, in addition to creating some capacity for new seats to be added over time via system growth. For more information on Advocate Health's governance structure, see our report published on May 22, 2023, on Ratings Direct.

Outlook

The stable outlook reflects our view that Advocate Health's geographic diversity and scale, coupled with healthy balance sheet measures, lend stability to the rating amid integration efforts and general sector earnings pressure. The outlook is further supported by the system's return to positive operations in fiscal 2023 and interim 2024, with management's disciplined approach to integration positioning it well to sustain such progress.

Downside scenario

We believe below-expectation operating performance would be the most likely contributor to rating pressure over time. While we believe Advocate Health possesses numerous credit strengths, failure to execute on further operating synergies or sustain healthy earnings could weaken the credit profile. Erosion of balance sheet measures, whether due to lighter earnings, continued system growth, or higher capital spending, could also pressure the rating.

Upside scenario

We do not expect to raise the rating over the outlook period given the recency of the combination and lack of a track record as a unified entity. Over the longer-term, a higher rating would be predicated on sustained robust profitability, with continued accumulation of balance sheet cushion.

Enterprise Profile--Very Strong

Broad, diverse, noncontiguous service area

As a whole we view the system's footprint favorably as we believe it lends considerable geographic diversity to Advocate Health. The system serves a large population of over 17 million based on the combined service areas of AAH (12.1 million) and Atrium Health (5.8 million). Demographics and growth projections contrast significantly across regions, with slight population decline projected in the large Illinois and Wisconsin markets (AAH) and smaller Georgia service area (Atrium Health Navicent and Atrium Health Floyd), rapid expansion in the Charlotte, N.C. metropolitan statistical area (Atrium Health), and growth in line with national averages in Winston-Salem, N.C. (WFB). Though the system is investing capital across all markets, spending is proportionally higher in North Carolina markets given the region's population growth.

In addition, each system has maintained a sound payor mix, with a healthy 51% of 2023 net patient revenue coming from commercial insurers. AAH yields a slightly higher commercial mix despite the weaker demographics, and we consider this a testament of its strong market position and clinical offerings, as well Atrium Health's role as the major safety net provider in Charlotte. We do not anticipate material movement in value or risk-based contracts for the system over the near term.

Diverse portfolio of access points and robust medical staff support national market position

We view Advocate Health as having a relevant, though not always leading, market share across all its discrete service areas. In addition to robust coverage of the care continuum through both inpatient, outpatient, and digital access points, this view is further supported by the system's medical staff of over 15,000 active physicians, further supported by over 40,000 nurses. Employed physician groups across the Midwest and Southeast regions now report to a common leader with consistent compensation structures, and management reports encouraging clinical collaboration across legacy systems.

Clinical offerings are also enhanced by academic affiliations including several long-term teaching affiliations at AAH, as well as Wake Forest Baptist at Atrium Health. We expect the system will continue to integrate and leverage translational research and educational activities across its footprint as a means of market differentiation. Most notably, a new Wake Forest School of Medicine campus in Charlotte is expected to open in 2025, anchoring a new health care and innovation district called The Pearl.

The system competes directly with several strong regional systems and academic medical centers including NorthShore University Health System, Northwestern Memorial HealthCare, Novant Health, among many other well-regarded providers. In addition, we believe Advocate Health, like other systems, could be affected by new entrants into the health care sector, generally in the area of primary and ambulatory care. We believe Advocate Health is well-positioned to compete or partner with such entities given its footprint, financial strength, and strategic approach.

Table 1

Advocate Health, North Carolina--enterprise statistics

	--Three months ended March 31--	--Fiscal year ended Dec. 31--		
	2024	2023	2022*	2021*
Inpatient admissions	132,375	494,640	447,734	458,227
Equivalent inpatient admissions	345,208	1,254,940	1,155,387	1,156,780
Emergency visits	572,191	2,184,381	2,048,726	2,040,456
Inpatient surgeries	30,716	124,544	117,263	129,476
Outpatient surgeries	78,857	316,577	298,967	298,062
Medicare case mix index	1.8000	1.8100	N.A.	N.A.
FTE employees	137,884	133,966	127,851	125,302
Active physicians	N.A.	15,800	15,400	14,280
Based on net/gross revenues	Net	Net	N.A.	N.A.
Medicare (%)	32.7	32.4	N.A.	N.A.
Medicaid (%)	14.4	15.7	N.A.	N.A.
Commercial/Blues (%)	50.9	48.0	N.A.	N.A.

*Based on S&P Global Ratings internal consolidation. Inpatient admissions exclude normal newborn, psychiatric, rehabilitation, and long-term care facility admissions. N.A.--Not available.

Financial Profile--Very Strong

Performance rebounds in fiscal 2023, sustained positive results are expected

Following a moderate loss in 2022 (calculated on a pro forma basis by S&P Global Ratings) driven by sector-wide labor challenges as well as broader inflationary expense pressures, earnings in fiscal 2023 recovered with a 1.8% operating margin; this was the system's first full year of operations following the joint operating agreement. The 2023 budget targeted breakeven operations, but excluded the system's $546 million net HASP gain, as well as its $238 million one-time 340B payment. These unbudgeted tailwinds offset slower progress on contract labor, for which further improvement is expected across 2024. We view fiscal 2024 expectations as reasonable and believe further earnings upside remains given the immense scale of each legacy system and remaining synergy and broader portfolio optimization opportunities. Results through the first quarter ended March 31, 2024, are ahead of target and notably do not include any HASP funds, as management has elected to recognize these funds once annual approval is obtained, anticipated to be this summer.

Ahead of fiscal 2023, both systems maintained solid operating results though Atrium Health's performance had trailed that of Advocate Aurora Health. This reversed in 2023 as added HASP funds accelerated earnings growth in North Carolina, with those entities accounting for a majority of the system's operating margin. In subsequent reviews we will continue to focus on earnings diversity across markets, as well as reliance on supplemental funding programs for profitability, as we believe this carries added risk despite strong diversity across programs and states.

Our performance figures remove unrestricted contributions and investment activity from operating revenue and add non-controlling interest to operating expenses. In addition, fiscal 2023 results exclude a $150 million impairment related to the system's divestment of Advocate Health Enterprises, namely its Senior Helpers and MobileHelp holdings. These entities were deemed non-core to the system strategy and carried an operating loss of around $50 million in recent years. We consider this one example of management's approach of making critical decisions early in the integration process.

Healthy unrestricted reserve cushion should remain sound despite elevated spending plans

The system's unrestricted reserve position has remained very sound and is supportive of the rating. The system expended a combined $1.4 billion on capital items in 2023, near 120% of depreciation expense. We anticipate healthy capital spending over the coming years given ongoing and contemplated growth projects, with management indicating an annual capital spending baseline between $1.8 billion to $2.0 billion; though this speaks to Advocate Health's immense capital appetite, we believe annual spending will typically be below this amount. Meaningful ongoing projects include master campus plans and discrete growth projects across regions, with the largest ongoing project being the expansion and renovation of its Charlotte flagship campus, Carolinas Medical Center. Despite its capital plans, we anticipate sustaining strong operating liquidity will remain a key pillar of management's plan, and we expect strong operating cash flow will sufficiently support these plans over the coming years.

We view the consolidated investment portfolio as appropriate for the system, and note the vast majority of unrestricted reserves are now under a unified investment management platform; this transition drove abnormally high realized investment earnings in the first quarter of 2024. The system has $2.4 billion of alternative investment

commitments over the coming seven years.

The system retains ample liquidity within its unrestricted reserves, further supplemented by AAH's $1.0 billion authorized CP program ($50 million outstanding) and $1.1 billion line of credit capacity, CMHA's $400 million authorized CP program ($250 million outstanding), and $300 million line of credit capacity via WFB. CMHA's CP balance is deducted from unrestricted reserves and excluded from debt measures given it is primarily used for working capital purposes.

Advocate Health has identified approximately $2.3 billion in combined assets (market value) as of March 31, 2024, to cover authorized CP programs and self-liquidity VRDBs including AAH's series 2011B VRDBs and CMHA's series 2018F VRDBs. The identified assets are a subset of Advocate Health's unrestricted reserves and include cash and equivalents, money market funds, and U.S. government fixed-income securities. In the event of a failed remarketing, it is our opinion that the assets identified in the portfolio would provide sufficient liquidity. The system has also provided us with the operational procedures that will be followed to provide for timely payment in the event of a failed CP rollover or remarketing of the VRDBs. We monitor the credit quality, liquidity, and sufficiency of the assets identified by management on a monthly basis.

Lighter debt load and benefit exposure; diverse debt portfolio

We view the system's leverage as sound for the rating near 22%, with a low debt burden near 1.4x aided by the large total revenue base. We anticipate periodic borrowings over time as the system manages its capital structure. In addition, we anticipate more frequent market activity in the form of remarketing, refunding, and commercial paper actions given Advocate Health's diverse debt structure and noteworthy event and renewal risk, though we believe this is manageable. Just over 40% of long-term debt is considered contingent per S&P Global Ratings, inclusive of VRDBs, CP, direct placement debt, and put bonds. All obligated groups and entities were compliant with financial covenants in fiscal 2023.

The system's interest rate swap portfolio includes five swaps from AAH ($350 million notional value as of Dec. 31, 2023) and 11 swaps from Atrium Health ($843 million notional value). Just $1.0 million in combined collateral was posted at year-end, related to WFB's lone swap. The swaps support a debt structure that is over 70% fixed rate or synthetically fixed.

Advocate Health includes seven distinct defined-benefit pension plans of various legal classifications, with all but one closed to new participants with benefit accruals frozen. The combined net shortfall across all plans was about $1 billion as of Dec. 31, 2023, assuming an average discount rate of 5.1%, equating to moderate funded status of 77%. The most material pension exposure stems from the Atrium Health Charlotte Defined-Benefit Pension Plan, which carries a $660 million shortfall and was the only plan requiring a contribution in fiscal 2023. When viewed in the context of the system's consolidated financial profile, we anticipate pension exposure will remain manageable. Other post-employment benefits are immaterial, with less than a $40 million liability in 2023.

Long-term operating lease liabilities were $888 million in fiscal 2023, an amount we view as consistent with the system's overall debt load.

Table 2

Advocate Health, North Carolina--financial statistics

	--Three months ended March 31--	--Fiscal year ended Dec. 31--			Medians for 'AA' rated health care systems
	2024	2023	2022*	2021*	2022
Financial performance					
Net patient revenue ($000s)	7,142,902	27,996,077	25,046,827	23,991,171	5,171,948
Total operating revenue ($000s)	8,096,522	31,631,306	28,081,026	26,895,323	5,991,229
Total operating expenses ($000s)	8,040,373	31,050,923	28,452,749	26,151,267	5,859,156
Operating income ($000s)	56,149	580,383	-371,723	744,056	44,073
Operating margin (%)	0.69	1.83	-1.32	2.77	1.10
Net nonoperating income ($000s)	615,574	389,982	613,386	1,080,322	115,692
Excess income ($000s)	671,723	970,365	241,663	1,824,378	199,885
Excess margin (%)	7.71	3.03	0.84	6.52	3.80
Operating EBIDA margin (%)	5.25	6.61	3.76	7.66	6.20
EBIDA margin (%)	11.95	7.75	5.82	11.23	8.90
Net available for debt service ($000s)	1,041,033	2,481,268	1,670,124	3,140,889	477,778
Maximum annual debt service ($000s)	476,247	476,247	476,247	476,247	104,752
Maximum annual debt service coverage (x)	8.74	5.21	3.51	6.60	4.90
Operating lease-adjusted coverage (x)	5.83	3.60	2.56	4.49	3.70
Liquidity and financial flexibility					
Unrestricted reserves ($000s)	21,556,942	21,660,123	19,440,700	22,360,778	5,176,366
Unrestricted days' cash on hand	254.2	265.0	260.1	325.7	294.1
Unrestricted reserves/total long-term debt (%)	297.4	296.4	259.3	292.1	294.7
Unrestricted reserves/contingent liabilities (%)	694.7	694.1	614.2	699.0	968.1
Average age of plant (years)	11.7	11.4	11.4	11.3	11.3
Capital expenditures/depreciation and amortization (%)	116.5	122.3	105.9	135.1	152.7
Debt and liabilities					
Total long-term debt ($000s)	7,247,720	7,307,230	7,498,272	7,654,943	1,662,468
Long-term debt/capitalization (%)	21.8	22.4	24.4	23.5	22.4
Contingent liabilities ($000s)	3,103,269	3,120,734	3,165,423	3,198,805	650,624
Contingent liabilities/total long-term debt (%)	42.8	42.7	42.2	41.8	33.3
Debt burden (%)	1.37	1.49	1.66	1.70	1.60
Defined benefit plan funded status (%)	N.A.	77.26	78.16	79.96	91.60
Miscellaneous					
Medicare advance payments ($000s)¶	0	0	11,000	924,600	MNR
Short-term borrowings ($000s)¶	250,000	300,000	400,000	400,000	MNR
COVID-19 stimulus recognized ($000s)	0	39,700	181,113	240,654	MNR
Total net special funding ($000s)	106,558	908,507	333,790	568,175	MNR

*Based on S&P Global Ratings internal consolidation. ¶Excluded from unrestricted reserves, long-term debt, and contingent liabilities. N.A.--Not available. MNR--Median not reported.

Credit Snapshot

- Group rating methodology: We consider the obligated groups of Advocate Aurora Health, CMHA, and Wake Forest Baptist to all be core to the group credit profile of Advocate Health. The obligated groups remain separate and do not secure or guarantee any debt of each other. Atrium Health Navicent and Atrium Health Floyd are not members of the CMHA obligated group.
- Financial presentation: Our analysis utilizes the system's 2023 audit, which includes all legacy affiliates, combining FASB entities (AAH and WFB) with GASB entities (CMHA) under FASB standards. We consider this to be the most accurate approach for assessing the system's creditworthiness.
- Organization description: Advocate Health is the parent entity of the combined system that includes Advocate Aurora Health and Atrium Health. The latter also includes Wake Forest Baptist, Atrium Health Navicent, and Atrium Health Floyd. The system has 68 inpatients facilities across Illinois, Wisconsin, North Carolina, and Georgia, supplemented by hundreds of various outpatient access points. The system is headquartered in Charlotte, N.C.

Related Research

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

This report does not constitute a rating action.

Ratings Detail (As Of June 7, 2024)

Advocate Aurora Health taxable bnds		
Long Term Rating	AA/Stable	Current
Advocate Aurora Health taxable comm pap nts ser 2019 dtd 02/25/2019 due 08/01/2019		
Short Term Rating	A-1+	Current
Atrium Health hosp VRDB ser 2007B		
Long Term Rating	AA/A-1/Stable	Current
Atrium Health hosp VRDB ser 2007C		
Long Term Rating	AA/A-1/Stable	Current
Atrium Health taxable hlth care comm pap rev bnds ser 2015B1,2,3,4		
Short Term Rating	A-1+	Current
Atrium Health var rate hlth care rev bnds		
Long Term Rating	AA/Stable	Current
Atrium Health JOINTCRIT		
Long Term Rating	AAA/A-1+	Current
Unenhanced Rating	AA(SPUR)/Stable	Current

Ratings Detail (As Of June 7, 2024) (cont.)

Atrium Hlth

Long Term Rating	AA/A-1+/Stable	Current

Atrium Hlth var rate hlth care rev bnds

Long Term Rating	AA/A-1/Stable	Current

Atrium Hlth var rate hlth care rev bnds

Long Term Rating	AA/A-1/Stable	Current

Atrium Hlth var rt hlth care rev bnds ser 2018E dtd 12/01/2021 due 01/15/2048

Long Term Rating	AA/Stable	Current

Illinois Finance Authority, Illinois

Advocate Aurora Health, Illinois

Illinois Finance Authority (Advocate Aurora Health) rev bnds rmktd 02/12/2020 (Advocate Hlth Care Network)

Long Term Rating	AA/Stable	Current

Illinois Finance Authority (Advocate Aurora Health) rev bnds rmktd 1/15/2020 (Advocate Hlth Care Network) ser 2008A-1 dtd 04/23/2008 due 11/01/2030

Long Term Rating	AA/Stable	Current

Illinois Fin Auth (Advocate Aurora Health Credit Group) sys

Long Term Rating	AA/Stable	Current

Illinois Fin Auth (Advocate Aurora Health Credit Group) VRDO sys

Long Term Rating	AA/A-1+/Stable	Current

Illinois Fin Auth (Advocate Aurora Health Credit Group) VRDO sys

Long Term Rating	AA/A-1/Stable	Current

Illinois Fin Auth (Advocate Aurora Health Credit Group) VRDO sys

Long Term Rating	AA/A-1+/Stable	Current

Wake Forest Baptist Medical Center, North Carolina

Wake Forest Baptist Obligation Group, North Carolina

Wake Forest Baptist Med Ctr taxable new money bnds (Wake Forest Baptist Oblig Grp) ser 2016 dtd 11/10/2016 due 12/01/2046

Long Term Rating	AA/Stable	Current

Wisconsin Health & Education Facilities Authority, Wisconsin

Advocate Aurora Health, Illinois

Wisconsin Health & Education Facilities Authority (Advocate Aurora Health) rev bnds rmktd 1/31/2024 (Advocate Aurora Health Credit Group)

Long Term Rating	AA/Stable	Current

Wisconsin Health & Education Facilities Authority (Advocate Aurora Health) rev bnds (Advocate Aurora Health)

Long Term Rating	AA/Stable	Current

Wisconsin Hlth & Educational Fac Auth (Advocate Aurora Health Credit Group)

Long Term Rating	AA/Stable	Current

Wisconsin Hlth & Educational Fac Auth (Advocate Aurora Health Credit Group)

Long Term Rating	AA/Stable	Current

Wisconsin Hlth & Ed Fac Auth

Long Term Rating	AA/Stable	Current

Wisconsin Hlth & Ed Fac Auth (Advocate Aurora Health Credit Group) rev bnds

Long Term Rating	AA/Stable	Current

Ratings Detail (As Of June 7, 2024) (cont.)		
Wisconsin Hlth & Ed Fac Auth (Advocate Aurora Health Credit Group) rev bnds		
Long Term Rating	AA/Stable	Current
Wisconsin Hlth & Ed Fac Auth (Advocate Aurora Health Credit Group) rev bnds		
Long Term Rating	AA/Stable	Current
Wisconsin Hlth & Ed Fac Auth (Advocate Aurora Health) rev bnds rmktd 01/19/2022 (Advocate Aurora Health) ser 2018B-1 due 08/15/2054		
Long Term Rating	AA/Stable	Current
Wisconsin Hlth & Ed Fac Auth (Advocate Aurora Health) rev bnds rmkted 4/8/2021 (Advocate Aurora Health)		
Long Term Rating	AA/Stable	Current
Wisconsin Hlth & Ed Fac Auth (Advocate Aurora Health) rev bnds (Advocate Hlth Care) ser 2018B dtd 08/16/2018 due 08/15/2054		
Long Term Rating	AA/Stable	Current

Many issues are enhanced by bond insurance.

MOODY'S
RATINGS

Rating Action: Moody's Ratings revises outlook to positive for Advocate Health, Inc. members; Wake Forest Baptist's (NC) rating upgraded to A1 from A2 and outstanding Aa3 ratings affirmed

16 May 2024

New York, May 16, 2024 -- Moody's Ratings (Moody's) has revised the outlook to positive from stable for Advocate Aurora Health (WI), Atrium Health (legally known as Charlotte Mecklenburg Hospital Authority) (NC), and Wake Forest Baptist (NC), and affirmed the Aa3 ratings for Advocate Aurora Health and Atrium Health, and upgraded Wake Forest Baptist's outstanding ratings to A1 from A2. We have also affirmed the VMIG 1 and P-1 short term ratings assigned to various series of debt at Advocate Aurora Health and Atrium Health. Following establishment of a joint operating agreement, Advocate Health, Inc. was created as the parent organization with Advocate Aurora Health, Atrium Health and each of their subsidiaries (including Wake Forest Baptist) as member organizations. The debt of the various member organizations remains separately secured, however, we consider the linkages between them and the credit quality of the entire Advocate Health system in our analysis. In conjunction with this review, Moody's Ratings has corrected the display on its websites to reflect that Advocate Aurora Health is the obligor for the Aurora Health Care, INC., (WI) bonds. The organizations have about $7.4 billion of debt outstanding.

Revision of the outlooks to positive reflects our assessment that Advocate Health's combination of large absolute scale and strong position in several major markets, will enable the organization to capture growth opportunities and respond to challenges in ways that will durably enhance its credit profile over multiple years. The upgrade of Wake Forest Baptist's rating to A1 reflects the material financial and strategic benefits it receives through its membership in Advocate Health.

RATINGS RATIONALE

The Aa3 for Advocate Aurora Health and Atrium Health is supported by a number of key credit factors including its significant scale, strong market share across several major metro areas, and good financial performance and liquidity. The system

generally operates in demographically favorable markets where its strong position is built on a large number of convenient access points for outpatient care and physician clinics, and high acuity inpatient care including several academic hospitals. It will soon open a second branch of the Wake Forest University school of medicine in Charlotte that will increase its prominence in that market and, over time, will provide a pipeline of physicians and other medical staff. Disciplined financial and capital planning will enable both organizations to fund capital spending and capture growth opportunities while maintaining favorable leverage and liquidity metrics. Competition will remain high, but population growth and its strong reputation will enable it to maintain or grow market share. Governance is a driver for the revision in the outlook to positive from stable, reflecting our assessment that management's execution of growth and integration strategies will be integral to Advocate Health's financial and operational success.

The A1 for Wake Forest Baptist reflects the organization's good market position in Winston Salem, supported by its status as an academic medical center, and the fact that it is a member of Advocate Health. Membership in Advocate Health imparts a number of strategic and financial benefits including access to capital and the resources of a much larger system.

The P-1 reflects Atrium Health's long term Aa3 rating and the organization's strong treasury management and daily liquid assets that provide for adequate coverage of debt backed by Atrium Health's internal liquidity. Atrium Health's VMIG 1 reflects the credit quality of the bank providing liquidity and the long term Aa3 rating on the bonds. Advocate Aurora's VMIG 1 reflects its long term Aa3 rating and our approach to market access instruments.

RATING OUTLOOK

The positive outlook for all three organizations reflects our assessment that Advocate Health's combination of large absolute scale and strong position in several major markets, will enable the organization to capture growth opportunities and respond to challenges in ways that will durably enhance its credit profile over multiple years.

FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATINGS

- Maintenance of operating cash flow at a level allowing the organization to fund capital spending without the need for material additional debt with debt to cash flow at or near 2.0x

- Further coalescing of strategic and operational synergies across the legacy organizations, enabling the organization to maintain good financial performance while pursuing growth opportunities

- Short term ratings: not applicable

FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATINGS

- Sustained operating losses
- Material additional debt that dilutes leverage metrics
- For the P-1: material reduction in coverage level of assets backing the self-liquidity program or downgrade of SHC's long term rating to A2 or lower
- For the VMIG 1: downgrade of Advocate Aurora's rating to A2 or lower

LEGAL SECURITY

Debt of Advocate Aurora Health, Atrium Health and Wake Forest Baptist is separately secured. Management is continuing to evaluate the existing debt structures of the member organizations, with the goal of combining credits where reasonably possible, if Advocate Health concludes such restructuring could benefit the system.

Advocate Aurora Health's debt is an unsecured general obligation of the obligated group. The members of the obligated group under the Master Indenture are: Advocate Aurora Health, Inc., Advocate Health Care Network, Advocate Health and Hospitals Corporation, Advocate Sherman Hospital, Advocate North Side Health Network, Advocate Condell Medical Center, Aurora Medical Center Bay Area, Inc., Aurora Health Care, Inc., Aurora Health Care Metro, Inc., Aurora Health Care Southern Lakes, Inc., Aurora Health Care Central, Inc. d/b/a Aurora Sheboygan Memorial Medical Center, Aurora Medical Center of Washington County, Inc., Aurora Health Care North, Inc. d/b/a Aurora Medical Center Manitowoc County, Aurora Medical Center of Oshkosh, Inc., Aurora Medical Group, Inc., Aurora Medical Center Grafton LLC. The MTI contains a substitution of notes provision.

Atrium Health's debt is secured by a revenue pledge of the obligated group which is comprised essentially of the "Primary Enterprise" (primarily the four acute care hospitals located in Mecklenburg County, Atrium Health Cabarrus, located in Cabarrus County, Atrium Health Lincoln, located in Lincoln County, Atrium Health Union, located in Union County, Atrium Health Stanly, located in Stanly County, Atrium Health Cleveland, Atrium Health Kings Mountain, both located in Cleveland County), Atrium Health Anson, and one of Atrium's discretely presented "Component Units", The Atrium Health Foundation.

Wake Forest Baptist's debt secured by revenue of the obligated group. Under the MTI, the Combined Group consists of the Members of the Obligated Group (WFBMC, WFUHS and NCBH) and the Designated Members (Lexington, Davie and High Point Medical Centers). Cornerstone and Wilkes Medical Center are non-designated members. Only the members of the Combined Group will have a direct or indirect obligation to pay amounts due with respect to the bonds. At December 31, 2023, the Combined Group generated about 93% of WFB's revenue. Wake Forest University and Atrium Health are not obligated on any of the outstanding bonds, nor are their

assets pledged, for the repayment of debt of any member of the WFB Obligated Group, or vice versa.

PROFILE

Advocate Health, Inc. has significant patient care operations in four states spanning multiple major metro areas. It provides services across the care continuum with nearly 70 hospitals, numerous ambulatory and clinic locations, and 8,000 employed physicians. It is headquartered in Charlotte, NC.

METHODOLOGY

The principal methodology used in the long-term ratings was US Not-for-profit Healthcare published in February 2024 and available at https://ratings.moodys.com/rmc-documents/415013. The principal methodology used in the short-term ratings was US Municipal Short-term Debt Methodology published in May 2023 and available at https://ratings.moodys.com/rmc-documents/398329. Alternatively, please see the Rating Methodologies page on https://ratings.moodys.com for a copy of these methodologies.

REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found on https://ratings.moodys.com/rating-definitions.

For ratings issued on a program, series, category/class of debt or security this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series, category/class of debt, security or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the credit rating action on the support provider and in relation to each particular credit rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the issuer/deal page for the respective issuer on https://ratings.moodys.com.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

At least one ESG consideration was material to the credit rating action(s) announced and described above. Moody's general principles for assessing environmental, social and governance (ESG) risks in our credit analysis can be found at https://ratings.moodys.com/documents/PBC_1355824 .

Please see https://ratings.moodys.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the issuer/deal page on https://ratings.moodys.com for additional regulatory disclosures for each credit rating.

Daniel Steingart
Lead Analyst
PF Healthcare
Moody's Investors Service, Inc.
JOURNALISTS: 1 212 553 0376
Client Service: 1 212 553 1653

Eva Bogaty
Additional Contact
PF Healthcare
JOURNALISTS: 1 212 553 0376
Client Service: 1 212 553 1653

Releasing Office:
Moody's Investors Service, Inc.
250 Greenwich Street
New York, NY 10007
U.S.A
JOURNALISTS: 1 212 553 0376
Client Service: 1 212 553 1653

THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S MATERIALS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S MATERIALS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES OR OTHERWISE MAKES AVAILABLE ITS MATERIALS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND MATERIALS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR MATERIALS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

USED TO DEVELOP, IMPROVE, TRAIN OR RETRAIN ANY SOFTWARE PROGRAM OR DATABASE, INCLUDING, BUT NOT LIMITED TO, FOR ANY ARTIFICIAL INTELLIGENCE, MACHINE LEARNING OR NATURAL LANGUAGE PROCESSING SOFTWARE, ALGORITHM, METHODOLOGY AND/OR MODEL.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating process or in preparing its Materials.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR

INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it. MCO and all MCO entities that issue ratings under the "Moody's Ratings" brand name ("Moody's Ratings"), also maintain policies and procedures to address the independence of Moody's Ratings' credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at ir.moodys.com under the heading "Investor Relations — Corporate Governance — Charter and Governance Documents - Director and Shareholder Affiliation Policy."

Moody's SF Japan K.K., Moody's Local AR Agente de Calificación de Riesgo S.A., Moody's Local BR Agência de Classificação de Risco LTDA, Moody's Local MX S.A. de C.V, I.C.V., Moody's Local PE Clasificadora de Riesgo S.A., and Moody's Local PA Calificadora de Riesgo S.A. (collectively, the "Moody's Non-NRSRO CRAs") are all indirectly wholly-owned credit rating agency subsidiaries of MCO. None of the Moody's Non-NRSRO CRAs is a Nationally Recognized Statistical Rating Organization.

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for India only: Moody's credit ratings, Assessments, other opinions and Materials are not intended to be and shall not be relied upon or used by any users located in India in relation to securities listed or proposed to be listed on Indian stock exchanges.

Additional terms with respect to Second Party Opinions and Net Zero Assessments (as defined in Moody's Ratings Rating Symbols and Definitions): Please note that neither a Second Party Opinion ("SPO") nor a Net Zero Assessment ("NZA") is a "credit rating". The issuance of SPOs and NZAs is not a regulated activity in many jurisdictions, including Singapore. JAPAN: In Japan, development and provision of SPOs and NZAs fall under the category of "Ancillary Businesses", not "Credit Rating Business", and are not subject to the regulations applicable to "Credit Rating Business" under the Financial Instruments and Exchange Act of Japan and its relevant regulation. PRC: Any SPO: (1) does not constitute a PRC Green Bond Assessment as defined under any relevant PRC laws or regulations; (2) cannot be included in any registration statement, offering circular, prospectus or any other documents submitted to the PRC regulatory authorities or otherwise used to satisfy any PRC regulatory disclosure requirement; and (3) cannot be used within the PRC for any regulatory purpose or for any other purpose which is not permitted under relevant PRC laws or regulations. For the purposes of this disclaimer, "PRC" refers to the mainland of the People's Republic of China, excluding Hong Kong, Macau and Taiwan.

ATTACHMENT 35
FINANCIAL WAIVER

Not applicable. Advocate Aurora Health, Inc has an AA long-term bond rating from Fitch and Standard & Poors. Advocate Aurora Health, Inc has an Aa3 long-term bond rating from Moody's.

ATTACHMENT 36
FINANCIAL VIABILITY

Not applicable. Advocate Aurora Health, Inc has an AA long-term bond rating from Fitch and Standard & Poors. Advocate Aurora Health, Inc has an Aa3 long-term bond rating from Moody's.

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:

3.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).
4.

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.

F. 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.

ADVOCATE HEALTH

PO Box 32861
Charlotte, NC 28232-2861

advocatehealth.org

December 23, 2024

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

Re: Advocate Health and Hospitals Corporation d/b/a Trinity Hospital

Dear Mr. Kniery:

This letter is to attest that the selected form of debt financing for the purpose of the Advocate Trinity Hospital project will be the lowest net cost available, or if a more costly form of financing is selected, that form is more advantageous due to such terms as prepayment privileges, no required mortgages, access to additional debt, term financing costs and other factors.

Respectfully,

Rachel Halverson
Senior Vice President, Controller
Advocate Health

Notarization:
Subscribed and sworn to before me

This 23rd day of December, 2024

(Seal of Notary)

HANNAH KARNITZ NOTARY PUBLIC STATE OF WISCONSIN

Signature of Notary Public

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
	A	B	C	D	E	F	G	H	Total Cost**
	Cost/Square Foot		Gross Sq. Ft		Gross Sq. Ft		Const. $	Mod. $	
(List below)	New	Mod.	New	Circ*	Mod.	Circ*	(A x C)	(B x E)	(G + H)
REVIEWABLE									
Medical-Surgical (36)	$ 860	$ -	26,011	15%	0	0%	$ 22,369,460	$ -	$ 22,369,460
Intensive Care Service (4)	$ 1,000	$ -	2,740	15%	0	0%	$ 2,740,000	$ -	$ 2,740,000
General Radiology (2)	$ 1,000	$ -	2,200	15%	0	0%	$ 2,200,000	$ -	$ 2,200,000
Ultra-Sound (2)	$ 700	$ -	1,735	15%	0	0%	$ 1,214,500	$ -	$ 1,214,500
CT Scan (1)	$ 1,000	$ -	1,600	15%	0	0%	$ 1,600,000	$ -	$ 1,600,000
MRI (1)	$ 1,100	$ -	1,750	15%	0	0%	$ 1,925,000	$ -	$ 1,925,000
Nuclear Medicine (1)	$ 1,000	$ -	1,600	15%	0	0%	$ 1,600,000	$ -	$ 1,600,000
Emergency Department (16)	$ 860	$ -	14,379	15%	0	0%	$ 12,365,940	$ -	$ 12,365,940
Observation Unit (8)	$ 860	$ -	6,919	15%	0	0%	$ 5,950,340	$ -	$ 5,950,340
Cardiac Catheterization (1)	$ 1,100	$ -	2,000	15%	0	0%	$ 2,200,000	$ -	$ 2,200,000
Ambulatory Care (Stress/Echo)	$ 700	$ -	1,200	15%	0	0%	$ 840,000	$ -	$ 840,000
Surgical Operating Suite (3) - Class C	$ 1,100	$ -	11,979	15%	0	0%	$ 13,176,900	$ -	$ 13,176,900
Surgical Procedure Suite-Class B - GI (2)	$ 1,100	$ -	2,300	15%	0	0%	$ 2,530,000	$ -	$ 2,530,000
Post-Anesthesia Recovery Phase I (5)	$ 1,000	$ -	1,322	15%	0	0%	$ 1,322,000	$ -	$ 1,322,000
Post-Anesthesia Recovery Phase II (17)	$ 860	$ -	6,800	15%	0	0%	$ 5,848,000	$ -	$ 5,848,000
Dialysis Unit (4)	$ 1,000	$ -	1,577	15%	0	0%	$ 1,577,000	$ -	$ 1,577,000
Clinical Operation Service - Clinical Lab & Pharmacy	$ 800	$ -	6,641	5%	0	0%	$ 5,312,800	$ -	$ 5,312,800
Total Clinical	**$ 914**	$ -	**92,753**		**0**		**$ 84,771,940**	$ -	**$ 84,771,940**
NON REVIEWABLE									
Administration	$ 600	$ -	5,841	5%	0	0%	$ 3,504,600	$ -	$ 3,504,600
Classroom/Conference	$ 600	$ -	2,551	5%	0	0%	$ 1,530,600	$ -	$ 1,530,600
Dietary Services	$ 700	$ -	7,616	5%	0	0%	$ 5,331,200	$ -	$ 5,331,200
Materials Management	$ 700	$ -	5,065	5%	0	0%	$ 3,545,500	$ -	$ 3,545,500
Hospital Support (Staff Support, Spiritual, Morgue)	$ 600	$ -	10,906	5%	0	0%	$ 6,543,600	$ -	$ 6,543,600
Public Lobby/Waiting	$ 700	$ -	5,648	5%	0	0%	$ 3,953,600	$ -	$ 3,953,600
Sterile Processing Department	$ 700	$ -	4,234	5%	0	0%	$ 2,963,800	$ -	$ 2,963,800
Building Circulation (Elevators, Stairs, Shared Corridors)	$ 700	$ -	8,561	95%	0	0%	$ 5,992,700	$ -	$ 5,992,700
Central Utility Plant & Penthouse & Utility (Elec/IT-COMM) + Shafts	$ 900	$ -	29,476	20%	0	0%	$ 26,528,400	$ -	$ 26,528,400
Exterior Wall	$ 1,096	$ -	10,349	0%	0	0%	$ 11,342,504	$ -	$ 11,342,504
Total Non-clinical	**$ 789**	$ -	**90,247**		**0**		**$ 71,236,504**	$ -	**$ 71,236,504**
Total Excluding Contingency	**$ 853**	$ -	183,000		0		$156,008,444	$ -	$156,008,444
Contingency	**$ 85**	$ -	0		0		$ 15,600,844	$ -	$ 15,600,844
GRAND TOTAL	***$ 938***	$ -	***183,000***		***0***		***$171,609,288***	$ -	***$171,609,288***

* Percentage of space for circulation

** Construction Costs Only

Advocate Trinity Replacement Hospital				
	Total Amount		Per Equivalent Patient Day	
	Year 1	Year 2	Year 1	Year 2
D. Operating Expenses	$138,900,000	$137,900,000	$9,446	$9,471
E. Capital Costs	$11,900,000	$11,900,000	$809	$817
Total	$150,800,000	$149,800,000		

ATTACHMENT 38
SAFETY NET IMPACT STATEMENT

The applicant facility's Charity Care and Medicaid services for the last three years are shown in the table immediately following this page.

Advocate Trinity Hospital's Charity Care and Medicaid Information

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	**2021**	**2022**	**2023**
Inpatient	168	123	134
Outpatient	2,388	1,357	1,365
Total	2,556	1,480	1,499
Charity (cost in dollars)			
Inpatient	$978,000	$783,000	$1,064,000
Outpatient	$2,207,000	$1,163,000	$1,479,000
Total	$3,185,000	$1,946,000	$2,543,000
MEDICAID			
Medicaid (# of patients)	**2021**	**2022**	**2023**
Inpatient	2,494	1,941	1,083
Outpatient	31,401	23,857	29,551
Total	33,895	25,798	30,634
Medicaid (revenue)			
Inpatient	$32,095,127	$27,357,618	$30,731,689
Outpatient	$10,511,301	$14,172,130	$16,229,003
Total	$42,606,428	$41,529,748	$46,960,692

Safety Net Relevant Services

Advocate Health Care believes that Health equity is achieved when every person can attain their full health potential, where inequity in both social drivers and health system engagement is eliminated.

To that end, Advocate Trinity Hospital is proposing a significant strategic investment in our community, aiming to enhance access to health care and preventive care and boost healthier outcomes. For more than 125 years, we have been proudly serving our patients and communities on Chicago's South Side. Now more than ever, we are keenly aware of the profound and deep-rooted health inequities faced by so many, and we are dedicated to reversing this trend. This moment offers an opportunity to innovate and invest in our community – envisioning new ways to deliver care and promote wellness, tackling the lower life expectancies and higher rates of chronic disease South Side residents endure.

Advocate Trinity Hospital takes great pride in the relationship it has with the neighborhoods, communities, organizations, and agencies its services. The following illustrates some of the ways that the Hospital addresses the needs of the people in their service area.

- **Primary Care** Advocate opened a walk-in clinic across the street from Advocate Trinity Hospital to help patients with non-life-threatening conditions find easier access to care and shorter wait times.
- **Cardiac and Vascular Care** recognized[13] as high performing in administering adult procedures for heart failure. Fully equipped cardiac catheterization lab, heart failure clinic and accredited Cardiac Rehabilitation Program.[14]
- **Pulmonary Care** Advanced lung cancer diagnosis, screening and treatment of lung conditions, including cancer. Named a Lung Screening Center of Excellence by the GO2 Foundation. Critical Care Around the clock monitoring of intensive care unit patients provided by on-premise critical care physicians, with support from eICU.®
- **Diabetes Prevention & Management** CDC Full Plus accredited Diabetes Prevention program offers classes in both English and Spanish with a certified Lifestyle Health Coach. Diabetes wellness program offers one-on-one patient education on medication management, diet planning and physical activity strategies with a Certified Diabetes Educator.
- **Women's Health** accredited by the American College of Radiology for breast imaging. MRI breast exams and MRI-guided breast biopsies, same-day mammography results. Multidisciplinary pelvic health rehabilitation services.
- **Interpretation services and translation services** in almost every language through one of several methods including in person services for Spanish, Polish, Vietnamese, Cantonese, and Mandarin; translation services through registry agencies and video teleconferencing and dedicated lines.

[13] Silver award from Get With the Guidelines for 2023 for Heart Failure

[14] Accredited by American Association of Cardiovascular and Pulmonary Rehabilitation

These services will be complemented with new clinical services as part of our strategic investment:

- **Anchor Community Care** Sites Destination site for primary, urgent and specialty care, screening & diagnostics, and community programming. Imani Village will include urgent care.
- **Neighborhood Care** sites are community-embedded primary care access points that offer a broad range of everyday care services and support chronic care management.
- **Virtual Chronic Care** Robust digital health program that integrates digital medicine, care coordination, longitudinal condition management, and patient navigation.

Recent Accolades for Community Health Efforts

U.S. News & World Report announced that Advocate Trinity Hospital made its inaugural list of "Best Regional Hospitals for Equitable Access" which is based on "success in caring for patients in historically underserved communities." Advocate Trinity was the only Chicago area hospital, in 2024, to receive this prestigious recognition.

"This recognition is a testament to the incredible efforts of our dedicated medical staff and team members, who work tirelessly to care for our patients and community," said Advocate Trinity Hospital President Michelle Y. Blakely, PhD. "South Side residents live an estimated 30 years less than North Side residents. This is the largest wellness gap in the country, due to a variety of social challenges that often stand in the way of wellness."

The Best Regional Hospitals for Equitable Access recognition comes on the heels of several recent steps taken by Advocate Health Care to address health equity on the South Side. This Spring, Advocate held community listening sessions in which more than 350 South Side residents participated and shared their ideas on how to improve health and wellness. This community input will help inform a major investment Advocate plans to make to help address health disparities on the South Side.

Advocate Trinity has also been recognized by being included in the 2025 Best Hospitals for Black America list announced by BlackDoctor.org (BDO). This distinction "recognizes hospitals that provide exceptional care to Black patients, an achievement of significance in today's healthcare landscape according to BlackDoctor.org (https://blackdoctor.org/best-hospitals-2025/).

Community Health Initiatives

Every three years, Advocate Trinity Hospital (Advocate Trinity) completes a comprehensive Community Health Needs Assessment (CHNA). For the 2022 CHNA cycle, Advocate Trinity convened a Community Health Council (CHC) to review the significant health issues impacting the primary service area (PSA). In addition, Advocate Trinity worked in alignment with local community leaders, hospital leaders and the Chicago Department of Public Health and the Alliance For Health Equity a public health collaboration of over 30 health and public health entities, to collectively address and the top health priorities and develop the 2023-2025

Implementation Plan. Advocate Trinity is an active member of the Alliance for Health Equity's collaboration meetings. The 2023 Community Health Progress Report (Exhibit 1) is a reference to the hospital's Community Health Implementation Strategies; this 2023 progress report summarizes the selected priorities, annual program outcomes and additional accomplishments for Advocate Trinity Hospital.

National Diabetes Prevention Program—Advocate Trinity maintained its recognition status as a Centers for Disease Control and Prevention (CDC) National Diabetes Prevention Program (DPP). The National Diabetes Prevention Program (DPP) is a Centers for Disease Control and Prevention program organized as a partnership of public and private organizations working to prevent or delay type 2 diabetes.

- In 2023, three DPP cohorts were established with 62 registered participants, 55 qualified participants enrolled, 36 participants were currently active and will complete in 2024.
- A total of 14 participants successfully completed the year-long program on May 4, 2023.
- Eleven participants achieved 5% weight loss and reduced their A1C by at least 0.2 percent.
- Advocate Trinity maintained its CDC Full Plus Recognition status – National Diabetes Prevention Program host site in December 2023.
- Since 2022, a weekly online Zoom fitness session has been administered by an AmeriCorps member to provide additional support for participants to meet their weekly average of 150 minutes of physical activity for weight loss. Over 40 participants from the DPP and Food Farmacy program have enrolled in the weekly fitness sessions.

Advocate Trinity partnered with team members from the AAH Faith and Health Partnerships to conduct mental health educational workshops and trainings in the community.

- Fifty-eight participants completed the Mental Health First Aid Training held at two non-for-profit organizations in the community.
- Thirty-seven older adults from two senior housing centers completed a six-week Loneliness program.
- A total of 92 adults attended six Healing Toxic Relationships workshops at the Pilsen South East Wellness center.
- One hundred teens completed four sessions of the Teen Loneliness program.
- Over 280 community residents participated in the 4th district police faith-based committee prayer walk.

Advocate Trinity's Healthy Living Food Farmacy continued to make huge strides in the community. Highlights of the year for the Food Farmacy includes:

- In 2023, 2,683 patient visits were served through the Healthy Living Food Farmacy.
- A total of 79,555 pounds of food was distributed to program participants.
- Live June news report coverage WBBM-TV CBS2 CHICAGO WLS-TV ABC CHICAGO.

The mobile health team in IL continued to provide outreach services to Illinois' most vulnerable communities by working with several community partners across the state.

- In 2023, the Mobile health team conducted screenings at 46 community events servicing 1,272 people and providing a total of 327 flu and COVID-19 vaccines.
- The mobile unit continues to support the Protect Chicago At Home vaccination program with the City of Chicago in providing in-home and mobile vaccinations to the Far South Community area in Chicago.
- In 2023, the protect Chicago at Home Program provided 1,056 COVID-19 and Flu vaccinations to in-home and mobile community.

Other Community programs include:

- Partnership in the South Side Healthy Community Organization. The South Side Healthy Community Organization (SSHCO) is comprised of 13 healthcare organizations – safety net hospitals, health systems and Federally Qualified Health Centers — on the South Side of Chicago. Supported by generous state funding, the SSHCO aims to build a healthcare system that will prioritize community needs, intervene earlier and respond better. Our model, driven by community input, will better connect existing health organizations, increase access to care, address some of the most challenging health issues we face, and ultimately, build health equity and ensure stronger, healthier communities across the South Side of Chicago.
- AMG Imani Village 'Love Your Heart' Program with over 146 participants enrolled in the program received self-monitoring blood pressure devices. Over 340 produce boxes distributed to support access to healthy food and reinforce healthy eating habits.
- Mobile Health Outreach partners with community organizations and businesses to provide health screenings, address SDOH, provide referrals to care, aligns with local community events or educational seminars, and establishes a routine point of contact in zip codes with challenged with access to services.
- Trinity Food Farmacy Program provides healthy fresh fruits and vegetables to patients who have health conditions or circumstances that impact their health. Over 1,500 patients access the Food Farmacy with over 48,000 pounds of food distributed in 2022.
- Violence Prevention & Mitigation Programs collaborative programs uniting trauma recovery programs from Advocate Health Care & University of Chicago Medicine. We work with community partners to improve long-term trauma recovery care and mitigate violence-related injury in South Chicago and beyond.
- Recruitment and Workforce Development Program.

Advocate Health Care is taking a significant step to address disparities in medication access through a vital collaboration with Dispensary of Hope. The non-profit organization provides free, essential medications to chronically ill, uninsured patients facing financial difficulties. The launch of this new program at Advocate Trinity Hospital and Advocate Illinois Masonic Medical Center reflects the health system's ongoing commitment to advancing health equity and improving patient care across the communities it serves.

“We are on a quest to find ways to make it easy for our patients to receive the care and support they need, regardless of their income level,” said Vincent E. Jackson, chief pharmacy officer of Advocate Health. “This collaboration with Dispensary of Hope is a testament to how we are breaking down barriers to medication access and expanding our pharmacy footprint in communities where patients might otherwise go without the medicine they need.”

Physicians, nurses, and care management teams across both hospitals work to identify patients who qualify for the assistance program. Eligible patients must be uninsured or have incomes at or below 300% of the federal poverty level. Once enrolled, they can receive up to a 90-day supply of free prescriptions delivered to their home using Advocate Health Care’s in-house courier service. For patients who need additional resources, the care team will work to help them find local community health centers to provide continuity of care.

“For many patients, having access to affordable life-saving medications is unfortunately out of reach, increasing their health risks,” said Tasha Williams, Pharm.D., M.J., manager of pharmacy and chronic disease management for Advocate Health Care in Illinois. “By incorporating this program, we can ensure that patients have the necessary prescriptions upon discharge, reducing the likelihood of frequent hospital and emergency visits, reducing long-term health care costs.”

In addition to the Dispensary of Hope program, patients have access to Advocate Health Care’s Essential Medication Voucher, which gives them up to a 10-day supply of their medications at no charge. The voucher system has existed at all Advocate Health Care sites for several years and will continue to serve as a resource for patients needing medication.

Advocate Trinity also ensures that inpatients at every income level are equipped to maintain their health and avoid hospital readmissions due to medication non-compliance through its new Meds to Bed service. The new tele-pharmacy program, which started rolling out in August 2024, delivers new prescriptions directly to the patient’s bedside at discharge. Through this program, patients receive new medications ordered by their doctor, which may include a 30-day supply of maintenance medications. Many of Advocate Trinity’s South Side patients live in communities with little or no access to retail pharmacies where prescriptions are filled. Patients who are not able to pay their out-of-pocket cost at the time of discharge are able to use an essential medication voucher at the time of service.

Advocate Health Care intends to expand the Dispensary of Hope free prescription program throughout its footprint in Illinois and Wisconsin by 2025 to ensure thousands of patients have access to life-saving medications, reduce their financial barriers to care, and improve overall health outcomes.

Workforce Training & Development Initiatives

The system Diversity, Equity, & Inclusion (DE&I) strategy honors differences in patients, builds diverse and inclusive teams, and helps communities thrive from within. Advocate Health advances health equity through ensuring clinical operations are inclusive and accessible, protecting civil rights, and promoting business diversity and inclusion, and providing language services. Together, these services enhance access to care, foster an inclusive workplace, and strengthen community partnerships.

Additionally, Advocate Trinity Hospital's Inclusion Council works on addressing racial prejudice and bias with a series of events to build allyship with Latino/Hispanic employees and other communities that have historically been marginalized or faced discrimination. The Inclusion Council developed a program to address racial prejudice and bias with two other hospitals within the Advocate Health network surveying employees' perceptions and sentiments, engaging in conversations on findings through open forums and defining action plans based on the surveys and forums.

In 2020, unconscious bias training became mandatory for all team members, and over 1,000 team members participated in REAL Talk listening sessions that offered a safe space to discuss feelings and experiences in the wake of COVID-19 and civil unrest. Within the community, 55 flu clinics were established with multiple community partners, including faith-based organizations across South and Central Chicagoland, to reach neighborhoods with the greatest gaps in immunization coverage.

Attachment 38, Exhibit 1

ADVOCATE TRINITY HOSPITAL
2023 COMMUNITY HEALTH PROGRESS REPORT

A PROGRESS REPORT ON OUR 2023-2025 IMPLEMENTATION STRATEGIES

Every three years, Advocate Trinity Hospital (Advocate Trinity) completes a comprehensive Community Health Needs Assessment (CHNA). For the 2022 CHNA cycle, Advocate Trinity convened a Community Health Council (CHC) to review the significant health issues impacting the primary service area (PSA). In addition, Advocate Trinity worked in alignment with local community leaders, hospital leaders and the Chicago Department of Public Health and the Alliance For Health Equity, a public health collaboration of over 30 health and public health entities, to collectively address and the top health priorities and develop the 2023-2025 Implementation Plan. Advocate Trinity is an active member of the Alliance for Health Equity's collaboration meetings.

The 2023 Community Health Progress Report is a reference to the hospital's Community Health Implementation Strategies; this 2023 progress report summarizes the selected priorities, annual program outcomes and additional accomplishments for Advocate Trinity Hospital.

Priority: Diabetes

Partners Involved:

LKC Health & Wellness, Centers for Disease Control and Prevention

Program Outcomes for 2023

National Diabetes Prevention Program—Advocate Trinity maintained its recognition status as a Centers for Disease Control and Prevention (CDC) National Diabetes Prevention Program (DPP). The National Diabetes Prevention Program (DPP) is a Centers for Disease Control and Prevention program organized as a partnership of public and private organizations working to prevent or delay type 2 diabetes.

- In 2023, three DPP cohorts were established with 62 registered participants, 55 qualified participants enrolled, 36 participants were currently active and will complete in 2024.
- A total of 14 participants successfully completed the year long program on May 4, 2023
- Eleven completers achieved 5% weight loss and reduced their A1C by at least 0.2 percent.
- Advocate Trinity maintained its CDC Full Plus Recognition status – National Diabetes Prevention Program host site in December 2023
- Since 2022, a weekly online Zoom fitness session has been established by an AmeriCorps member to provide additional support for participants to meet their weekly average of 150 minutes of physical activity for weight loss. Over 40 participants from the DPP and Food Farmacy program have enrolled in the weekly fitness sessions.

Priority: Mental Health

Program Outcomes for 2023

Advocate Trinity partnered with team members from the AAH Faith and Health Partnerships to conduct mental health educational workshops and trainings in the community.

- Fifty-eight participants completed the Mental Health First Aid Training held at two non-for-profit organizations in the community.
- Thirty-seven older adults from two senior housing centers completed a six week Loneliness program.
- A total of 92 adults attended six Healing Toxic Relationships workshops at the Pilsen South East Wellness center
- One hundred teens completed four sessions of the Teen Loneliness program.
- Over 280 community residents participated in the 4th district police faith based committee prayer walk.

Partners Involved:

AAH Faith and Health Partnerships, Claretian and Associates, Compassion Baptist Church, Pilsen South East Center, 4th district police faith based committee

ADVOCATE TRINITY HOSPITAL
2023 COMMUNITY HEALTH PROGRESS REPORT

A PROGRESS REPORT ON OUR 2023-2025 IMPLEMENTATION PLANS

Accomplishments in 2023

Food Security: Healthy Living Food Farmacy

Advocate Trinity's Healthy Living Food Farmacy continued to make huge strides in the community. Highlights of the year for the Food Farmacy includes:

- In 2023, 2,683 patient visits were served through the Healthy Living Food Farmacy.
- A total of 79,555 pounds of food was distributed to program participants.
- Live June news report coverage WBBM-TV CBS2 CHICAGO WLS-TV ABC CHICAGO

ADVOCATE TRINITY HOSPITAL
COMMUNITY HEALTH PROGRESS REPORT

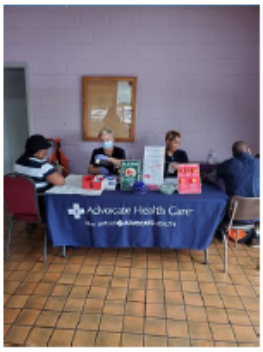
A PROGRESS REPORT ON OUR 2023-2025 IMPLEMENTATION PLANS

Accomplishments in 2023

SDOH/Live Well Mobile Health

The mobile health team in IL continued to provide outreach services to Illinois' most vulnerable communities by working with several community partners across the state.

- In 2023, the Mobile health team conducted screenings at 46 community events servicing 1,272 people and providing a total of 327 flu and COVID-19 vaccines.



- The mobile unit continues to support the Protect Chicago At Home vaccination program with the City of Chicago in providing in-home and mobile vaccinations to the Far South Community area in Chicago.
- In 2023, the protect Chicago at Home Program provided 1,056 COVID-19 and Flu vaccinations to in-home and mobile community.

Primary Care Connection- CHW Program

The Advocate Trinity Community Health Workers (CHW) assist patients in the emergency room and the community by connecting them to local resources such as utility assistance, food pantries, and primary care homes. They evaluate patients' needs and provide appropriate support.

- In 2023, the CHW served 2,780 patients in the ED, 1,346 appointments scheduled and provided 3,362 referrals given. More than 14 percent of the referrals were for food resources.
- More than 10,000 patients received care, support and resources from CHWs located in the emergency rooms across three IL Advocate hospitals– Trinity, Christ, and Sherman.

Stories from the Community

On November 29th, the Mobile Health (MH) team provided assistance to a man at a health fair who had recently become homeless, had his car towed, and needed a medication refill. This all happened while Chicago was experiencing temperatures below zero. The team acted quickly by connecting the patient with the Community Health Worker (CHW) team to help him find temporary housing, transportation, and assistance with his medication.

Diabetes Prevention Program:

"I changed my eating habits and started avoiding processed foods. I began reading food labels and realized their importance. The Diabetes Prevention program was excellent, and I enjoyed it thoroughly. Thanks to the program, I was able to prevent type 2 diabetes. I completed the program from start to finish." –DPP Participant

Hospital CHNA Reports | Implementation Plan | Progress Reports |

Website:
www.advocatechna.com

ADVOCATE TRINITY HOSPITAL
2023 COMMUNITY HEALTH PROGRESS REPORT

A FORECAST INTO ADVOCATE TRINITY'S 2024 PROGRAM PLANS

Advocate hospitals in Illinois reserve the right to redirect resources to address emerging public health threats even if doing so slows the ability to implement plans for addressing key priorities selected through the CHNA process. The community health team will focus on the selected health priorities, but will remain attentive to public health threats, prevention and promoting programs that address other key issues. Advocate Trinity Hospital is working in alignment with the Advocate Health Community Strategy. The AAH Community Strategy includes, but not limited to, the following six focus areas: access to primary medical homes, access to behavioral health services, workforce development, community safety, housing and food security.

Live Well Mobile Health — Year: 2024

Advocate Live Well Mobile team continues its outreach activities in the Southland PSA to address Covid-19 education, vaccinations, and hypertension awareness programs in the community. The mobile unit also fosters partnerships with community-based non-profits to bring needed health screenings to the most vulnerable communities. The Mobile Health team works with local churches, federally qualified health centers, community centers, local YMCAs, food pantries and others to provide services that address the health and social needs of the communities it serves.

Diabetes — Year: 2024

The National Diabetes Prevention Program (DPP) is a Centers for Disease Control and Prevention program organized as a partnership of public and private organizations working to prevent or delay type 2 diabetes. Partnerships with community organization sponsors make it easier for people at risk for type 2 diabetes to participate in evidence-based, lifestyle change programs to reduce their risk of type 2 diabetes. Advocate Trinity will continue to offer diabetes prevention education using the Prevent Type2 curriculum in 2024.

Mental Health — Year: 2024

Advocate Trinity is dedicated to improving the mental health of the community by preventing mental health issues and ensuring access to behavioral and mental health services. As part of this commitment, Trinity will maintain its partnership with Advocate Faith and Health Partnerships and NAMI Chicago to provide additional support and programming for the 2022 CHNA cycle. The community will have access to Mental Health First Aid and behavioral health education, ensuring that they receive the necessary support and knowledge to manage their mental health.

We Help People **Live Well.**

ATTACHMENT 39
CHARITY CARE INFORMATION

The amount of charity care provided by the applicant facility and of Advocate Health's other affiliated Illinois hospitals are included in the tables below.

ADVOCATE TRINITY - CHARITY CARE			
	2021	**2022**	**2023**
Net Patient Revenue	$ 148,182,482	$ 146,669,848	$ 145,465,965
Amount of Charity Care (charges)	13,733,593	7,778,847	9,429,507
Cost of Charity Care	3,185,000	1,946,000	2,543,000

Net Patient Revenue	**2021**	**2022**	**2023**
IP	$ 88,679,803	$ 84,160,610	$ 81,839,518
OP	$ 59,502,679	$ 62,509,238	$ 63,626,447
TOTAL	$ 148,182,482	$ 146,669,848	$ 145,465,965

APPENDIX A

Advocate Aurora Health, Inc.

Consolidated Financial Statements and Supplementary Information
As of and for the Years Ended December 31, 2023 and 2022

Document Dated as of April 22, 2024

ADVOCATE AURORA HEALTH, INC.
TABLE OF CONTENTS

Ernst & Young LLP
155 North Wacker Drive
Chicago, IL 60606-1787

Tel: +1 312 879 2000
Fax: +1 312 879 4000
ey.com

Building a better working world

Report of Independent Auditors

The Board of Directors

Advocate Health, Inc.

Opinion

We have audited the consolidated financial statements of Advocate Aurora Health, Inc. (the Organization), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statements of operations and changes in net assets, and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization at December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

Building a better working world

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other information

Management is responsible for the other information. The other information comprises the Annual Disclosure Statements but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Ernst & Young LLP

April 22, 2024

ADVOCATE AURORA HEALTH, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands)

	December 31, 2023	December 31, 2022
Assets		
Current assets		
Cash and cash equivalents	$ 857,599	$ 372,898
Assets limited as to use	179,288	153,557
Patient accounts receivable	1,906,747	1,796,499
Other current assets	1,093,683	975,406
Total current assets	4,037,317	3,298,360
Assets limited as to use	11,863,519	11,306,120
Property and equipment, net	5,919,233	5,971,542
Other assets		
Goodwill and intangible assets, net	56,938	476,564
Operating lease right-of-use assets	305,114	305,311
Other noncurrent assets	815,699	520,373
Total other assets	1,177,751	1,302,248
Total assets	$ 22,997,820	$ 21,878,270

ADVOCATE AURORA HEALTH, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands)

	December 31, 2023	December 31, 2022
Liabilities		
Current liabilities		
Long-term debt and commercial paper, current portion	$ 172,759	$ 101,204
Long-term debt subject to short-term financing arrangements	354,720	165,035
Operating lease liabilities, current portion	69,062	73,026
Accrued salaries and employee benefits	1,245,445	1,165,861
Accounts payable and other accrued liabilities	1,164,041	1,128,954
Third-party payors payables	404,496	357,177
Accrued insurance and claims costs, current portion	237,771	204,592
Total current liabilities	3,648,294	3,195,849
Noncurrent liabilities		
Long-term debt, less current portion	2,939,221	3,255,423
Operating lease liabilities, less current portion	273,134	276,116
Accrued insurance and claims cost, less current portion	686,643	634,468
Obligations under swap agreements	31,681	29,514
Other noncurrent liabilities	1,159,793	1,039,353
Total noncurrent liabilities	5,090,472	5,234,874
Total liabilities	**8,738,766**	**8,430,723**
Net assets		
Without donor restrictions		
Controlling interest	13,823,021	13,037,580
Noncontrolling interests in subsidiaries	191,582	171,791
Total net assets without donor restrictions	14,014,603	13,209,371
With donor restrictions	244,451	238,176
Total net assets	**14,259,054**	**13,447,547**
Total liabilities and net assets	**$ 22,997,820**	**$ 21,878,270**

See accompanying notes to consolidated financial statements.

ADVOCATE AURORA HEALTH, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS

(in thousands)

	Year Ended December 31, 2023	Year Ended December 31, 2022
Revenue		
Patient service revenue	$ 12,987,089	$ 12,065,771
Capitation revenue	1,206,918	1,197,327
Other revenue	1,559,047	1,281,148
Total revenue	15,753,054	14,544,246
Expenses		
Salaries, wages and benefits	8,975,567	8,601,734
Supplies and drugs	3,063,799	2,659,287
Purchased services and other	2,359,535	2,070,036
Contracted medical services	542,880	518,834
Depreciation and amortization	614,084	599,923
Interest	125,568	118,319
Total expenses	15,681,433	14,568,133
Operating income (loss)	**71,621**	**(23,887)**
Nonoperating income (loss)		
Investment income (loss), net	819,180	(723,225)
Other nonoperating (loss) income, net	(57,951)	41,404
Total nonoperating income (loss), net	761,229	(681,821)
Revenue in excess of (less than) expenses	**832,850**	**(705,708)**
Less income attributable to noncontrolling interests	(58,518)	(45,124)
Revenue in excess of (less than) expenses - attributable to controlling interest	**$ 774,332**	**$ (750,832)**

(Continued)

ADVOCATE AURORA HEALTH, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS

(in thousands)

	Year Ended December 31, 2023	Year Ended December 31, 2022
Net assets without donor restrictions, controlling interest		
Revenue in excess of (less than) expenses - attributable to controlling interest	$ 774,332	$ (750,832)
Pension-related changes other than net periodic pension costs	9,311	(133,071)
Net assets released from restrictions for purchase of property and equipment	7,319	4,159
Other, net	(5,521)	5,462
Increase (decrease) in net assets without donor restrictions, controlling interest	785,441	(874,282)
Net assets without donor restrictions, noncontrolling interests		
Revenues in excess of expenses	58,518	45,124
Distributions to noncontrolling interests	(38,727)	(40,773)
Increase in net assets without donor restrictions, noncontrolling interests	19,791	4,351
Net assets with donor restrictions		
Contributions	17,861	11,702
Investment income (loss), net	8,737	(8,261)
Net assets released from restrictions for operations	(13,060)	(12,760)
Net assets released from restrictions for purchase of property and equipment	(7,319)	(3,864)
Other, net	56	(318)
Increase (decrease) in net assets with donor restrictions	6,275	(13,501)
Increase (decrease) in net assets	**811,507**	**(883,432)**
Net assets at beginning of period	13,447,547	14,330,979
Net assets at end of period	**$ 14,259,054**	**$ 13,447,547**

See accompanying notes to consolidated financial statements.

ADVOCATE AURORA HEALTH, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31, 2023	Year Ended December 31, 2022
Cash flows from operating activities		
Increase (decrease) in net assets	$ 811,507	$ (883,432)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation, amortization and accretion	603,847	590,030
Amortization of operating lease right-of-use assets	59,697	64,119
Loss on debt refinancing	40	33
(Gain) loss on sale of property and equipment	(212)	836
Change in fair value of swap agreements	2,167	(61,703)
Pension-related changes other than net periodic pension cost	(9,311)	133,071
Net assets released from restrictions for operations	(13,060)	(12,760)
Distribution to noncontrolling interests	37,539	46,809
Distributions from unconsolidated entities	11,265	35,746
Changes in operating assets and liabilities		
Trading securities, net	(482,997)	1,423,034
Patient accounts receivable	(110,248)	20,300
Third-party payors receivables and payables, net	(30,238)	1,745
Other assets and liabilities, net	206,760	(790,543)
Net cash provided by operating activities	1,086,756	567,285
Cash flows from investing activities		
Capital expenditures	(521,414)	(498,759)
Proceeds from sale of property and equipment	808	3,814
(Purchases) sales of investments designated as non-trading, net	(92)	(303)
Investments in unconsolidated entities, net	(18,504)	(18,569)
Acquisition of MobileHelp, net of cash acquired	—	(286,133)
Other	(913)	(7,896)
Net cash used in investing activities	(540,115)	(807,846)
Cash flows from financing activities		
Repayments of long-term debt, net	(51,000)	(46,898)
Distribution to noncontrolling interests	(37,539)	(46,809)
Proceeds from restricted contributions and income on investments	26,599	3,441
Net cash used in financing activities	(61,940)	(90,266)
Net increase (decrease) in cash and cash equivalents	**484,701**	**(330,827)**
Cash and cash equivalents at beginning of period	372,898	703,725
Cash and cash equivalents at end of period	**$ 857,599**	**$ 372,898**
Supplemental disclosures of noncash information		
Operating lease right-of-use assets in exchange for new operating lease liabilities	$ 59,500	$ 105,805

See accompanying notes to consolidated financial statements.

1. ORGANIZATION AND BASIS OF PRESENTATION

Description of Business

Advocate Aurora Health, Inc., a Delaware nonprofit corporation (the "Parent Corporation"), owns and operates primarily not-for-profit healthcare facilities in Illinois and Wisconsin. The Parent Corporation is the sole corporate member of Advocate Health Care Network, an Illinois not-for-profit corporation ("Advocate") and Aurora Health Care, Inc., a Wisconsin nonstock not-for-profit corporation ("Aurora"). The Parent Corporation, Advocate, Aurora and their controlled subsidiaries are collectively referred to herein as the "System." The System was formed in furtherance of the parties' common and unifying charitable health care mission to promote and improve the quality and expand the scope and accessibility of affordable health care and health care-related services for the communities they serve.

Effective December 2022, the System and Atrium Health, Inc., a North Carolina not-for-profit corporation, ("AHI") entered into a joint operating agreement pursuant to which they created Advocate Health, Inc. ("Advocate Health"), a Delaware nonprofit corporation, to manage and oversee an integrated health care delivery and academic system that will focus on meeting patients' needs by redefining how, when and where care is delivered. The System and AHI are the two corporate members of Advocate Health. The System maintains its separate legal existence and no sale, transfer or other conveyance of assets or assumption of debt and liabilities occurred in connection with the formation of Advocate Health.

The System provides a continuum of care through its 25 acute care hospitals, an integrated children's hospital, a psychiatric hospital, primary and specialty physician services, outpatient centers, physician office buildings, pharmacies, rehabilitation and home health and hospice care in northern Illinois and eastern Wisconsin.

Principles of Consolidation

Included in the System's consolidated financial statements are all of its wholly owned or controlled subsidiaries. All significant intercompany transactions have been eliminated in consolidation.

2. SIGNIFICANT EVENTS

The federal COVID-19 Public Health Emergency expired in May 2023 and management does not expect COVID-19 to have a material adverse impact on the financial condition of the System going forward. The System still has outstanding applications for certain COVID-19 related resources, including supplies, financial support, payroll tax deferrals and relief and other assistance made available through local, state and federal governments.

The Coronavirus Aid, Relief and Economic Security Act ("CARES Act") entitled eligible employers to an employee retention tax credit designed to encourage employers to keep employees on their payroll. The refundable tax credit is limited to 50% of up to $10 in qualified wages paid to each employee by an eligible employer whose business had been financially impacted by COVID-19. At December 31, 2023 and December 31, 2022, $9,878 and $37,060, respectively, is included in other current assets in the accompanying consolidated balance sheets for the employee retention tax credit. The recognition of

the COVID-19 support falls under the grant accounting guidance of accounting principles generally accepted in the United States. This guidance requires that all significant terms and conditions to have been met for recognition to occur.

The System was awarded approximately $76,000 in Federal Emergency Management Agency funds to reimburse the System for personal protective equipment used during the COVID-19 pandemic. The System recognized approximately $40,000 and $36,000 for the years ended December 31, 2023 and 2022, respectively, as revenue that is included in other operating revenue within the accompanying consolidated statements of operations and changes in net assets.

On April 1, 2022, the System purchased MobileHelp Group Holdings, LLC ("MobileHelp") for $286,133, net of cash acquired.

On December 15, 2023, the System approved the sale of SH Corporate Company, Inc. and SHF Acquisition Company, Inc. (collectively "Senior Helpers") and MobileHelp as they no longer fit the strategic priorities of Advocate Health. The sale of Senior Helpers closed in March 2024 and management expects the MobileHelp sale to close later in 2024. As of December 31, 2023, the related disposal group for Senior Helpers and MobileHelp was reclassified to held for sale. A majority of the disposal group consists of goodwill and intangible assets, $192,323 and $161,497, respectively. The System recorded an impairment of $150,000 related to the expected sale that is included in purchased services and other expenses in the accompanying consolidated statements of operations and changes in net assets for the year ended December 31, 2023.

The following represents the classification of the disposal groups in the accompanying consolidated balance sheets as of December 31, 2023:

Other current assets	$	50,172
Other noncurrent assets		237,126
Other current liabilities		(10,905)
Other noncurrent liabilities		(25,723)
Total disposal group	$	250,670

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") requires management to make estimates, assumptions and judgments that affect the reported amounts of assets, liabilities and amounts disclosed in the notes to the consolidated financial statements at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Although estimates are considered to be fairly stated at the time made, actual results could differ materially from those estimates.

Cash Equivalents

The System considers all highly liquid investments with a maturity of three months or less when purchased, other than those included in the investment portfolio, to be cash equivalents.

Investments

The System has designated substantially all its investments as trading. Investments in debt and equity securities with readily determinable fair values are measured at fair value using quoted market prices or otherwise observable inputs. Investments in private equity limited partnerships and derivative products (hedge funds) are reported at fair value using net asset value as a practical expedient. Commingled funds are carried at fair value based on other observable inputs. Investment income or loss (including realized gains and losses, interest, dividends and unrealized gains and losses) is included in the nonoperating section of the accompanying consolidated statements of operations and changes in net assets, unless the income or loss is restricted by donor or law or is related to assets designated for self-insurance programs. Investment income on self-insurance trust funds is reported in other revenue in the accompanying consolidated statements of operations and changes in net assets. Investment income or loss that is restricted by donor or law is reported as a change in net assets with donor restrictions.

Assets Limited as to Use

Assets limited as to use consist of investments set aside by the System for future capital improvements and certain medical education and other health care programs. The System retains control of these investments and may, at its discretion, subsequently use them for other purposes. Additionally, assets limited as to use include investments held by trustees or in trust under debt agreements, self-insurance trusts, retirement plan assets, assets held in reinsurance trust accounts and donor-restricted funds.

Patient Service Revenue and Accounts Receivable

Patient service revenue is reported at the amount that reflects the consideration to which the System expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including managed care payors and government programs and excludes revenues for services provided to patients under capitated arrangements) and others and include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations.

Revenue is recognized as performance obligations are satisfied. Performance obligations are identified based on the nature of the services provided. Revenue associated with performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. Performance obligations satisfied over time relate to patients receiving inpatient acute care services. The System measures the performance obligation from admission into the hospital to the point when there are no further services required for the patient, which is generally the time of discharge. For outpatient services, the performance obligation is satisfied as the patient simultaneously receives and consumes the benefits provided as the services are performed. In the case of these outpatient services, recognition of the obligation over time yields the same result as recognizing the obligation at a point in time. Management believes this method provides a faithful depiction of the transfer of services over the term of performance obligations based on the inputs needed to satisfy the obligations.

As the System's performance obligations relate to contracts with a duration of less than one year, the System has applied the optional exemption provided in the guidance and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when

the patients are discharged, which typically occurs within days or weeks of the end of the reporting period.

The System uses a portfolio approach to account for categories of patient contracts as a collective group rather than recognizing revenue on an individual contract basis. The portfolios consist of major payor classes for inpatient revenue and major payor classes and types of services provided for outpatient revenue. Based on the historical collection trends and other analyses, the System believes revenue recognized by utilizing the portfolio approach approximates the revenue that would have been recognized if an individual contract approach were used.

The System determines the transaction price, which involves significant estimates and judgment, based on standard charges for goods and services provided, reduced by explicit and implicit price concessions, including contractual adjustments provided to third-party payors, discounts provided to uninsured and underinsured patients in accordance with policy and/or implicit price concessions based on the historical collection experience of patient accounts. The System determines the transaction price associated with services provided to patients who have third-party payor coverage based on reimbursement terms per contractual agreements, discount policies and historical experience. For uninsured patients who do not qualify for charity care, the System determines the transaction price associated with services based on charges reduced by implicit price concessions. Implicit price concessions included in the estimate of the transaction price are based on historical collection experience for applicable patient portfolios. Patients who meet the System's criteria for charity care are provided care without charge; such amounts are not reported as revenue. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient service revenue in the period of the change.

The System does not incur significant incremental costs in obtaining contracts with patients. Any costs incurred are expensed in the period of occurrence, as the amortization period of any asset that the System would have recognized is one year or less in duration.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Settlements with third-party payors for retroactive adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care using the most likely outcome method. These settlements are estimated based on the terms of the payment agreements with the payor, correspondence from the payor and historical settlement activity, including an assessment to ensure it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as new information becomes available or as years are settled or are no longer subject to such audits, reviews and investigations. As a result, there is a possibility that recorded estimates will change by a material amount.

For the years ended December 31, 2023 and 2022, changes in the System's estimates of implicit price concessions, discounts and contractual adjustments or other reductions to expected payments for performance obligations related to prior years were not significant.

In the normal course of business, the System does receive payments in advance for certain services provided and would consider these amounts to represent contract liabilities. The amounts received in the normal course of business at December 31, 2023 and 2022 were not material.

The System does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component, due to the expectation that the period between

the time the service is provided to a patient and the time that the patient or a third-party payor pays for that service will be one year or less.

The System has entered into payment arrangements with patients that allow for payments over a term in excess of one year. The System has evaluated historical collections in excess of one year and current market interest rates to determine whether a significant financing component exists that would require an adjustment to the promised amount of consideration from patients and third-party payors. The System has determined that the impact of implicit financing arrangements for payment agreements in excess of one year is insignificant to the accompanying consolidated statements of operations and changes in net assets.

Inventories

Inventories, consisting primarily of medical supplies, pharmaceuticals and durable medical equipment, are stated at the lower of cost or net realizable value.

Reinsurance Receivables

Reinsurance receivables are recognized in a manner consistent with the liabilities relating to the underlying reinsured contracts.

Goodwill and Intangible Assets, Net

Goodwill of $44,096 and $267,385 and intangible assets of $12,842 and $209,179 are included in goodwill and intangible assets, net in the accompanying consolidated balance sheets as of December 31, 2023 and 2022, respectively. The majority of the decrease in goodwill and intangible assets for the year ended December 31, 2023 is due to the reclassification of goodwill and intangible assets of Senior Helpers and MobileHelp as held for sale. See additional disclosure in Note 2. SIGNIFICANT EVENTS. The System has elected to amortize goodwill using the straight-line method over a 10-year period. Intangible assets with expected useful lives are amortized over that period. Amortization is included in depreciation and amortization in the accompanying consolidated statements of operations and changes in net assets. Amortization expense was $55,591 and $50,837 for the years ended December 31, 2023 and 2022, respectively.

Asset Impairment

The System considers whether indicators of impairment are present and, if indicators are present, performs the necessary tests to determine if the carrying value of an asset is recoverable. Impairment write-downs are recognized in the accompanying consolidated statements of operations and changes in net assets as a component of operating expense at the time the impairment is identified. As described in Note 2. SIGNIFICANT EVENTS, for the year ended December 31, 2023, an impairment of $150,000 related to the expected loss on the sale of MobileHelp was included in purchased services and other expenses in the accompanying consolidated statements of operations and change in net assets. There were no material impairment charges recorded for the year ended December 31, 2022.

Property and Equipment, Net

Property and equipment are reported at cost or, if donated, at fair value at the date of the gift. Costs of computer software developed or obtained for internal use, including external and internal direct costs of materials and labor directly associated with internal-use software development projects, are capitalized during the application development stage and included in property and equipment. Internal

labor and interest expense incurred during the period of construction of significant capital projects are capitalized as a component of the costs of the asset.

Property and equipment capitalized under direct financing leases are recorded at the present value of future lease payments, adding initial direct costs and prepaid lease payments, reduced by any lease incentives. Property and equipment capitalized under direct financing leases are amortized using the straight-line method over the related lease term. Amortization of property and equipment under financing leases is included in the accompanying consolidated statements of operations and changes in net assets in depreciation and amortization expense.

Property and equipment assets are depreciated on the straight-line method over a period ranging from 3 years to 80 years.

Operating Lease Right-of-use Assets

The System records an operating lease right-of-use asset (an asset that represents the System's right to use the leased asset for the lease term) for leases that do not meet the criteria as a sales-type lease or a direct financing lease.

The System records operating lease right-of-use assets at the present value of future lease payments, adding initial direct costs and prepaid lease payments, reduced by any lease incentives. Operating lease right-of-use assets are amortized using the straight-line method over the related lease term. Amortization of operating lease right-of-use assets is included in purchased services and other expense in the accompanying consolidated statements of operations and changes in net assets.

Investments in Unconsolidated Entities

Investments in unconsolidated entities are accounted for using the equity method or as an equity security without a readily determinable fair value. The System applies the equity method of accounting for investments in unconsolidated entities when its ownership or membership interest is 50% or less and the System has the ability to exercise significant influence over the operating and financial policies of the investee. The income (loss) on health-related unconsolidated entities is included in other revenue in the accompanying consolidated statements of operations and changes in net assets. The income (loss) on non-health-related unconsolidated entities is included in other nonoperating (loss) income, net in the accompanying consolidated statements of operations and changes in net assets. All other unconsolidated entities are accounted for as an equity security without a readily determinable fair value. These unconsolidated entities are initially recorded at cost, tested for impairment at least annually and adjusted as market transactions occur that would indicate a fair value adjustment is needed. The income (loss) on these unconsolidated entities is included in nonoperating income (loss) in the accompanying consolidated statements of operations and changes in net assets.

Derivative Financial Instruments

The System enters into transactions to manage its interest rate, credit and market risks. Derivative financial instruments, including exchange-traded and over-the-counter derivative contracts and interest rate swaps, are recorded as either assets or liabilities at fair value. Subsequent changes in a derivative's fair value are recognized in nonoperating income (loss), net.

Bond Issuance Costs, Discounts and Premiums

Bond issuance costs, discounts and premiums are amortized over the term of the bonds using the effective interest method and are included in long-term debt, less current portion in the accompanying consolidated balance sheets.

General and Professional Liability Risks

The provision for self-insured general and professional liability claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported. The System measures the cost of its unfunded obligations under such programs based upon actuarial calculations and records a liability on a discounted basis.

Net Assets with Donor Restrictions

Net assets with donor restrictions are those assets whose use by the System has been limited by donors to a specific time period or purpose or consist of gifts with corpus values that have been restricted by donors to be maintained in perpetuity. Net assets with donor restrictions are used in accordance with the donor's wishes primarily to purchase property and equipment, to fund medical education or to fund health programs.

Assets released from restrictions to fund purchases of property and equipment are reported as increases to net assets without donor restrictions in the accompanying consolidated statements of operations and changes in net assets. Those assets released from restriction for operating purposes are reported in the accompanying consolidated statements of operations and changes in net assets as other revenue. When restricted, earnings are recorded as net assets with donor restrictions until amounts are expended in accordance with the donor's specifications.

Capitation Revenue

The System has agreements with various managed care organizations under which the System provides or arranges for medical care to members of the organizations in return for a monthly payment per member. Revenue is earned each month as a result of the System agreeing to provide or arrange for their medical care.

Other Revenue

Other revenue is recognized at an amount that reflects the consideration to which the System expects to be entitled in exchange for providing goods and services. The amounts recognized reflect consideration due from customers, third-party payors and others. Primary categories of other revenue include retail pharmacy revenue, clinical integration revenue, managed care risk/quality shared savings revenue and other miscellaneous revenue.

Other Nonoperating (Loss) Income, Net

Revenues and expenses related to the delivery of health care services are reported in operations. Income and losses that arise from transactions that are peripheral or incidental to the System's main purpose are included in other nonoperating (loss) income, net. Other nonoperating (loss) income, net primarily consists of fund-raising expenses, contributions to charitable organizations, income taxes, income (loss) from non-health related unconsolidated entities, unrealized changes in fair value of swaps and the net non-service components of the periodic benefit expense of the System's pension plans.

Revenue in Excess of (Less Than) Expenses and Changes in Net Assets

The accompanying consolidated statements of operations and changes in net assets includes the revenue in excess of (less than) expenses as the performance indicator. Changes in net assets without donor restrictions, which are excluded from revenue in excess of (less than) expenses, primarily include contributions of long-lived assets (including assets acquired using contributions, which by donor restriction were to be used for the purposes of acquiring such assets), pension-related changes other than net periodic pension costs and distributions to noncontrolling interests.

Accounting Pronouncements Adopted

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-13, *Financial Instruments- Credit Losses (Topic 326)*. This guidance replaces the incurred loss impairment methodology with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. In November 2019, the FASB issued ASU 2019-10, *Financial Instruments- Credit Loss (Topic 326), Derivatives and Hedging (Topic 815) and Leases (Topic 842)*, which deferred the effective date for the System until fiscal years beginning after December 15, 2022. The System adopted this guidance effective January 1, 2023, on a prospective basis. The guidance did not have a material impact on the System's accompanying consolidated financial statements.

Accounting Pronouncements Not Yet Adopted

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This guidance provides optional expedients and exceptions for applying current GAAP to contracts, hedging relationships and other transactions affected by the transition from the use of London Interbank Offered Rate ("LIBOR") to an alternative reference rate. In response to concerns about structural risks of interbank offered rates, and, particularly, the risk of cessation of LIBOR, regulators in several jurisdictions around the world have undertaken reference rate reform initiatives to identify alternative reference rates that are more observable or transaction based and less susceptible to manipulation. This guidance provides companies the option to ease the potential accounting burden associated with transitioning away from reference rates that are expected to be discontinued. In January 2021, the FASB issued ASU 2021-01, *Reference Rate Reform (Topic 848): Scope*, which adds implementation guidance to ASU 2020-04 to clarify certain optional expedients in Topic 848. In December 2022, the FASB issued ASU 2022-06, *Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848*, which defers the sunset date of Topic 848 to December 31, 2024. Management has evaluated the impact of this guidance and does not expect it to have a material impact on the System's consolidated financial statements.

Reclassifications in the Consolidated Financial Statements

Certain reclassifications were made to the 2022 consolidated financial statements to conform to the classifications used in 2023. There was no impact on previously reported 2022 net assets or revenues less than expenses.

4. COMMUNITY BENEFIT

The System provides health care services without charge or at discounted rates to patients who meet the criteria of its financial assistance policies. Charity care services are not reported as patient service revenue, because payment is not anticipated while the related costs to provide the health care are included in operating expenses. Qualifying patients can receive up to 100% discounts from charges and extended payment plans. The System's cost of providing charity care was $110,000 and $102,000 for

the years ended December 31, 2023 and 2022, respectively, as determined using total cost to charge ratios.

In addition to the provision of charity care, the System provides significant financial support to its communities to sustain and improve health care services.

These activities include:

- The unreimbursed cost of providing care to patients covered by the Medicare and Medicaid programs.
- The cost of providing services that are not self-sustaining, for which patient service revenues are less than the costs required to provide the services. Such services benefit uninsured and low-income patients, as well as the broader community, but are not expected to be financially self-supporting.
- Other community benefits, which include the unreimbursed costs of community benefits programs and services for the general community, not solely for those demonstrating financial need, including the unreimbursed cost of medical education, health education, immunizations for children, support groups, health screenings and fairs.

5. REVENUE AND RECEIVABLES

Patient service revenue

The composition of patient service revenue by payor is as follows:

	Year Ended December 31, 2023		Year Ended December 31, 2022	
Managed care	$ 6,738,790	52 %	$ 6,506,440	53 %
Medicare	4,197,545	32 %	3,813,381	32 %
Medicaid	1,668,531	13 %	1,443,200	12 %
Self-pay and other	382,223	3 %	302,750	3 %
	$ 12,987,089	100 %	$ 12,065,771	100 %

Deductibles, copayments and coinsurance under third-party payment programs which are the patient's responsibility are included within the primary payor category in the table above.

Revenue disaggregated by state and service line is as follows:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Illinois	$ 5,920,220	$ 5,417,029
Wisconsin	7,066,869	6,648,742
Total patient service revenue	$ 12,987,089	$ 12,065,771
Hospital	$ 9,772,918	$ 8,910,925
Clinic	2,914,123	2,773,500
Other	300,048	381,346
Total patient service revenue	$ 12,987,089	$ 12,065,771

Currently, the State of Illinois utilizes supplemental reimbursement programs to increase reimbursement to providers to offset a portion of the cost of providing care to Medicaid and indigent patients. These programs are designed with input from the Centers for Medicare & Medicaid Services and are funded with a combination of state and federal resources, including assessments levied on the

providers. Under these supplemental programs, the System recognizes revenue and related expenses in the period in which amounts are estimable and collection is reasonably assured. Reimbursement and the assessment under these programs are reflected in the accompanying consolidated statements of operations and changes in net assets as follows:

	Classification	Year Ended December 31, 2023	Year Ended December 31, 2022
Reimbursement	Patient service revenue	$ 410,119	$ 331,438
Assessment	Purchased services and other	216,793	173,141

The State of Wisconsin assesses a fee or tax on gross patient service revenue. The revenues from this assessment are used to increase payments made to hospitals for services provided to Medicaid and other medically indigent patients. The System's patient service revenue reflects this increase in payment for services to Medicaid and other medically indigent patients and hospital tax assessment expense reflects the fees assessed by the State. Reimbursement and the assessment under these programs are reflected in the accompanying consolidated statements of operations and changes in net assets as follows:

	Classification	Year Ended December 31, 2023	Year Ended December 31, 2022
Reimbursement	Patient service revenue	$ 120,033	$ 123,358
Assessment	Purchased services and other	100,668	99,010

Patient accounts receivable

The composition of patient accounts receivable is summarized as follows:

	December 31, 2023		December 31, 2022	
Managed care	$ 877,778	46 %	$ 913,665	51 %
Medicare	475,482	25 %	390,456	22 %
Medicaid	164,872	9 %	154,029	9 %
Self-pay and other	388,615	20 %	338,349	18 %
	$ 1,906,747	100 %	$ 1,796,499	100 %

The self-pay patient accounts receivable above includes amounts due from patients for co-insurance, deductibles, installment payment plans and amounts due from patients without insurance.

6. INVESTMENTS

The System invests in a diversified portfolio of investments, including alternative investments, such as real asset funds, hedge funds and private equity limited partnerships, whose fair value was $6,309,366 and $5,990,443 at December 31, 2023 and 2022, respectively. Collectively, these funds have liquidity terms ranging from daily to annual with notice periods typically ranging from 1 to 90 days. Certain of these investments have redemption restrictions that may restrict redemption for up to 11 years. However, the potential for the System to sell its interest in these funds in a secondary market prior to the end of the fund term does exist for prices at or other than the carrying value.

At December 31, 2023, the System had additional commitments to fund alternative investments, including recallable distributions of $2,382,003 over the next seven years.

In the normal course of operations and within established investment policy guidelines, the System may enter into various exchange-traded and over-the-counter derivative contracts for trading

purposes, including futures, options and forward contracts. These instruments are used primarily to maintain the System's strategic asset allocation and hedge security price movements. These instruments require the System to deposit cash or securities collateral with the broker or custodian. Collateral provided was $17,089 and $7,529 at December 31, 2023 and 2022, respectively. The gross notional value of the derivatives outstanding was $220,940 and $331,094 at December 31, 2023 and 2022, respectively.

By using derivative financial instruments, the System exposes itself to credit and market risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contracts. When the fair value of a derivative contract is positive, the counterparty owes the System, which creates credit risk for the System. When the fair value of a derivative contract is negative, the System owes the counterparty and, therefore, it does not possess credit risk. The System minimizes the credit risk in derivative instruments by entering into transactions that may require the counterparty to post collateral for the benefit of the System based on the credit rating of the counterparty and the fair value of the derivative contract. Market risk is the adverse effect on the value of a financial instrument that results from a change in the underlying reference security. The market risk associated with market changes is managed by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken.

Receivables and payables for investment trades not settled are presented within other current assets and accounts payable and other accrued liabilities in the accompanying consolidated balance sheets. Unsettled sales resulted in receivables due from brokers of $61,462 and $13,769 at December 31, 2023 and 2022, respectively. Unsettled purchases resulted in payables due to brokers of $102,517 and $69,023 at December 31, 2023 and 2022, respectively.

Investment returns for assets limited as to use and cash and cash equivalents are composed of the following:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Interest income and dividends	$ 162,493	$ 61,893
Income from alternative investments	260,904	327,168
Net realized (losses) gains	(22,992)	63,760
Net unrealized gains (losses)	474,143	(1,134,151)
Total	$ 874,548	$ (681,330)

Investment returns are included in the accompanying consolidated statements of operations and changes in net assets as follows:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Other revenue	$ 46,631	$ 50,156
Investment income (loss), net	819,180	(723,225)
Net assets with donor restrictions	8,737	(8,261)
Total	$ 874,548	$ (681,330)

The cash and cash equivalents and assets limited as to use presented within the accompanying consolidated balance sheets are comprised of the following:

	December 31, 2023	December 31, 2022
Internally designated for capital and other	$ 10,822,009	$ 10,301,972
Held for self-insurance	508,709	564,195
Donor restricted	106,325	98,293
Funds held under retirement plans	412,776	324,928
Investments under securities lending program	13,700	16,732
Total noncurrent assets limited as to use	11,863,519	11,306,120
Cash and cash equivalents	857,599	372,898
Current assets limited as to use	179,288	153,557
Total cash and cash equivalents and assets limited as to use	$ 12,900,406	$ 11,832,575

As part of the management of the investment portfolio, the System has entered into an arrangement whereby securities owned by the System are loaned primarily to brokers and investment banks. The loans are arranged through a bank. Borrowers are required to post collateral for securities borrowed equal to no less than 102% of the value of the security on a daily basis, at a minimum. The bank is responsible for reviewing the creditworthiness of the borrowers. The System has also entered into an arrangement whereby the bank is responsible for the risk of borrower bankruptcy and default. At December 31, 2023 and 2022, the System loaned $13,700 and $16,732, respectively, in securities and accepted collateral for these loans in the amount $14,557 and $17,402, respectively, which represents cash and governmental securities, and are included in other current liabilities and other current assets in the accompanying consolidated balance sheets.

7. FAIR VALUE

The System accounts for certain assets and liabilities at fair value and categorizes assets and liabilities measured at fair value in the accompanying consolidated financial statements based upon whether the inputs used to determine their fair values are observable or unobservable. Observable inputs are inputs that are based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about pricing the asset or liability, based on the best information available under the circumstances.

The fair value of all assets and liabilities recognized or disclosed at fair value are classified based on the lowest level of significant inputs. Assets and liabilities that are measured at fair value are disclosed and classified in one of the three categories. Category inputs are defined as follows:

Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities on the reporting date.

Level 2 — Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 — Inputs that are unobservable for the asset or liability for which there is little or no market data.

The following section describes the valuation methodologies used by the System to measure financial assets and liabilities at fair value. In general, where applicable, the System uses quoted prices in active markets for identical assets and liabilities to determine fair value. This pricing methodology applies to

Level 1 investments, such as domestic and international equities, exchange-traded funds and agency securities.

If quoted prices in active markets for identical assets and liabilities are not available to determine the fair value, then quoted prices for similar assets and liabilities or inputs other than quoted prices that are observable either directly or indirectly are used. These investments are included in Level 2 and consist primarily of corporate notes and bonds, foreign government bonds, mortgage-backed securities, fixed-income securities, including fixed-income government obligations, commercial paper and certain agency, United States and international equities, which are not traded on an active exchange. The fair value for the obligations under swap agreements included in Level 2 is estimated using industry-standard valuation models. These models project future cash flows and discount the future amounts to a present value using market-based observable inputs, including interest rate curves. The fair values of the obligation under swap agreements include adjustments related to the System's credit risk.

Investments owned by the System are exposed to various kinds and levels of risk. Equity securities and equity funds expose the System to market risk, performance risk and liquidity risk for both domestic and international investments. Market risk is the risk associated with major movements of the equity markets. Performance risk is the risk associated with a company's operating performance. Fixed-income securities and fixed-income mutual funds expose the System to interest rate risk, credit risk and liquidity risk. As interest rates change, the value of many fixed-income securities is affected, including those with fixed interest rates. Credit risk is the risk that the obligor of the security will not fulfill its obligations. Liquidity risk is affected by the willingness of market participants to buy and sell particular securities. Liquidity risk tends to be higher for equities related to small capitalization companies and certain alternative investments. Due to the volatility in the capital markets, there is a reasonable possibility of subsequent changes in fair value, resulting in additional gains and losses in the near term.

The carrying values of cash and cash equivalents, accounts receivable and payable, other current assets and accrued liabilities are reasonable estimates of their fair values, due to the short-term nature of these financial instruments.

The fair values of financial assets and liabilities measured at fair value on a recurring basis are as follows:

	December 31, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Investments				
Cash and short-term investments	$ 1,112,802	$ 1,098,116	$ 14,686	$ —
Corporate bonds and other debt securities	719,092	—	719,092	—
United States government bonds	652,278	—	652,278	—
Bond and other debt security funds	420,039	109,367	310,672	—
Non-government fixed-income obligations	31,706	—	31,706	—
Equity securities	819,568	804,152	15,416	—
Equity funds	2,403,817	140,723	2,263,094	—
Funds held under retirement plans	412,776	85,091	327,685	—
	6,572,078	$ 2,237,449	$ 4,334,629	$ —
Investments at net asset value				
Alternative investments	6,328,328			
Total investments	$ 12,900,406			
Collateral proceeds received under securities lending program	$ 14,557		$ 14,557	
Liabilities				
Obligations under swap agreements	$ (31,681)		$ (31,681)	
Liabilities under retirement and benefit plans	$ (412,776)		$ (412,776)	
Obligations to return capital under securities lending program	$ (14,557)		$ (14,557)	

	December 31, 2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Investments				
Cash and short-term investments	$ 789,689	$ 540,092	$ 249,597	$ —
Corporate bonds and other debt securities	720,424	—	720,424	—
United States government bonds	586,517	—	586,517	—
Bond and other debt security funds	465,762	96,219	369,543	—
Non-government fixed-income obligations	32,307	—	32,307	—
Equity securities	761,237	746,574	14,663	—
Equity funds	2,143,486	121,424	2,022,062	—
Funds held under retirement plans	324,928	70,275	254,653	—
	5,824,350	$ 1,574,584	$ 4,249,766	$ —
Investments at net asset value				
Alternative investments	6,008,225			
Total investments	$ 11,832,575			
Collateral proceeds received under securities lending program	$ 17,402		$ 17,402	
Liabilities				
Obligations under swap agreements	$ (29,514)		$ (29,514)	
Other noncurrent liabilities	$ (324,928)		$ (324,928)	
Obligations to return capital under securities lending program	$ (17,402)		$ (17,402)	

8. PROPERTY AND EQUIPMENT, NET

The components of property and equipment, net are summarized as follows:

	December 31, 2023	December 31, 2022
Land and improvements	$ 493,107	$ 479,733
Buildings and other improvements	8,467,723	8,289,707
Fixed and movable equipment	2,877,402	3,007,315
Construction-in-progress	391,764	279,791
	12,229,996	12,056,546
Accumulated depreciation and amortization	(6,310,763)	(6,085,004)
Property and equipment, net	$ 5,919,233	$ 5,971,542

During 2023, the System wrote off fully depreciated property and equipment totaling $298,333.

Property and equipment, net include assets recorded as finance leases and under other financing arrangements. See additional disclosure in Note 9. LEASES.

Depreciation expense was $558,493 and $549,086 for the years ended December 31, 2023 and 2022, respectively.

9. LEASES

The System leases office and clinical space, land and equipment. Leases with an initial term of 12 months or less are not recorded on the consolidated balance sheets. The System combines lease and non-lease components, except for medical equipment leases.

The depreciable lives of assets are limited by the expected lease terms. Most leases include options to renew. The majority of leases do not provide an implicit rate; therefore, the System has elected to use its incremental borrowing rate, which is the interest rate the System would borrow on a collateralized basis over a similar term, as the discount rate.

Operating and finance leases are classified as follows within the accompanying consolidated balance sheets:

Leases	Classification	December 31, 2023	December 31, 2022
Assets			
Operating	Operating lease right-of-use assets	$ 305,114	$ 305,311
Finance	Property and equipment, net	207,232	226,039
Total lease assets		$ 512,346	$ 531,350
Liabilities			
Current			
Operating	Operating lease liabilities, current portion	$ 69,062	$ 73,026
Finance	Long-term debt and commercial paper, current portion	20,330	17,942
Noncurrent			
Operating	Operating lease liabilities, less current portion	273,134	276,116
Finance	Long-term debt, less current portion	234,016	247,979
Total lease liabilities		$ 596,542	$ 615,063

Finance lease assets are recorded net of accumulated amortization of $114,889 and $90,244 as of December 31, 2023 and 2022, respectively.

Lease costs are classified as follows within the accompanying consolidated statements of operations and changes in net assets:

Lease cost	Classification	December 31, 2023	December 31, 2022
Operating lease cost	Purchased services and other	$ 79,919	$ 76,869
Short term lease cost	Purchased services and other	22,230	17,187
Variable lease cost	Purchased services and other	37,343	37,133
Finance lease cost			
Amortization of lease assets	Depreciation and amortization	24,677	18,795
Interest on lease liabilities	Interest	18,824	18,898
Sublease income	Other revenue	(372)	(2,140)
Net lease cost		$ 182,621	$ 166,742

Lease terms, discount rates and other supplemental information are as follows:

	December 31, 2023	December 31, 2022
Weighted average remaining lease term (in years)		
Operating	6.0	6.0
Finance	8.7	9.6
Weighted average discount rate		
Operating	2.65 %	2.39 %
Finance	8.22 %	8.17 %
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	$ 91,424	$ 81,534
Operating cash flows from finance leases	18,824	18,898
Financing cash flows from finance leases	19,676	17,370

Future maturities of lease liabilities at December 31, 2023 are as follows:

	Operating Leases	Finance Leases	Total
2024	$ 77,005	$ 36,555	$ 113,560
2025	70,643	38,621	109,264
2026	63,979	38,672	102,651
2027	45,539	37,958	83,497
2028	36,665	44,876	81,541
Thereafter	78,170	165,492	243,662
Future minimum lease payments	372,001	362,174	734,175
Less remaining imputed interest	29,805	107,828	137,633
Total	$ 342,196	$ 254,346	$ 596,542

10. INTEREST IN MASONIC FAMILY HEALTH FOUNDATION

The System has an interest in the net assets of the Masonic Family Health Foundation ("MFHF"), an independent organization, under the terms of an asset purchase agreement (the "Agreement"). Substantially all of MFHF's net assets are designated to support the operations and/or capital needs of one of the System's medical facilities. Additionally, 90% of MFHF's investment yield, net of expenses, on substantially all of MFHF's investments is designated for the support of one of the System's medical facilities. MFHF must pay the System, annually, 90% of the investment yield or an agreed-upon percentage of the beginning of the year net assets.

The interest in the net assets of MFHF amounted to $108,041 and $94,302 at December 31, 2023 and 2022, respectively, and is presented within other noncurrent assets in the accompanying consolidated balance sheets. The System's interest in the investment income (loss) is reflected in the investment income (loss), net line in the accompanying consolidated statements of operations and changes in net assets and amounted to $17,184 and $(23,905) for the years ended December 31, 2023 and 2022, respectively. Cash distributions of $4,586 and $4,077 were received by the System from MFHF under terms of the Agreement during the years ended December 31, 2023 and 2022, respectively.

The summarized financial position and results of operations for MFHF accounted for under the equity method as of and for the periods ended is outlined below:

	December 31, 2023	December 31, 2022
Total assets	$ 112,048	$ 99,802
Total liabilities	3,531	4,786
Net assets	108,517	95,016
Total revenue	$ 18,300	$ (22,495)
Revenue in excess of (less than) expenses	13,606	(28,382)

11. LONG-TERM DEBT

Long-term debt consisted of the following:

	December 31, 2023	December 31, 2022
Revenue bonds and revenue refunding bonds		
Series 2008A (weighted average rate of 4.32% and 4.35% during 2023 and 2022, respectively), principal payable in varying annual installments through November 2030; interest based on prevailing market conditions at time of remarketing	86,385	103,810
Series 2008C (weighted average rate of 3.39% and 1.22% during 2023 and 2022, respectively), principal payable in varying annual installments through November 2038; interest based on prevailing market conditions at time of remarketing	272,065	272,065
Series 2011B (weighted average rate of 3.66% and 1.49% during 2023 and 2022, respectively), principal payable in varying annual installments through April 2051, subject to a put provision that provides for a cumulative seven-month notice and remarketing period; interest tied to a market index plus a spread	69,660	69,660
Series 2011C (weighted average rate of 4.95% and 2.05% during 2023 and 2022, respectively), principal payable in varying annual installments through April 2049, subject to a put provision on September 3 ,2024; interest tied to a market index plus a spread	49,755	49,755
Series 2011D (weighted average rate of 4.95% and 2.05% during 2023 and 2022, respectively), principal payable in varying annual installments through April 2049, subject to a put provision on September 3, 2024; interest tied to a market index plus a spread	49,755	49,755
Series 2013A, 5.00%, principal payable in varying annual installments through June 2024	7,025	13,090
Series 2014, 4.00% to 5.00%, principal payable in varying annual installments through August 2038	74,695	82,095
Series 2015, 4.13%, principal payable in varying annual installments through May 2045	30,620	30,620
Series 2015B, 4.00% to 5.00%, principal payable in varying annual installments through May 2044	13,665	13,860
Series 2018A, 4.00% to 5.00%, principal payable in varying annual installments through August 2044	97,500	97,500
Series 2018B (weighted average rate of 5.00% during 2023 and 2022), principal payable in varying annual installments through August 2054; interest based on prevailing market conditions at time of remarketing	181,160	184,420
Series 2018C (weighted average rate of 4.30% and 2.37% during 2023 and 2022, respectively), principal payable in varying annual installments through August 2054, interest tied to a market index plus a spread or prevailing market conditions at remarketing	186,845	190,300
	1,119,130	1,156,930
Taxable bonds		
Taxable Bond Series 2018, 3.83% to 4.27%, principal payable in varying annual installments through August 2048	799,510	799,510
Taxable Bond Series 2019, 3.39%, principal payable in October 2049	443,180	443,180
Taxable Bond Series 2020A, 2.21% to 3.01%, principal payable in varying annual installments through June 2050	700,000	700,000
	1,942,690	1,942,690
Finance lease obligations and financing arrangements	258,553	270,423
Commercial paper, weighted average interest rate of 5.14% and 1.74% during 2023 and 2022, respectively	50,000	50,000
Taxable Term Loan, (weighted average rate of 2.68% during 2023 and 2022), principal payable in varying annual installments through September 2024	69,895	70,485
	3,440,268	3,490,528
Net unamortized premiums and unamortized bond issuance costs	26,432	31,134
	3,466,700	3,521,662
Less amounts classified as current		
Long-term debt and commercial paper, current portion	(172,759)	(101,204)
Long-term debt subject to short-term financing arrangements	(354,720)	(165,035)
	(527,479)	(266,239)
	$ 2,939,221	$ 3,255,423

Maturities of long-term debt, capital leases, and sinking fund requirements, assuming remarketing of the variable rate demand revenue refunding bonds, for the five years ending December 31, 2028, are as follows:

2024	$ 122,759
2025	48,201
2026	42,840
2027	44,312
2028	444,867

The System's outstanding bonds are secured by obligations issued under the Second Amended and Restated Master Trust Indenture dated as of August 1, 2018, as the same may be amended from time to time, between Advocate Aurora Health, Inc., the other affiliates identified therein as the Members of the Obligated Group and U.S. Bank National Association, as master trustee ("the System Master Indenture"). Under the terms of the bond indentures and other arrangements, various amounts are to be on deposit with trustees, and certain specified payments are required for bond redemption and interest payments. The System Master Indenture and other debt agreements, including bank agreements, also place restrictions on the System and require the System to maintain certain financial ratios.

The System's unsecured variable rate revenue bonds, Series 2011B of $69,660, Series 2011C of $49,755, Series 2011D of $49,755, Series 2018B-3 of $48,560 and Series 2018C-4 of $50,350, while subject to a long-term amortization period, may be put to the System at the option of the bondholders in connection with certain remarketing dates. To the extent that bondholders may, under the terms of the debt, put their bonds within 12 months after December 31, 2023, the principal amount of such bonds has been classified as long-term debt subject to short-term financing arrangements in the accompanying consolidated balance sheets. Management believes the likelihood of a material amount of bonds being put to the System is remote. However, to address this possibility, the System has taken steps to provide various sources of liquidity, including assessing alternate sources of financing, including lines of credit and/or net assets without donor restrictions as a source of self-liquidity.

The System has standby bond purchase agreements with banks to provide liquidity support for the Series 2008C Bonds. In the event of a failed remarketing of a Series 2008C Bond upon its tender by an existing holder and subject to compliance with the terms of the standby bond purchase agreement, the standby bank would provide the funds for the purchase of such tendered bonds, and the System would be obligated to repay the bank for the funds it provided for such bond purchase (if such bond is not subsequently remarketed), with the first installment of such repayment commencing on the date one year and one day after the bank purchases the bond. As of December 31, 2023, there were no bank-purchased bonds outstanding. To the extent that the standby bond purchase agreement expiration date is within 12 months after December 31, 2023, the principal amount of such bonds would be classified as a current obligation in the accompanying consolidated balance sheets. The standby bond purchase agreements expire as follows: $87,694 in September 2024, $58,225 in September 2025 and $129,456 in January 2026.

In January 2023, $46,310 of the Series 2018B-2 Bonds were remarketed for a new long-term rate period and will next be subject to mandatory purchase on June 24, 2026. In connection with the remarketing, $3,260 of the Series 2018B-2 Bonds were redeemed and a loss of refinancing was recorded in the amount of $19.

In January 2023, $49,065 of the Series 2018C-3 Bonds were remarketed for a new long-term rate period and will next be subject to mandatory purchase on June 24, 2026. In connection with the remarketing,

$3,455 of the Series 2018C-3 Bonds were redeemed and a loss of refinancing was recorded in the amount of $21.

As of December 31, 2023, the System has authorized the issuance of up to $1,000,000 in commercial paper aggregate principal outstanding. As of December 31, 2023, $50,000 of commercial paper notes was outstanding, with maturities ranging from 5 to 43 days. As of December 31, 2022, $50,000 of commercial paper was outstanding, with maturities ranging from 9 to 41 days.

At December 31, 2023, the System had lines of credit with banks aggregating to $1,100,000 in available commitments. These lines of credit provide for various interest rates and payment terms and as of December 31, 2023 expire as follows: $150,000 in August 2024, $325,000 in December 2024, $325,000 in December 2025 and $300,000 in December 2026. These lines of credit may be used to redeem bonded indebtedness, to pay costs related to such redemptions, for capital expenditures for general working capital purposes or to provide for certain letters of credit. At December 31, 2023, letters of credit totaling $70,507 have been issued under one of these lines. At December 31, 2023, no amounts were outstanding on these lines or letters of credit.

The System maintains an interest rate swap program on certain of its variable rate debt, as described in Note 12. INTEREST RATE SWAP PROGRAM.

The System's interest paid amount encompasses all debt agreements including revenue bonds and revenue refunding bonds, taxable bonds, finance lease obligations, financing arrangements and interest rate swaps. The System's interest paid, net of capitalized interest, amounted to $132,830 and $126,333 for the years ended December 31, 2023 and 2022, respectively. The System capitalized interest of $4,526 and $5,698 for the years ended December 31, 2023 and 2022, respectively.

12. INTEREST RATE SWAP PROGRAM

The System has interest rate-related derivative instruments to manage the exposure of its variable rate debt instruments. By using derivative financial instruments to manage the risk of changes in interest rates, the System exposes itself to credit risk and market risk as described in Note 6. INVESTMENTS .

At December 31, 2023, the System maintains an interest rate swap program on its Series 2008C variable rate demand revenue bonds. These bonds expose the System to variability in interest payments due to changes in interest rates. To limit the variability of its interest payments and to take advantage of low interest rates, the System entered into various interest rate swap agreements to manage fluctuations in cash flows resulting from interest rate risk. These swaps convert the variable rate cash flow exposure on the variable rate demand revenue bonds to synthetically fixed cash flows. The notional amount under each interest rate swap agreement is reduced over the term of the respective agreement to correspond with reductions in the principal outstanding under various bond series.

The System has two swaps that are being held as a swap portfolio as the related debt is no longer outstanding.

The following is a summary of the outstanding positions under these interest rate swap agreements at December 31, 2023:

Bond Series	Notional Amount	Maturity Date	Rate Received	Rate Paid
2008C-1	$ 129,900	November 1, 2038	61.7% of LIBOR + 26bps	3.605 %
2008C-2B	58,425	November 1, 2038	61.7% of LIBOR + 26bps	3.605 %
2008C-3A	88,000	November 1, 2038	61.7% of LIBOR + 26bps	3.605 %
Swap portfolio	50,000	November 1, 2038	61.7% of LIBOR + 26bps	3.605 %
Swap portfolio	23,200	February 1, 2038	70.0% of LIBOR	3.314 %

The swaps are not designated as hedging instruments and, therefore, hedge accounting has not been applied. As such, unrealized changes in fair value of the swaps are classified as other nonoperating (loss) income, net in the accompanying consolidated statements of operations and changes in net assets. The net cash settlement payments, representing the realized changes in fair value of the swaps, are included as interest expense in the accompanying consolidated statements of operations and changes in net assets.

The fair value of the interest rate swap agreements was a liability of $31,681 and $29,514 as of December 31, 2023 and 2022, respectively. No collateral was posted under these swap agreements as of December 31, 2023 and 2022.

Amounts recorded in the accompanying consolidated statements of operations and changes in net assets are as follows:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Net cash payments on interest rate swap agreements (interest expense)	$ 572	$ 8,432
Change in fair value of interest rate swaps (other nonoperating (loss) income, net)	$ (2,167)	$ 61,703

The interest rate swap instruments contain provisions that require the System to maintain an investment grade credit rating on its bonds from certain major credit rating agencies. If the System's bonds were to fall below investment grade, it would be in violation of these provisions and the counterparties to the swap instruments could request immediate payment or demand immediate and ongoing full overnight collateralization on interest rate swap instruments in net liability positions.

13. RETIREMENT PLANS

The System maintains various employee retirement benefit plans available to qualifying employees and retirees.

The Advocate Health Care Network Pension Plan ("Advocate Plan") was frozen effective December 31, 2019 to new participants and participants ceased accruing additional pension benefits. The net pension benefit obligation of $161,376 and $174,023 at December 31, 2023 and December 31, 2022, respectively, for the Advocate Plan is included in other noncurrent liabilities in the accompanying consolidated balance sheets. During the years ended December 31, 2023 and 2022, no contributions were made to the Advocate Plan.

The Advocate Aurora Health Pension Plan ("AAH Plan") was created through a merger of the Condell Health Network Retirement Plan (frozen effective January 1, 2008) and the Aurora Health Care, Inc. Pension Plan (frozen effective December 31, 2012). The net pension benefit obligation of $110,675 and $105,335 at December 31, 2023 and December 31, 2022, respectively, is included in other noncurrent

liabilities in the accompanying consolidated balance sheets. During the years ended December 31, 2023 and 2022, no contributions were made to the AAH Plan.

A summary of changes in the plan assets, projected benefit obligation and the resulting funded status for the year ended December 31, 2023 is as follows:

	Advocate	AAH	Total
Change in plan assets:			
Plan assets at fair value at beginning of period	$ 863,209	$ 982,492	$ 1,845,701
Actual return on plan assets	79,100	79,473	158,573
Benefits paid	(49,414)	(47,917)	(97,331)
Plan assets at fair value at end of period	$ 892,895	$ 1,014,048	$ 1,906,943
Change in projected benefit obligation:			
Projected benefit obligation at beginning of period	$ 1,037,232	$ 1,087,827	$ 2,125,059
Interest cost	52,102	55,482	107,584
Actuarial loss	14,351	29,331	43,682
Benefits paid	(49,414)	(47,917)	(97,331)
Projected benefit obligation at end of period	$ 1,054,271	$ 1,124,723	$ 2,178,994
Plan assets less than projected benefit obligation	$ (161,376)	$ (110,675)	$ (272,051)
Accumulated benefit obligation at end of period	$ 1,054,271	$ 1,124,723	$ 2,178,994

A summary of changes in the plan assets, projected benefit obligation and the resulting funded status for the year ended December 31, 2022 is as follows:

	Advocate	AAH	Total
Change in plan assets:			
Plan assets at fair value at beginning of period	$ 982,077	$ 1,405,674	$ 2,387,751
Actual return on plan assets	(55,218)	(378,408)	(433,626)
Benefits paid	(63,650)	(44,774)	(108,424)
Plan assets at fair value at end of period	$ 863,209	$ 982,492	$ 1,845,701
Change in projected benefit obligation:			
Projected benefit obligation at beginning of period	$ 1,057,089	$ 1,463,291	$ 2,520,380
Interest cost	39,130	43,849	82,979
Actuarial loss (gain)	4,663	(374,539)	(369,876)
Benefits paid	(63,650)	(44,774)	(108,424)
Projected benefit obligation at end of period	$ 1,037,232	$ 1,087,827	$ 2,125,059
Plan assets less than projected benefit obligation	$ (174,023)	$ (105,335)	$ (279,358)
Accumulated benefit obligation at end of period	$ 1,037,232	$ 1,087,827	$ 2,125,059

The AAH Plan actuarial gain of $374,539 for the year ending December 31, 2022 was primarily driven by an increase in discount rates and an increase in the expected long-term rate of return on plan assets.

The Advocate Plan paid lump sums totaling $45,541 and $60,526 in 2023 and 2022, respectively. The amount in 2022 was greater than the sum of the Advocate Plan's service cost and interest cost, resulting in a settlement charge in the amount of $17,789.

Pension plan expense is included in other nonoperating (loss) income, net in the accompanying consolidated statements of operations and changes in net assets is as follows for the year ended December 31, 2023:

	Advocate	AAH	Total
Interest cost	$ 52,102	$ 55,482	$ 107,584
Expected return on plan assets	(52,910)	(56,606)	(109,516)
Amortization of:			
Actuarial loss	4,459	—	4,459
Prior service cost	—	3	3
Net pension expense (income)	$ 3,651	$ (1,121)	$ 2,530

Pension plan expense is included in other nonoperating (loss) income, net in the accompanying consolidated statements of operations and changes in net assets is as follows for the year ended December 31, 2022:

	Advocate	AAH	Total
Interest cost	39,130	43,849	82,979
Expected return on plan assets	(44,909)	(52,179)	(97,088)
Amortization of:			
Actuarial loss	3,491	6,034	9,525
Prior service cost	—	3	3
Settlement	17,789	—	17,789
Net pension expense	$ 15,501	$ (2,293)	$ 13,208

The components of net periodic benefit costs, other than the service cost component, are included in other nonoperating (loss) income, net in the accompanying consolidated statements of operations and changes in net assets.

The net change recognized in net assets without donor restrictions as a component of pension-related changes other than net periodic pension cost was as follows for the year ended December 31, 2023:

	Advocate	AAH	Total
Net change recognized	$ (16,298)	$ 6,462	$ (9,836)

The net change recognized in net assets without donor restrictions as a component of pension-related changes other than net periodic pension cost was as follows for the year ended December 31, 2022:

	Advocate	AAH	Total
Net change recognized	$ 83,510	$ 50,011	$ 133,521

Included in net assets without donor restrictions at December 31, 2023 are the following amounts that have not yet been recognized in net pension expense:

	Advocate	AAH	Total
Unrecognized prior credit	$ —	$ 91	$ 91
Unrecognized actuarial loss	311,339	396,929	708,268
	$ 311,339	$ 397,020	$ 708,359

Expected employee benefit payments to be paid from the pension plans are as follows:

	Advocate	AAH	Total
2024	$ 72,861	$ 58,629	$ 131,490
2025	71,605	61,737	133,342
2026	70,533	65,211	135,744
2027	70,800	67,851	138,651
2028	70,011	70,263	140,274
2029-2033	359,414	374,175	733,589
Total	$ 715,224	$ 697,866	$ 1,413,090

No contributions are expected to the pension plans in 2024.

Employer contributions are paid from employer assets. No plan assets are expected to be returned to the employer. All benefits paid under the Advocate Plan and AAH Plan (collectively referred to as the "Plans") were paid from the Plans' assets.

The System's asset allocation and investment strategies are designed to earn returns on plan assets consistent with a reasonable and prudent level of risk. Investments are diversified across classes, economic sectors and manager style to minimize the risk of loss. The System utilizes investment managers specializing in each asset category and, where appropriate, provides the investment manager with specific guidelines that include allowable and/or prohibited investment types. The System regularly monitors manager performance and compliance with investment guidelines.

The System's target and actual pension asset allocations for the Plans are as follows:

	December 31, 2023		December 31, 2022	
Asset Category - Advocate Plan	Target	Actual	Target	Actual
De-risking portfolio	70 %	68 %	70 %	70 %
Domestic and international equity securities	21	23	21	20
Alternative investments	6	6	6	7
Cash and fixed-income securities	3	3	3	3
	100 %	100 %	100 %	100 %

	December 31, 2023		December 31, 2022	
Asset Category - AAH Plan	Target	Actual	Target	Actual
De-risking portfolio	85 %	82 %	85 %	82 %
Domestic and international equity securities	12	15	12	15
Real estate	1	1	1	1
Cash and fixed-income securities	2	2	2	2
	100 %	100 %	100 %	100 %

The de-risking portfolio is comprised of cash and fixed-income instruments designed to hedge Plan liabilities.

At December 31, 2023, the Advocate Plan had commitments to fund alternative investments, including recallable distributions of $14,549 over the next three years.

In the normal course of operations and within established investment policy guidelines, the Plans may enter into various exchange-traded and over-the-counter derivative contracts for trading purposes, including futures, options and forward contracts. These instruments are used primarily to maintain the Plans' strategic asset allocation and hedge security price movements. These instruments require the Plans to deposit cash collateral with the broker or custodian.

Derivative contract information at December 31, 2023 are as follows:

	Advocate	AAH	Total
Cash and security collateral provided	$ 17,115	$ 7,307	$ 24,422
Gross notional value	$ (418,971)	$ 253,937	$ (165,034)

Derivative contract information at December 31, 2022 are as follows:

	Advocate	AAH	Total
Cash and security collateral provided	$ 15,659	$ 6,819	$ 22,478
Gross notional value	$ (398,544)	$ 232,011	$ (166,533)

By using derivative financial instruments, the System exposes itself to credit risk and market risk as described in Note 6. INVESTMENTS .

Fair value methodologies for Level 1 and Level 2 are consistent with the inputs described in Note 7. FAIR VALUE. Real estate commingled funds for which an active market exists are included in Level 2. The System opted to use the net asset value per share, or its equivalent, as a practical expedient for the fair value of the Plans' interest in hedge funds, private equity limited partnerships and real estate commingled funds. There is inherent uncertainty in such valuations and the estimated fair values may differ from the values that would have been used had a ready market for these investments existed. Private equity limited partnerships and real estate commingled funds typically have finite lives ranging from five to ten years, at the end of which all invested capital is returned. For hedge funds, the typical lockup period is one year, after which invested capital can be redeemed on a quarterly basis with at least 30 days' but no more than 90 days' notice. The Plans' investment assets are exposed to the same kinds and levels of risk as described in Note 7. FAIR VALUE.

The following are the Plans' financial instruments at December 31, 2023, measured at fair value on a recurring basis by the valuation hierarchy defined in Note 7. FAIR VALUE:

Description	December 31, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and short-term investments	$ 54,958	$ 784	$ 54,174	$ —
Corporate bonds and other debt securities	828,052	—	828,052	—
United States government obligations	545,538	—	545,538	—
Bond and other debt security funds	49,068	—	49,068	—
Equity securities	14,177	14,177	—	—
Equity funds	354,901	9,473	345,428	—
Real estate funds	13,610	—	13,610	—
	1,860,304	$ 24,434	$ 1,835,870	$ —
Investments at net asset value				
Alternative investments	49,561			
Total plan investments	1,909,865			
Accruals carried at cost	(2,922)			
Total plan assets	$ 1,906,943			

The following are the Plans' financial instruments at December 31, 2022, measured at fair value on a recurring basis by the valuation hierarchy defined in Note 7. FAIR VALUE:

Description	December 31, 2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and short-term investments	$ 89,470	$ 1,155	$ 88,315	$ —
Corporate bonds and other debt securities	748,185	—	748,185	—
United States government obligations	540,677	—	540,677	—
Bond and other debt security funds	44,071	—	44,071	—
Equity securities	13,393	13,393	—	—
Equity funds	335,434	9,418	326,016	—
Real estate funds	16,407	—	16,407	—
	1,787,637	$ 23,966	$ 1,763,671	$ —
Investments at net asset value				
Alternative investments	59,579			
Total plan investments	1,847,216			
Accruals carried at cost	(1,515)			
Total plan assets	$ 1,845,701			

Assumptions used to determine benefit obligations are as follows:

	December 31, 2023	December 31, 2022
Discount rate - Advocate Plan	4.99 %	5.19 %
Discount rate - AAH Plan	5.04 %	5.23 %
Assumed rate of return on assets - Advocate Plan	6.30 %	6.00 %
Assumed rate of return on assets - AAH Plan	5.40 %	4.50 %
Interest crediting rate - Advocate Plan	4.13 %	4.10 %

Assumptions used to determine net pension expense are as follows:

	December 31, 2023	December 31, 2022
Discount rate - Advocate Plan	5.19 %	2.85 %
Discount rate - AAH Plan	5.23 %	3.05 %
Assumed rate of return on assets - Advocate Plan	6.00 %	4.50 %
Assumed rate of return on assets - AAH Plan	4.50 %	3.80 %
Interest crediting rate - Advocate Plan	4.10 %	1.80 %

The assumed rate of return on each of the Plan's assets is based on historical and projected rates of return for asset classes in which the portfolio is invested.

The 2023 and 2022 mortality assumption for the Plans was the amounts-weighted aggregate rates from the Pri-2012 mortality study, with white-collar adjustments projected generationally from 2012 with Scale MP-2021.

In addition to these Plans, the System sponsors a defined contribution plan for its employees. Expense related to the plan, which is included in salaries, wages and benefits expense in the accompanying consolidated statements of operations and changes in net assets, was $332,918 and $312,816 for the years ended December 31, 2023 and 2022, respectively.

14. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes:

	December 31, 2023	December 31, 2022
Purchases of property and equipment	$ 17,171	$ 19,422
Medical education and other health care programs	227,280	218,754
	$ 244,451	$ 238,176

15. FUNCTIONAL OPERATING EXPENSES

Operating expenses directly attributable to a specific functional area of the System are reported as expenses of those functional areas. Expenses other than interest expense are directly allocated to functional departments at the time they are incurred. Interest expense that relates to debt financing is allocated based on the use of the related funds. General and administrative expenses primarily include legal, finance, marketing, purchasing and human resources. A majority of fundraising costs are reported as other nonoperating (loss) income, net in the accompanying consolidated statements of operations and changes in net assets.

Functional operating expenses for the year ended December 31, 2023 are as follows:

	Health care services	General and administrative	Consolidated
Salaries, wages and benefits	$ 8,156,018	$ 819,549	$ 8,975,567
Supplies and drugs	3,009,944	53,855	3,063,799
Purchased services and other	1,709,147	650,388	2,359,535
Contracted medical services	542,880	—	542,880
Depreciation and amortization	574,943	39,141	614,084
Interest	125,568	—	125,568
Total operating expenses	$ 14,118,500	$ 1,562,933	$ 15,681,433

Functional operating expenses for the year ended December 31, 2022 are as follows:

	Health care services	General and administrative	Consolidated
Salaries, wages and benefits	$ 7,810,612	$ 750,010	$ 8,560,622
Supplies and drugs	2,611,489	47,798	2,659,287
Purchased services and other	1,528,218	582,930	2,111,148
Contracted medical services	518,834	—	518,834
Depreciation and amortization	563,195	36,728	599,923
Interest	118,319	—	118,319
Total operating expenses	$ 13,150,667	$ 1,417,466	$ 14,568,133

16. LIQUIDITY

The System's financial assets available within one year of the consolidated balance sheets date for general expenditures are as follows:

	December 31, 2023	December 31, 2022
Current assets		
Cash and cash equivalents	$ 857,599	$ 372,898
Assets limited as to use	179,288	153,557
Patient accounts receivable	1,906,747	1,796,499
Third-party payors receivables	100,958	23,400
Collateral proceeds under securities lending program	14,557	17,402
Total current assets	3,059,149	2,363,756
Assets limited as to use		
Internally designated for capital and other	10,822,009	10,301,972
Held for self-insurance	508,709	564,195
Donor restricted	106,325	98,293
Funds held under retirement plans	412,776	324,928
Investments under securities lending program	13,700	16,732
Total assets limited as to use	11,863,519	11,306,120
Total financial assets	$ 14,922,668	$ 13,669,876
Less		
Amounts unavailable for general expenditures		
Alternative investments	(3,536,782)	(3,000,238)
Total amounts unavailable for general expenditure	(3,536,782)	(3,000,238)
Amounts unavailable to management without approval		
Held for self-insurance	(687,997)	(717,752)
Held for employees under retirement plans	(412,776)	(324,928)
Donor restricted	(106,325)	(98,293)
Investments under securities lending program	(13,700)	(16,732)
Total amounts unavailable to management without approval	(1,220,798)	(1,157,705)
Total financial assets available to management for general expenditure within one year	$ 10,165,088	$ 9,511,933

17. COMMITMENTS AND CONTINGENCIES

Future Obligations

Aurora West Allis Medical Center has the right to operate the hospital under the terms of a lease agreement with the City of West Allis ("the City"). In accordance with the lease agreement, the City has title to all assets and any subsequent additions (with the exception of certain equipment used by Aurora for laboratory services). Aurora West Allis Medical Center has an exclusive right to the use of the assets and the obligation to maintain and replace them. The historical cost to the System of the leased facilities is included within the System's property and equipment, net. The agreement provides for annual payments of less than $100 in lieu of annual lease payments and includes payment escalations each subsequent year. The lease expires in 2063.

The System is committed to constructing additions and renovations to its medical facilities that are expected to be completed in future years. The estimated cost of these commitments is $498,224, of which $224,860 has been incurred as of December 31, 2023.

The System entered into agreements for information technology services provided by third parties. The maximum amount of future payments that the System could be required to make under these agreements is approximately $50,000 over the next seven years and approximately $3,000 and $19,000 is included in accounts payable and other accrued liabilities and other noncurrent liabilities, respectively in the accompanying consolidated balance sheets at December 31, 2023. The System has also entered into various other agreements. The future commitments under these agreements are $25,335 over the next three years.

Litigation

From time to time, the System receives and responds to investigations and requests concerning possible violations of reimbursement, false claims, anti-kickback and anti-referral statutes, environmental regulations and other regulations of health care providers from federal and state regulatory agencies. There can be no assurance that regulatory authorities will not challenge the System's compliance with these laws and regulations, and it is not possible to determine the impact, if any, such claims, or penalties would have on the System. To foster compliance with applicable laws and regulations, the System maintains a compliance program designed to detect and correct potential violations of laws and regulations related to its programs.

The System also is involved in litigation such as medical malpractice and contractual disputes, as both plaintiff and defendant, and other routine labor matters, proposed class action complaints, tax examinations, security events resulting in potential privacy incidents, internal compliance activities and regulatory investigations and examinations arising in the ordinary course of business.

Based on System's assessment of the above matters, the uncertainty of litigation, and the preliminary stages of many of the matters, the System cannot estimate the reasonable possible loss or range of loss that may result from these matters, except as stated in the consolidated financial statements, including this note. Management of the System is of the opinion, however, that the resolution of these legal actions will not have a material effect on the financial position of the System.

Two sets of plaintiffs have filed separate putative class action civil lawsuits against the Advocate Aurora Health, Inc. ("AAH"), in 2022 and 2023, alleging violations of Federal and State antitrust law arising out of, among other things, the System's arrangements with certain health plans. The matters are in the discovery and pleadings stages, respectively. The System cannot estimate the reasonable possible loss or range of loss that may result from either of these matters and there can be no assurance that the resolution of either of these matters will not have a material adverse effect on System's consolidated financial position or results of operations.

18. GENERAL AND PROFESSIONAL LIABILITY RISKS

The System is self-insured for substantially all general and professional liability risks. The self-insurance programs combine various levels of self-insured retention with excess commercial insurance coverage. In addition, various umbrella insurance policies have been purchased to provide coverage in excess of the self-insured limits. Revocable trust funds, administered by a trustee and captive insurance companies, have been established for the self-insurance programs. Actuarial consultants have been retained to determine the estimated cost of claims, as well as to determine the amount to fund into the irrevocable trust and captive insurance companies.

The System's hospitals, clinics, surgery centers, physicians and certified registered nurse anesthetist providers that provide health care in Wisconsin are qualified health care providers that are fully

covered for losses in excess of statutory limits through mandatory participation in the State of Wisconsin Injured Patients and Families Compensation Fund.

The estimated cost of claims is actuarially determined based on experience, as well as other considerations, including the nature of each claim or incident and relevant trend factors. Accrued insurance liabilities and contributions to the trust were determined using a discount rate of 4.00% and 3.00% as of December 31, 2023 and 2022, respectively. Total accrued insurance liabilities would have been $122,143 and $81,651 greater at December 31, 2023 and 2022, respectively, had these liabilities not been discounted.

19. RELATED-PARTY TRANSACTIONS

As part of the Advocate Health joint operating agreement as described in Note 1. ORGANIZATION AND BASIS OF PRESENTATION, the System and AHI share certain expenses related to the management of Advocate Health. As of December 31, 2023, the System has a receivable from Advocate Health of $1,870 included in other current assets in the accompanying consolidated balance sheets.

20 INCOME TAXES AND TAX STATUS

The subsidiaries of the System are primarily tax-exempt organizations under Internal Revenue Code Section 501(c)(3) and their related income is exempt from federal income tax. Accordingly, no income taxes are recorded for the majority of the income in the accompanying consolidated financial statements for these entities. Unrelated business income is generated by certain of these entities through the provision of services or other activities not directly related to the provision of patient care.

At December 31, 2023, the System had $160,318 of federal and $150,532 of state net operating loss carryforwards with unutilized amounts of state net operating loss carryforwards expiring between 2023 and 2039. At December 31, 2022, the System had $153,352 of federal and $113,825 of state net operating loss carryforwards with unutilized amounts of state net operating loss carryforwards expiring between 2022 and 2039. As a result of the Tax Cuts and Jobs Act of 2017, net operating losses generated after 2017 do not expire for federal purposes. Of the $160,318 of federal net operating loss carryforwards at December 31, 2023, $145,397 was generated after 2017.

The System calculated income taxes for its taxable subsidiaries. Taxable income differs from pretax book income primarily due to certain income and deductions for tax purposes being recorded in the consolidated financial statements in different periods. Deferred income tax assets and liabilities are recorded for the tax effect of these differences using enacted tax rates for the years in which the differences are expected to reverse.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent on the generation of future taxable income during the periods in which those temporary differences become deductible.

The System had deferred tax assets and liabilities as follows:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Other deferred tax assets	$ 14,811	$ 30,381
Net operating loss carryforwards	45,781	41,562
Valuation allowances	(45,024)	(40,580)
Net deferred tax assets	15,568	31,363
Deferred tax liabilities	(15,660)	(30,748)
Net deferred tax (liabilities) assets	$ (92)	$ 615

Provisions (credits) for federal and deferred income taxes are included in other nonoperating (loss) income, net in the accompanying consolidated statements of operations and changes in net assets as follows:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Federal	$ 13,270	$ (15,041)
Deferred	709	12,443
	$ 13,979	$ (2,598)

21 SUBSEQUENT EVENTS

The System evaluated events and transactions subsequent to December 31, 2023 through April 22, 2024, the date of consolidated financial statement issuance.

In January 2024, $48,560 of the Series 2018B-3 Bonds were remarketed for a new long-term rate period and will next be subject to mandatory purchase on June 22, 2029. In connection with the remarketing, $4,430 of the Series 2018B-3 Bonds were redeemed and a loss on refinancing was recorded in the amount of $25.

In January 2024, $50,350 of the Series 2018C-4 Bonds were remarketed for a new long-term rate period and will next be subject to mandatory purchase on June 22, 2029. In connection with the remarketing, $4,590 of the Series 2018C-4 Bonds were redeemed and a loss on refinancing was recorded in the amount of $26.

****

Supplementary Information

Ernst & Young LLP
155 North Wacker Drive
Chicago, IL 60606-1787

Tel: +1 312 879 2000
Fax: +1 312 879 4000
ey.com

Report of Independent Auditors on Supplementary Information

The Board of Directors
Advocate Health, Inc.

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying details of consolidated balance sheets and details of consolidated statements of operations and changes in net assets are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Ernst + Young LLP

April 22, 2024

ADVOCATE AURORA HEALTH, INC.

CONSOLIDATING BALANCE SHEET

December 31, 2023

(in thousands)

	Credit Group	Noncredit Group	Eliminations	Consolidated
Assets				
Current assets				
Cash and cash equivalents	$ 1,226,001	$ (368,402)	$ —	$ 857,599
Assets limited as to use	166,695	12,593	—	179,288
Patient accounts receivable	1,691,538	235,338	(20,129)	1,906,747
Receivable from subsidiaries	21,111	1,380	(22,491)	—
Other current assets	918,895	174,788	—	1,093,683
Total current assets	4,024,240	55,697	(42,620)	4,037,317
Assets limited as to use	11,765,129	377,391	(279,001)	11,863,519
Note receivable from subsidiaries	154,868	—	(154,868)	—
Property and equipment, net	5,539,766	379,467	—	5,919,233
Other assets				
Goodwill and intangible assets, net	50,044	6,894	—	56,938
Investment in subsidiaries	822,129	—	(822,129)	—
Operating lease right-of-use assets	271,304	33,810	—	305,114
Other noncurrent assets	514,914	300,785	—	815,699
Total other assets	1,658,391	341,489	(822,129)	1,177,751
Total assets	$ 23,142,394	$ 1,154,044	$ (1,298,618)	$ 22,997,820

ADVOCATE AURORA HEALTH, INC.

CONSOLIDATING BALANCE SHEET

December 31, 2023

(in thousands)

	Credit Group	Noncredit Group	Eliminations	Consolidated
Current liabilities				
Long-term debt and commercial paper, current portion	$ 172,113	$ 646	$ —	$ 172,759
Long-term debt subject to short-term financing arrangements	354,720	—	—	354,720
Operating lease liabilities, current portion	62,064	6,998	—	69,062
Accrued salaries and employee benefits	1,186,058	59,387	—	1,245,445
Accounts payable and accrued liabilities	878,322	305,848	(20,129)	1,164,041
Third-party payors payables	401,737	2,759	—	404,496
Accrued insurance and claims costs, current portion	225,178	12,593	—	237,771
Accounts payable to subsidiaries	(1,380)	23,871	(22,491)	—
Total current liabilities	3,278,812	412,102	(42,620)	3,648,294
Noncurrent liabilities				
Long-term debt, less current portion	2,931,196	162,893	(154,868)	2,939,221
Operating lease liabilities, less current portion	244,591	28,543	—	273,134
Accrued insurance and claims cost, less current portion	655,236	31,407	—	686,643
Obligations under swap agreements	31,681	—	—	31,681
Due to subsidiaries	279,001	—	(279,001)	—
Other noncurrent liabilities	1,104,365	55,428	—	1,159,793
Total noncurrent liabilities	5,246,070	278,271	(433,869)	5,090,472
Total liabilities	**8,524,882**	**690,373**	**(476,489)**	**8,738,766**
Net assets				
Without donor restrictions				
Controlling interest	14,447,395	(102,878)	(521,496)	13,823,021
Noncontrolling interests in subsidiaries	—	492,215	(300,633)	191,582
Total net assets without donor restrictions	14,447,395	389,337	(822,129)	14,014,603
With donor restrictions	170,117	74,334	—	244,451
Total net assets	**14,617,512**	**463,671**	**(822,129)**	**14,259,054**
Total liabilities and net assets	$ 23,142,394	$ 1,154,044	$ (1,298,618)	$ 22,997,820

ADVOCATE AURORA HEALTH, INC.

CONSOLIDATING STATEMENT OF OPERATIONS

Year Ended December 31, 2023

(in thousands)

	Credit Group	Noncredit Group	Eliminations	Consolidated
Revenue				
Patient service revenue	$ 11,787,118	$ 1,537,629	$ (337,658)	$ 12,987,089
Capitation revenue	666,791	544,099	(3,972)	1,206,918
Other revenue	840,850	1,102,127	(383,930)	1,559,047
Total revenue	13,294,759	3,183,855	(725,560)	15,753,054
Expenses				
Salaries, wages and benefits	7,997,098	993,334	(14,865)	8,975,567
Supplies and drugs	2,320,028	744,046	(275)	3,063,799
Purchased services and other	2,059,828	573,382	(273,675)	2,359,535
Contracted medical services	237,667	646,842	(341,629)	542,880
Depreciation and amortization	515,174	98,910	—	614,084
Interest	122,285	13,799	(10,516)	125,568
Total expenses	13,252,080	3,070,313	(640,960)	15,681,433
Operating income (loss)	**42,679**	**113,542**	**(84,600)**	**71,621**
Nonoperating income (loss)				
Investment income, net	805,466	13,714	—	819,180
Other nonoperating (loss) income, net	(300,596)	242,632	13	(57,951)
Total nonoperating income, net	504,870	256,346	13	761,229
Revenue in excess of expenses	547,549	369,888	(84,587)	832,850
Less income attributable to noncontrolling interests	—	(143,105)	84,587	(58,518)
Revenue in excess of expenses- attributable to controlling interests	**$ 547,549**	**$ 226,783**	**$ —**	**$ 774,332**

Notes to Supplementary Information

1. Credit Group

The supplementary financial information for the Credit Group is in accordance with the Second Amended and Restated Master Trust Indenture dated as of August 1, 2018 between Advocate Aurora Health, Inc, the other affiliates identified therein as the Members of the Obligated Group, the Restricted Affiliates, and U.S. Bank National Association, as master trustee ("the System Master Indenture").

2. Credit Group Members

The Credit Group is comprised of the Obligated Group in combination with the Restricted Affiliates. The Obligated Group includes Advocate Aurora Health, Inc.; Advocate Health Care Network; Advocate Health and Hospitals Corporation; Advocate North Side Health Network; Advocate Condell Medical Center; Advocate Sherman Hospital; Aurora Health Care, Inc.; Aurora Health Care Metro, Inc.; Aurora Health Care Southern Lakes, Inc.; Aurora Health Care Central, Inc. d/b/a Aurora Sheboygan Memorial Medical Center; Aurora Medical Center of Washington County, Inc.; Aurora Health Care North, Inc. d/b/a Aurora Medical Center Manitowoc County; Aurora Medical Center of Oshkosh, Inc.; Aurora Medical Group, Inc.; Aurora Medical Center Grafton LLC; and Aurora Medical Center Bay Area, Inc. The Restricted Affiliates include Advocate Charitable Foundation; Advocate Home Care Products, Inc.; EHS Home Health Care Services, Inc.; Evangelical Services Corporation, d/b/a Advocate Network Services, Inc.; High Technology, Inc.; Meridian Hospice; and West Allis Memorial Hospital Inc. d/b/a Aurora West Allis Medical Center. The Credit Group is with U.S. Bank National Association, as master trustee ("the System Master Indenture").