

**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: Rush Elmhurst Medical Office Building		
Street Address: 107 N. York St.		
City and Zip Code: Elmhurst 60126		
County: DuPage	Health Service Area: 007	Health Planning Area: A-05

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

Exact Legal Name: Rush System for Health d/b/a Rush University System for Health
Street Address: 1725 West Harrison Street, Suite 364
City and Zip Code: Chicago, IL 60612
Name of Registered Agent: Carl Bergetz
Registered Agent Street Address: 1725 West Harrison Street, Suite 364
Registered Agent City and Zip Code: Chicago, Illinois 60612
Name of Chief Executive Officer: Omar B. Lateef, D.O.
CEO Street Address: 1700 West Van Buren Street, Suite 301
CEO City and Zip Code: Chicago 60612
CEO Telephone Number: (312) 942-8715

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: Catie Russell
Title: Assistant General Counsel
Company Name: Rush University Medical Center
Address: 1700 West Van Buren Street, Suite 301, Chicago, IL 60612
Telephone Number: (312) 942-6886
E-mail Address: Catherine_C_Russell@rush.edu
Fax Number: (312) 942-6886

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

Name: Juan Morado Jr. and Mark J. Silberman
Title: Partner
Company Name: Benesch Friedlander Coplan & Aronoff LLP
Address: 71 S. Wacker Drive, Suite 1600
Telephone Number: (312) 212-4949
E-mail Address: JMorado@Beneschlaw.com and MSilberman@Beneschlaw.com
Fax Number: (312) 767-9192

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Fax Number: (312) 767-9192

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: Catie Russell
Title: Assistant General Counsel, Regulatory & Corporate Transactions
Company Name: Rush University Medical Center Legal
Address: 1700 West Van Buren Street, Suite 301, Chicago, IL 60612
Telephone Number: (312) 942-6908
E-mail Address: Catherine.C.Russell@rush.edu
Fax Number: (312) 942-4233

Site Ownership [Provide this information for each applicable site]

Exact Legal Name of Site Owner: Cordora Properties LLC
Address of Site Owner: 105 S. York St., Elmhurst, IL 60126
Street Address or Legal Description of the Site: Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee [Provide this information for each applicable facility and insert after this page.]

Exact Legal Name: Rush University System for Health			
Address: 1825 West Harrison Street, Suite 364, Chicago, IL 60612			
☒	Non-profit Corporation	☐	Partnership
☐	For-profit Corporation	☐	Governmental
☐	Limited Liability Company	☐	Sole Proprietorship
		☐	Other
○ Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. ○ Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. ○ Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.			
APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Organizational Relationships

Provide (for each applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.
APPEND DOCUMENTATION AS ATTACHMENT 4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Flood Plain Requirements [Refer to application instructions.]

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

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

Historic Resources Preservation Act Requirements [Refer to application instructions.]

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

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

DESCRIPTION OF PROJECT**1. Project Classification**

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

Part 1110 Classification :

- ☐ Substantive
- ☒ Non-substantive

2. Narrative Description

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

Rush System for Health d/b/a Rush University System for Health and Rush University Medical Center (the "Applicants") proposes the establishment of the Rush Elmhurst Medical Office Building ("Rush Elmhurst MOB"), an approximately 20,764 square foot medical office building at 107 N. York St., Elmhurst, IL 60126. This building will entail new construction of the core and shell by the building owner and the additional new construction to be completed by the Applicant for the medical office building.

This project is classified as non-substantive, in that it does not involve the establishment of any category of services. However, it requires an expenditure in excess of the capital expenditure threshold, thus making it reviewable by the Review Board.

The proposed MOB will consist of twenty-five (25) examination rooms, 1 procedure room, imaging, pharmacy, lab, home infusion, and office space, and likely services under consideration include:

- Primary Care
- Urgent Care
- Medical Weight Loss
- General Gynecology
- Otolaryngology
- Audiology
- Dermatology
- Transplant Hepatology
- Transplant Nephrology
- Cardiology

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	\$6,508,866	\$3,191,134	\$9,700,000
Modernization Contracts	-	-	-
Contingencies	\$427,327	\$209,508	\$636,835
Architectural/Engineering Fees	\$484,139	\$237,361	\$721,500
Consulting and Other Fees	\$1,068,938	\$524,074	\$1,593,012
Movable or Other Equipment (not in construction contracts)	\$1,823,000	\$1,218,800	\$3,041,800
Bond Issuance Expense (project related)	-	-	-
Net Interest Expense During Construction (project related)	-	-	-
Fair Market Value of Leased Space or Equipment	\$6,050,769	\$2,966,540	\$9,017,309
Other Costs to Be Capitalized	\$1,671,249	\$819,372	\$2,490,621
Acquisition of Building or Other Property (excluding land)	-	-	-
TOTAL USES OF FUNDS	\$18,034,289	\$9,166,788	\$27,201,077
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$11,983,520	\$6,200,248	\$18,183,768
Pledges	-	-	-
Gifts and Bequests	-	-	-
Bond Issues (project related)	-	-	-
Mortgages	-	-	-
Leases (fair market value)	\$6,050,769	\$2,966,540	\$9,017,309
Governmental Appropriations	-	-	-
Grants	-	-	-
Other Funds and Sources	-	-	-
TOTAL SOURCES OF FUNDS	\$18,034,289	\$9,166,788	\$27,201,077
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:	NOT APPLICABLE	
Fair Market Value:	NOT APPLICABLE	
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 \$ 18,819,146		

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): <u>July 1, 2028</u>
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 <u>ATTACHMENT 8</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals [Section 1130.620(c)]

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

Cost Space Requirements

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

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

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Diagnostic Radiology (Ultrasound, Stress Echo, X-Ray)	\$1,261,999	-	975	975	-	-	-
1 Procedure Rooms, 25 Exam Rooms, Pharmacy, Lab, and Home Infusion)	\$16,772,290	-	12,958	12,958	-	-	-
Total Clinical	\$18,034,289	-	13,933	13,933	-	-	-
NON-REVIEWABLE							
Administrative Space	\$9,166,788	-	6,831	6,831	-	-	-
Total Non-clinical	\$9,166,788	-	6,831	6,831	-	-	-
TOTAL	\$27,201,077	-	20,764	20,764	-	-	-
APPEND DOCUMENTATION AS ATTACHMENT 9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.							

Facility Bed Capacity and Utilization – NOT APPLICABLE

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert the chart after this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which data is available**. Include observation days in the patient day totals for each bed service. Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

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

CERTIFICATION

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

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

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



SIGNATURE

Kate Jones
PRINTED NAME

Senior Vice-President and Chief Strategy Officer
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 21st day of January 2026



Signature of Notary



SIGNATURE

Carl Bergetz, JD
PRINTED NAME

Chief Legal Officer
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 21st day of January 2026



Signature of Notary

Seal



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

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

1110.110(a) – Background of the Applicant

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.
3. For the following questions, please provide information for each applicant, including corporate officers or directors, LLC members, partners, and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.
 - a. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application.
 - b. A certified listing of each applicant, identifying those individuals that have been cited, arrested, taken into custody, charged with, indicted, convicted, or tried for, or pled guilty to the commission of any felony or misdemeanor or violation of the law, except for minor parking violations; or the subject of any juvenile delinquency or youthful offender proceeding. Unless expunged, provide details about the conviction, and submit any police or court records regarding any matters disclosed.
 - c. A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude.
 - d. A certified listing of each applicant with one or more unsatisfied judgements against him or her.
 - e. A certified and detailed listing of each applicant who is in default in the performance or discharge of any duty or obligation imposed by a judgment, decree, order or directive of any court or governmental agency.
4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
5. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant can submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT 11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

Criterion 1110.110(b) & (d)

PURPOSE OF PROJECT

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other relevant area, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed as applicable and appropriate for the project.
4. Cite the sources of the documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals **as appropriate**.

For projects involving modernization, describe the conditions being upgraded, if any. For facility projects, include statements of the age and condition of the project site, as well as regulatory citations, if any. For equipment being replaced, include repair and maintenance records.

NOTE: Information regarding the "Purpose of the Project" will be included in the State Board Staff Report.

APPEND DOCUMENTATION AS ATTACHMENT 12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

ALTERNATIVES

1. Identify **ALL** the alternatives to the proposed project:

Alternative options **must** include:

- A) Proposing a project of greater or lesser scope and cost.
 - B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes.
 - C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
 - D) Provide the reasons why the chosen alternative was selected.
2. Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality, and financial benefits in both the short-term (within one to three years after project completion) and long-term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED, THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
 3. The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

APPEND DOCUMENTATION AS ATTACHMENT 13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

Criterion 1110.120 - Project Scope, Utilization, and Unfinished/Shell Space

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative and it shall include the basis used for determining the space and the methodology applied.**
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:
 - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies and certified by the facility's Medical Director.
 - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.
 - c. The project involves the conversion of existing space that results in excess square footage.
 - d. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
Diagnostic Radiology (Ultrasound, Echo Stress, X-Ray)	975	Total: 3,500 GSF 1,300 GSF Per Unit (General Radiology); 900 GSF Per Unit (Ultrasound)	-2,525	Yes

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					
	DEPARTMENT SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MEET STANDARD?
YEAR 1	Ultra-Sound X-Ray Echo Stress	10,215 visits 11,625 procedures 3,581 procedures	6,100 visits 6,900 procedures 2,200 procedures	Total: 14,200 visits/procedures per unit 6,200 visits per unit (Ultrasound); 8,000 procedures per unit (X-Ray), No standard for Echo Stress	YES
YEAR 2	Ultra-Sound X-Ray Echo Stress	10,215 visits 11,625 procedures 3,581 procedures	6,283 visits 7,107 procedures 2,226 procedures	Total: 14,200 visits/procedures per unit 6,200 visits per unit (Ultrasound); 8,000 procedures per unit (X-Ray), No standard for Echo Stress	YES

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

UNFINISHED OR SHELL SPACE:

Provide the following information:

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

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

ASSURANCES:

Submit the following:

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

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

SECTION VI. SERVICE SPECIFIC REVIEW CRITERIA

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

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
☒ Imaging: Ultra-Sound, X-Ray, Echo Stress	1	1

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 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)

SECTION 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**]:

\$18,183,768	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.
\$9,017,309	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.
\$27,201,077	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 – WAIVER MET

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

Financial Viability Waiver

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

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

See Section 1120.130 Financial Waiver for information to be provided

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

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

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

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

Variance

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

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

SECTION IX. 1120.140 - ECONOMIC FEASIBILITY

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

A. Reasonableness of Financing Arrangements

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

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

B. Conditions of Debt Financing

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

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

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (List below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)	
Imaging and Diagnostic Spaces	\$467.15		13,933				\$6,508,866		\$6,508,866
Contingency	\$30.67		13,933				\$427,327		\$427,327
TOTALS	\$497.82		13,933				\$6,936,193		\$6,936,193

* 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 – NOT APPLICABLE

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)	2022	2023	2024
Inpatient	-	-	-
Outpatient	-	-	-
Total	-	-	-
Charity (cost in dollars)			
Inpatient	-	-	-
Outpatient	-	-	-
Total	-	-	-
MEDICAID			
Medicaid (# of patients)	2022	2023	2024
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 – NOT APPLICABLE

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			
	2022	2023	2024
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: Rush System for Health d/b/a Rush University System for Health and RUMC 1725 W. Harrison Street
(Name) (Address)

Suite 364 Chicago Illinois 60612 (312) 942-5000
(Address) (City) (State) (ZIP Code) (Telephone Number)

2. Project Location: 107 N. York Street Elmhurst Illinois
(Address) (City) (State)

DuPage York 01
(County) (Township) (Section)

3. You can create a small map of your site showing the FEMA floodplain mapping using the FEMA Map Service Center website (<https://msc.fema.gov/portal/home>) by entering the address for the property in the Search bar. If a map, like that shown on page 2 is shown, select the **Go to NFHL Viewer** tab above the map. You can print a copy of the floodplain map by selecting the  icon in the top corner of the page. Select the pin tool icon  and place a pin on your site. Print a FIRMETTE size image.
If there is no digital floodplain map available select the **View/Print FIRM** icon above the aerial photo. You will then need to use the Zoom tools provided to locate the property on the map and use the **Make a FIRMette** tool to create a pdf of the floodplain map.

IS THE PROJECT SITE LOCATED IN A SPECIAL FLOOD HAZARD AREA: Yes___ No 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

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

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1.	Applicant Identification including Certificate of Good Standing	25-27
2.	Site Ownership	28-35
3.	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	36-37
4.	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	38
5.	Flood Plain Requirements	39-40
6.	Historic Preservation Act Requirements	41-45
7.	Project and Sources of Funds Itemization	46-48
8.	Financial Commitment Document if required	49-51
9.	Cost Space Requirements	52
10.	Discontinuation	n/a
11.	Background of the Applicant	53-70
12.	Purpose of the Project	71-73
13.	Alternatives to the Project	74
14.	Size of the Project	75
15.	Project Service Utilization	76-77
16.	Unfinished or Shell Space	n/a
17.	Assurances for Unfinished/Shell Space	n/a
Service Specific:		
18.	Master Design and Related Projects	n/a
19.	Medical Surgical Pediatrics, Obstetrics, ICU	n/a
20.	Comprehensive Physical Rehabilitation	n/a
21.	Acute Mental Illness	n/a
22.	Open Heart Surgery	n/a
23.	Cardiac Catheterization	n/a
24.	In-Center Hemodialysis	n/a
25.	Non-Hospital Based Ambulatory Surgery	n/a
26.	Selected Organ Transplantation	n/a
27.	Kidney Transplantation	n/a
28.	Subacute Care Hospital Model	n/a
29.	Community-Based Residential Rehabilitation Center	n/a
30.	Long Term Acute Care Hospital	n/a
31.	Clinical Service Areas Other than Categories of Service	78-79
32.	Freestanding Emergency Center Medical Services	n/a
33.	Birth Center	n/a
Financial and Economic Feasibility:		
34.	Availability of Funds	80-130
35.	Financial Waiver	n/a
36.	Financial Viability	131
37.	Economic Feasibility	132-133
38.	Safety Net Impact Statement	134
39.	Charity Care Information	n/a
40.	Flood Plain Information	135-136

ATTACHMENT 1

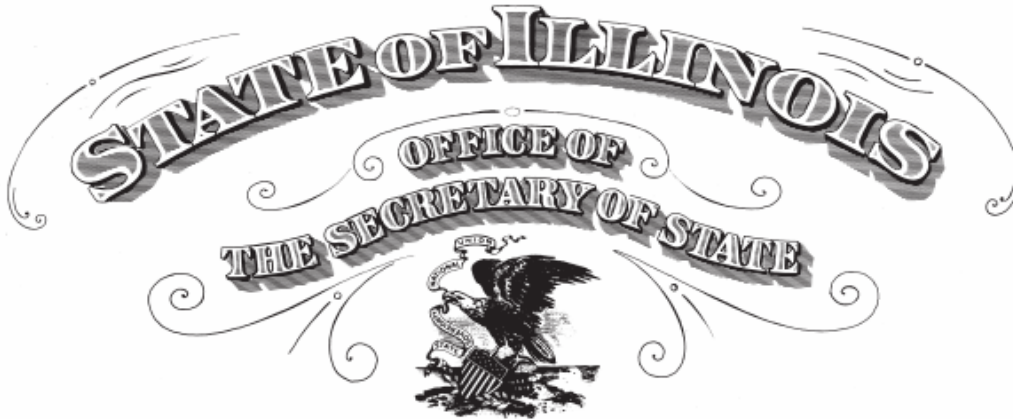
Certificate of Good Standing

Included with this attachment are:

1. The Certificate of Good Standing for Rush System for Health d/b/a Rush University System for Health
2. The Certificate of Good Standing for Rush University Medical Center

ATTACHMENT 1
Certificate of Good Standing
for Rush System for Health d/b/a University System for Health

File Number 5852-111-6



To all to whom these Presents Shall Come, Greeting:

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

RUSH SYSTEM FOR HEALTH, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON SEPTEMBER 22, 1995, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



Authentication #: 2803404258 verifiable until 02/03/2027
Authenticate at: <https://www.ilsos.gov>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 3RD day of FEBRUARY A.D. 2026 .


SECRETARY OF STATE

ATTACHMENT 1
Certificate of Good Standing
for Rush University Medical Center

File Number

0200-214-1



To all to whom these Presents Shall Come, Greeting:

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

RUSH UNIVERSITY MEDICAL CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JULY 21, 1883, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



Authentication #: 2603404204 verifiable until 02/03/2027
Authenticate at: <https://www.ilsos.gov>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 3RD day of FEBRUARY A.D. 2026 .

Alexi Giannoulas
SECRETARY OF STATE

ATTACHMENT 2

Site Ownership

The real property on which the proposed Medical Office Building will be located is currently owned by Cordora Properties LLC, as evidenced by the 2024 real estate tax bill, which is attached. The Applicant has entered into a letter of intent with Peerless Development for the development of the proposed Medical Office Building. A copy of the letter of intent is enclosed with this attachment.

ATTACHMENT 2

Property Tax Bill

MAKE CHECK PAYABLE TO: DU PAGE COLLECTOR - SEND THIS COUPON WITH YOUR 1ST INSTALLMENT PAYMENT OF 2024 Tax

MAIL PAYMENT TO: P.O. BOX 4203, CAROL STREAM, IL 60197-4203
PAY ON-LINE AT: www.dupagecounty.gov/treasurer
SEE REVERSE SIDE FOR ADDITIONAL INFORMATION



06-01-118-021
CORDORA PROPERTIES LLC
105 S YORK ST
ELMHURST IL 60126-3455

1

ON OR BEFORE: JUN 02, 2025	PAY: 0.00
PAYING LATE? JUN 3 THRU 30 JUL 1 THRU 31 AUG 1 THRU 31 SEP 1 THRU 30 OCT 1 THRU 31 NOV 1 THRU 19	PAY THIS AMOUNT: 0.00

U.S. POSTMARK IS USED TO
DETERMINE LATE PENALTY.

PAYMENT OF THIS 2024 TAX BILL
AFTER OCTOBER 31, 2025,
REQUIRES A CASHIER'S CHECK,
CASH OR MONEY ORDER.

☐ CHECK BOX AND
COMPLETE CHANGE OF
ADDRESS ON BACK.

NO PAYMENT WILL BE ACCEPTED AFTER NOV 19, 2025

\$15,797.51 PAID May 08, 2025

1060111802106292000157975171

MAKE CHECK PAYABLE TO: DU PAGE COLLECTOR - SEND THIS COUPON WITH YOUR 2ND INSTALLMENT PAYMENT OF 2024 Tax

MAIL PAYMENT TO: P.O. BOX 4203, CAROL STREAM, IL 60197-4203
PAY ON-LINE AT: www.dupagecounty.gov/treasurer
SEE REVERSE SIDE FOR ADDITIONAL INFORMATION



06-01-118-021
CORDORA PROPERTIES LLC
105 S YORK ST
ELMHURST IL 60126-3455

2

ON OR BEFORE: SEP 02, 2025	PAY: 0.00
PAYING LATE? SEP 3 THRU 30 OCT 1 THRU 31 * NOV 1 THRU 19	PAY THIS AMOUNT: 0.00

U.S. POSTMARK IS USED TO
DETERMINE LATE PENALTY.

PAYMENT OF THIS 2024 TAX BILL
AFTER OCTOBER 31, 2025,
REQUIRES A CASHIER'S CHECK,
CASH OR MONEY ORDER.

☐ CHECK BOX AND
COMPLETE CHANGE OF
ADDRESS ON BACK.

NO PAYMENT WILL BE ACCEPTED AFTER NOV 19, 2025

\$15,797.51 PAID August 25, 2025

2060111802106292000157975172

Rate 2023	Tax 2023	Taxing District	Rate 2024	Tax 2024
		** COUNTY **		
0.0899	248.42	COUNTY OF DU PAGE	0.0832	229.90
0.0180	49.74	PENSION FUND	0.0165	45.60
0.0291	80.42	HEALTH DEPARTMENT	0.0250	69.08
0.0103	28.46	PENSION FUND	0.0114	31.50
0.1001	276.62	FOREST PRESERVE DIST	0.1213	335.18
0.0075	20.72	PENSION FUND	0.0097	26.80
0.0132	36.48	DU PAGE AIRPORT AUTH	0.0122	33.72
		** LOCAL **		
NO LEVY	0.00	DU PAGE WATER COMM	NO LEVY	0.00
0.0426	117.72	YORK TOWNSHIP	0.0425	117.46
0.0047	12.98	PENSION FUND	0.0020	5.52
0.0449	124.08	YORK TWP ROAD	0.0443	122.40
0.0014	3.86	PENSION FUND	0.0008	2.22
0.1255	346.80	CITY OF ELMHURST	0.1166	322.20
0.3010	831.74	PENSION FUND	0.2996	827.90
0.2158	596.32	CITY ELMHURST LIBR	0.1991	550.16
1.6679	4,608.90	ELMHURST SPEC SERV 6	1.7271	4,772.50
0.3024	835.62	ELMHURST PARK DIST	0.4560	1,260.08
0.0248	68.54	PENSION FUND	0.0294	81.24
		** EDUCATION **		
4.4770	12,371.28	UNIT SCHOOL DIST 205	4.3194	11,935.80
0.0720	198.96	PENSION FUND	0.0582	160.82
0.1907	526.96	COLLEGE DU PAGE 502	0.1794	495.74
		** TIF **		
NO LEVY	7,775.96	CITY ELMHURST TIF 6	NO LEVY	10,169.20

Mailed to:
CORDORA PROPERTIES
LLC
105 S YORK ST
ELMHURST IL 60126-3455

Property Location:
107 N YORK ST
ELMHURST IL 60126

Township Assessor:

YORK
630-627-3354

Tax Code:

6292

Property Index Number:
06-01-118-021

CHANGE OF NAME/ADDRESS:
CALL: 630-407-5900

* S OF A FACTOR 1.0814

1st INST PAID May 08, 2025
2nd INST PAID August 25, 2025

TIF Frozen Value	276,330
Fair Cash Value	1,222,600
Land Value	124,210
+ Building Value	283,273
= Assessed Value	407,483 *
x State Multiplier	1.0000
- Equalized Value	407,483
- Residential Exemption	
- Senior Exemption	
- Senior Freeze	
- Disabled Veteran	
- Disability Exemption	
- Returning Veteran Exemption	
- Home Improvement Exemption	
- House Abatement	
= Net Taxable Value	407,483
x Tax Rate	7.7537
= Total Tax Due	31,595.02
- Less Advance Payment	
- Commercial Abatement	
+ PACE Reimbursement	
= Net Due as of 09/18/25	0.00



2024 DuPage County Real Estate Tax Bill
Gwen Henry, CPA, County Collector
421 N. County Farm Road
Wheaton, IL 60187

Office Hours - 8:00 am - 4:30 pm, Mon - Fri
Telephone = (630) 407-5900

7.7388	29,160.58	TOTALS	7.7537	31,595.02
2023	376,810	Assessed Value	2024	407,483

ATTACHMENT 2

Lease Letter of Intent

Docusign Envelope ID: 447AA85A-AE12-4B8D-B165-E582919289B4

Peerless Development
105 South York Street
Suite 350
Elmhurst, IL 60126



February 19, 2025 Sent via email: Mike Davis
Senior Vice President

Johnson Healthcare Real Estate

mdavis@johnsonhre.com

Re: 107 N York St, Elmhurst, IL Build-to-Suit Proposal for Rush University System for Health

Mike:

Below are general terms and conditions under which PEERLESS DEVELOPMENT ("Landlord" or "Developer" or "Peerless") proposes RUSH UNIVERSITY SYSTEM FOR HEALTH ("Tenant" or "Rush") leases a to be constructed building at 107 N York Street, Elmhurst, IL. Nothing contained herein shall be deemed to constitute a legally binding obligation by either the Landlord or prospective Tenant but shall be used only as a basis of understanding to pursue the execution of a mutually acceptable lease agreement, with the exception of the Exclusivity Period outlined below.

Property/Premises

A to be constructed approximately 22,695 square foot of a three building located at 107 N York St, Elmhurst, IL, as shown on Exhibit A. Final square footage will be determined prior to the Base Building Delivery Date (as defined herein) and will be measured according to the latest BOMA standard..

The building will have a steel structure and a masonry façade with an exterior appearance similar to other new properties in downtown Elmhurst. Landlord will prepare an initial rendering to be included in the Lease Agreement and will incorporate preferred design aesthetics from Tenant when possible.

The Premises will be delivered to Tenant in "shell condition" suitable for tenant improvement work to begin.

Peerless will provide the Property with all base building systems including HVAC, utilities and data service and will maintain these systems for one (1) year after the Rent Commencement Date (the "Landlord Warranty Period"); it will be Tenant's responsibility to connect to these systems within the Premises.

ATTACHMENT 2

Lease Letter of Intent

Docusign Envelope ID: 447AA85A-AE12-4B8D-B165-E582919289B4

Peerless Development
105 South York Street
Suite 350
Elmhurst, IL 60126



Tenant Improvements	Tenant shall be responsible for the construction of the Tenant Improvements (to be further defined in the Lease), at Tenant's sole cost and expense. Peerless shall provide a Tenant Improvement Allowance ("TIA") of \$20/RSF for the initial interior build-out. Tenant shall be allowed to draw on the TI Allowance in accordance with standard construction escrow deliveries, reviews and approvals. Tenant will have the right to utilize its own preferred architects, project managers and contractors for the design and construction of the Tenant Improvements. Notwithstanding the preceding, Tenant needs assurance that the TIA is not applied toward base building core and shell costs. If Tenant so chooses, Peerless will serve as construction manager of Tenant Improvements, for a fee of 3% of hard costs attributable to the Tenant Improvements.
Initial Space Planning	Landlord will reimburse up to \$0.15/SF for initial space plans and \$0.07/SF for one revision.
Base Net Rent	The initial Base Net Rent will be calculated using a rent constant of 7.75% of the Total Project Cost ("TPC") as defined in Exhibit B, the Development Budget. Estimated Net rent of \$30.60 and shall increase 3.0% annually through the lease term. TPC shall include all costs incurred by Landlord as provided in Exhibit B including site acquisition, demo, hard costs, soft costs, fees and other expenses incurred and paid. The Lease Agreement will contain a "Rent Cap" concept, whereby Tenant's rent cannot exceed a certain dollar amount beyond the approved Development Budget, which will be further defined and memorialized in the Lease Agreement.
Lease Structure	The Lease Structure will be true triple net. Tenant shall pay its own triple net expenses, including but not limited to utility services, janitorial, real estate taxes, capital costs, and any other costs typically associated with a triple net lease. Landlord shall maintain the Building's structural members and foundation.

ATTACHMENT 2

Lease Letter of Intent

Docusign Envelope ID: 447AA85A-AE12-4B8D-B165-E582919289B4

Peerless Development
105 South York Street
Suite 350
Elmhurst, IL 60126



Term	The initial lease term shall be 12 years, beginning on the Base Building Delivery Date (as defined herein).
Renewal Option(s)	Tenant shall have two consecutive 5-year renewal options at the otherwise escalated rent subject to providing 12-month prior notice.
Base Building Delivery	Upon lease execution, Peerless will begin all required design and entitlement work. Exhibit C includes a preliminary construction schedule with a Rent Commencement Date (as defined herein) of January 1, 2027, which assumes a Lease Agreement is executed by January 2025. If lease negotiations take longer, the schedule will push out accordingly.
Possession Date	Upon Base Building Delivery estimated to occur on October 1, 2026.
Rent Commencement	The earlier of six(6) months after the Possession Date or when Tenant opens for business.
Zoning & Entitlement	Current zoning allows for medical office use. Landlord with Tenant's cooperation will work to secure all entitlement approvals from the Village of Elmhurst and any other required jurisdiction to allow for the development. Landlord has met with the Village of Elmhurst and does not anticipate the project will require a Planned Unit Development approval, but should this change, the construction schedule shown on Exhibit C will be extended accordingly. If the total development costs exceed the IHFPB Certificate of Need ("CON") threshold of \$17.2 million, the parties will incorporate the CON approval period into the Base Building Delivery schedule.
Security Deposit	None. Waived by Landlord
Signage	Tenant will have the right to place prominent building signage subject to permits and any/all municipal requirements. Elmhurst municipal code allows for building signage with a maximum size of one square foot per foot of lot frontage with no such sign exceeding twenty feet above grade.

ATTACHMENT 2

Lease Letter of Intent

Docusign Envelope ID: 447AA85A-AE12-4B8D-B165-E582919289B4

Peerless Development
105 South York Street
Suite 350
Elmhurst, IL 60126



Assignment/Sublease/ROFR Tenant will have the right to assign and/or sublet to a subsidiary, related or successor company without Landlord approval, provided that no such transfer shall relieve the Tenant of its obligations under the Lease. Tenant will also have the right to assign and/or sublet to an unrelated company with Landlord consent, which shall not be unreasonably withheld or delayed. Tenant will retain all sublease profits, if any.

Tenant is granted a Right of First Refusal ("ROFR") to purchase the Property to be further detailed in the Lease. Tenant will have 30 days from receiving Landlord's notice of intent to sell the property to submit a purchase offer.

If Landlord receives an unsolicited bona fide offer to purchase the Property, Tenant has the first right to purchase Landlord's interests within - 15 days after receiving written notice from the Landlord of the terms and conditions of a third-party offer, provided a purchase agreement (PSA) is executed within an additional 15 days, and Tenant has 30 days from PSA execution to close the purchase.

ADA Compliance, Security and Life Safety Peerless will deliver base building in compliance with all municipal and federal codes, including the Americans with Disabilities Act. Tenant will be responsible for all ADA Compliance with regards to Tenant Improvements.

Landlord will deliver base building in compliance with all life safety codes. Tenant will be responsible for installation of security and life safety systems within the Premises.

Parking/loading Tenant will have sole access to four (4) onsite parking spaces at the rear of the building. The village of Elmhurst has permit parking in the surface lot and parking garage immediately adjacent to the property available for employees. Landlord will work with Tenant to maximize onsite and offsite parking opportunities as required.

Parking/loading area is shown on Exhibit A.

Leasing Commissions Peerless acknowledges that Johnson Healthcare Real Estate, as the Tenant's broker shall receive a market commission per a separate agreement.

Tenant Equity

ATTACHMENT 2

Lease Letter of Intent

Docusign Envelope ID: 447AA85A-AE12-4B8D-B165-E582919289B4

Peerless Development
105 South York Street
Suite 350
Elmhurst, IL 60126



Rush would like the option to invest up to 10% equity Parri Passu with the Developer. Developer will make reasonable efforts to accommodate this request, provided a suitable structure can be mutually agreed to and memorialized in the Lease.

Confidentiality

The existence of this proposal and its contents are intended to be confidential and are not to be discussed with or disclosed to any third party, except (i) with the express prior written consent of the other party to this letter, (ii) as may be required or appropriate in response to any summons, subpoena or discovery order or to comply with any applicable law, order, regulation or ruling, and (iii) with either the parties' attorneys, lenders, accountants, and advisors directly and solely for the purpose of evaluating the proposed Project.

This letter of Intent is intended only to express the interest of the Tenant to lease from Landlord the defined Premises described. Except for the provision regarding Exclusivity Period stated below, neither the Landlord or the Tenant shall be legally obligated unless and until a Lease Agreement is executed by the parties.

If the terms of this letter are acceptable, Landlord will draft a lease for Tenant's review and so long as Tenant and Landlord are working in good faith to finalize a binding lease agreement or 30-days, whichever is shorter, Landlord agrees not to solicit or negotiate with any other prospective tenants for the development contemplated in this LOI (the "Exclusivity Period"). The Exclusivity Period can be extended for a second 30 days period by providing notice and shall automatically terminate if the parties are unable to execute a binding lease agreement within the Exclusivity Period.

Best regards,

Jack DiNardo
Peerless Development

CC;
Mike Cordaro
Blaine Reames

ATTACHMENT 2
Lease Letter of Intent

DocuSign Envelope ID: 447AA85A-AE12-4B8D-B165-E582919289B4

Peerless Development
105 South York Street
Suite 350
Elmhurst, IL 60126

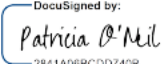


ACCEPTED and AGREED to by Landlord on this 19th day of February, 2025

By:  _____
Printed: Michael Cordaro
Title: Manager, York Street Venture, LLC

ACCEPTED and AGREED to by Tenant on this 14th day of March, 2025

By: _____
Printed: _____
Title: _____

DocuSigned by:

2841A06BCDD740B...
Patricia O'Neil
Senior VP & System CFO

ATTACHMENT 3

Operating Entity/Licensee

Medical Office Buildings are not licensed by the Illinois Department of Public Health. However, one of the applicant entities proposing the facility is Rush System for Health d/b/a Rush University System for Health. Attached as evidence of the entity's good standing is a Certificate of Good Standing issued by the Illinois Secretary of State.

ATTACHMENT 3
Certificate of Good Standing
for Rush Elmhurst Medical Office Building

File Number

0200-214-1



To all to whom these Presents Shall Come, Greeting:

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

RUSH UNIVERSITY MEDICAL CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JULY 21, 1883, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.

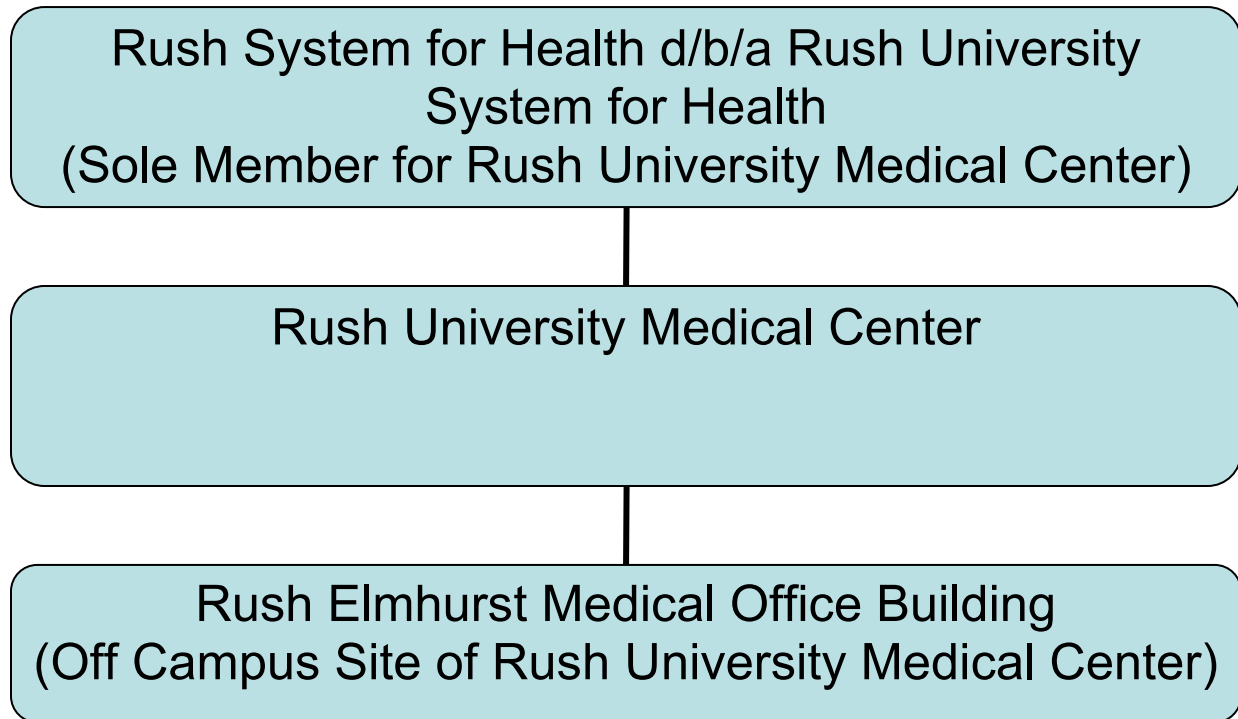


Authentication #: 2603404204 verifiable until 02/03/2027
Authenticate at: <https://www.ilsos.gov>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 3RD day of FEBRUARY A.D. 2026 .

Alexi Giannoulis
SECRETARY OF STATE

ATTACHMENT 4
Organizational Chart



ATTACHMENT 5

Flood Plain Requirements

Rush University System for Health
1653 W. Congress Parkway
Chicago, IL 60612
www.rush.edu



January 26, 2026

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

Re: Rush Elmhurst Medical Office Building- Flood Plain Letter

Dear Mr. Kniery:

As representative of Rush System for Health d/b/a Rush University System of Health, Rush University Medical Center, I, Carl Bergetz, affirm that the proposed establishment of the Rush Elmhurst Medical Office Building complies with the Illinois Executive Order #2005-5. The facility location is 107 N. York St., Elmhurst, IL 60126, and it is not located in a flood plain. As evidence, please find enclosed a map from the Federal Emergency Management Agency ("FEMA") reflecting the same.

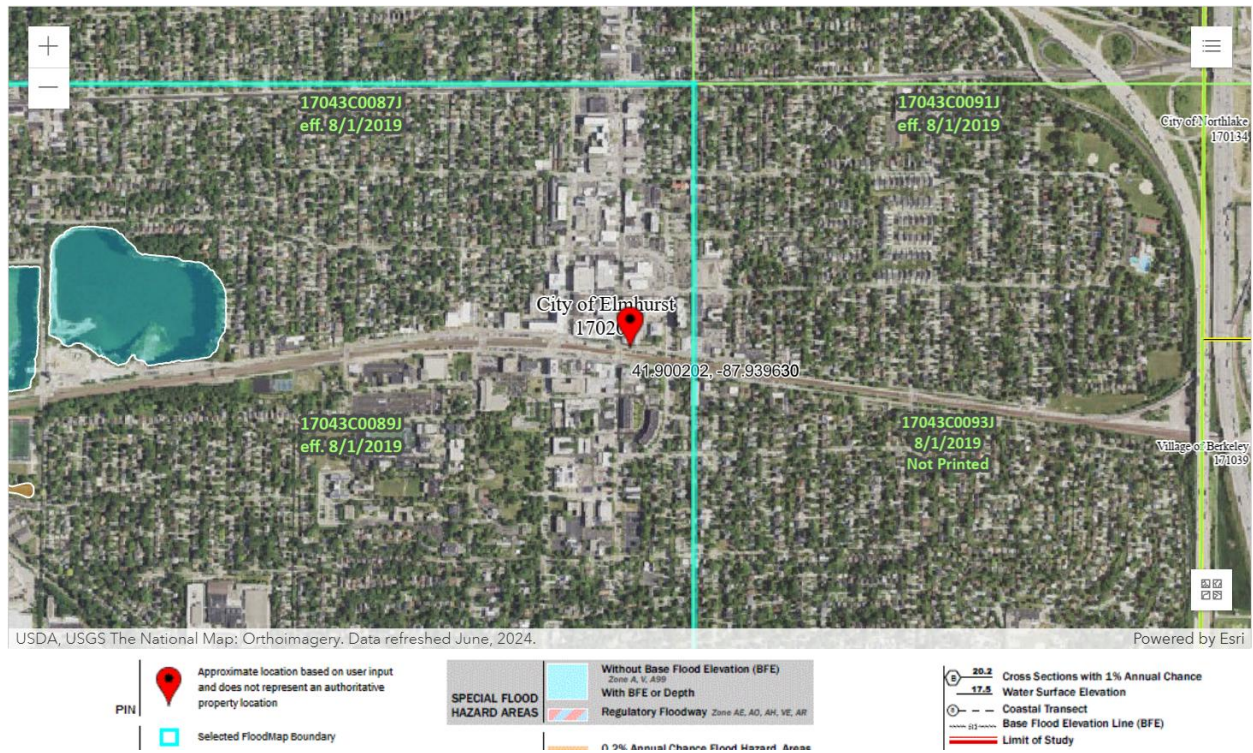
I hereby certify this is true and is based upon my personal knowledge under penalty of perjury and in accordance with 735 ILCS 5/1-109.

Sincerely,

A handwritten signature in blue ink, appearing to read "Carl Bergetz".

Carl Bergetz, JD
Chief Legal Officer
Rush University System for Health

ATTACHMENT 5 Flood Plain Requirements



ATTACHMENT 6

Historic Preservation Letter

The Applicant submitted a request for determination to the Illinois Department of Natural Resources – Preservation Services Division on October 9, 2025, a copy of which is included as an attachment. A final determination has not yet been received. The Applicant affirms, through execution of the certification page included with this application, that the project will not be financially committed unless and until clearance is received from the Department.

ATTACHMENT 6
Historic Preservation Letter



Juan Morado, Jr.
71 South Wacker Drive, Suite 1600
Chicago, IL 60606
Direct Dial: 312.212.4967
Fax: 312.757.9192
jmorado@beneschlaw.com

October 9, 2025

VIA E-MAIL

Jeffrey Kruchten
Chief Archaeologist
Preservation Services Division
Illinois Historic Preservation Office Illinois Department of Natural Resources
1 Natural Resources Way
Springfield, IL 62702
SHPO.Review@illinois.gov

Re: Certificate of Need Application for the Establishment of a Medical Office Building

Dear Jeffrey:

I am writing on behalf of my client, Rush System for Health d/b/a Rush University System of Health and Rush University Medical Center (collectively "Rush") to request a review of the project area under Section 4 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et. seq.). Rush is submitting an application for a Certificate of Need from the Illinois Health Facilities and Services Review Board. Rush is proposing to establish a medical office building called the Rush Elmhurst Medical Office Building located at 107 N. York St., Elmhurst, IL 60126, and provide primary care, urgent care, medical weight loss, OB/GYN, ENT, audiology, dermatology, transplant hepatology, transplant nephrology, and cardiology.

For your reference, we have enclosed pictures of the existing area and topographic maps showing the general location of the project. We respectfully request review of the project area and a determination letter at your earliest convenience. Thank you in advance for all of the time and effort that will be going into this review.

Very truly yours,

BENESCH, FRIEDLANDER,
COPLAN & ARONOFF, LLP

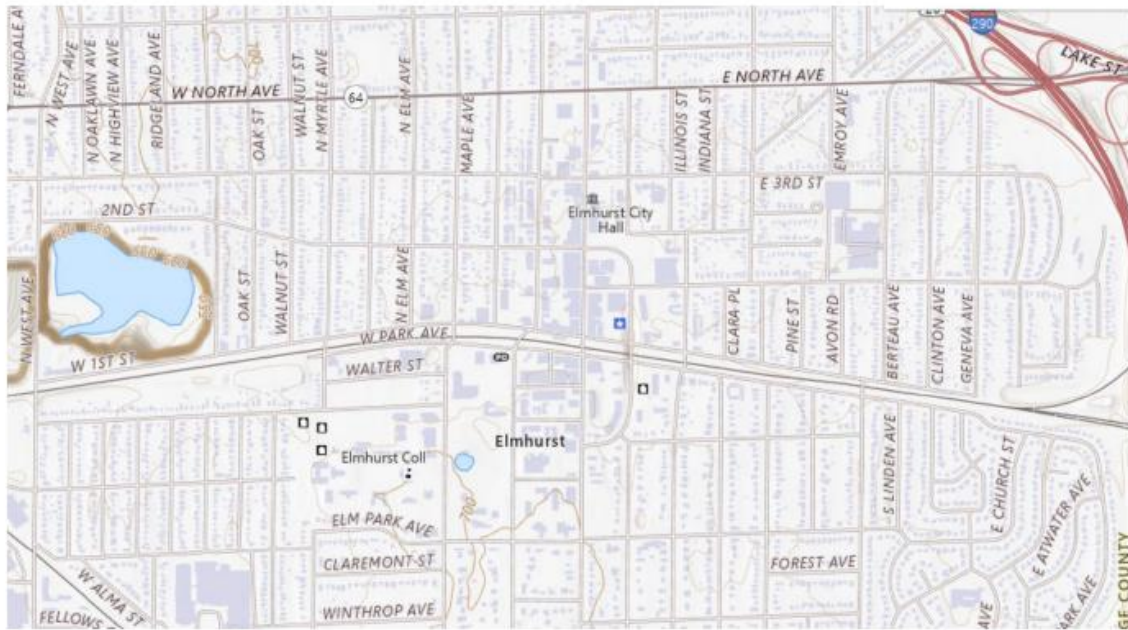
A handwritten signature in blue ink, appearing to read "Juan Morado, Jr.", is written over the printed name.

Juan Morado, Jr.

ATTACHMENT 6

Historic Preservation Letter

Topographic Map (107 N. York St., Elmhurst, IL 60126)



ATTACHMENT 6

Historic Preservation Letter

Aerial Map (107 N. York St., Elmhurst, IL 60126)



ATTACHMENT 6

Historic Preservation Letter

Street View (107 N. York St., Elmhurst, IL 60126)



ATTACHMENT 7

Project Costs and Sources of Funds

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	\$6,508,866	\$3,191,134	\$9,700,000
Modernization Contracts	-	-	-
Contingencies	\$427,327	\$209,508	\$636,835
Architectural/Engineering Fees	\$484,139	\$237,361	\$721,500
Consulting and Other Fees	\$1,068,938	\$524,074	\$1,593,012
Movable or Other Equipment (not in construction contracts)	\$1,823,000	\$1,218,800	\$3,041,800
Bond Issuance Expense (project related)	-	-	-
Net Interest Expense During Construction (project related)	-	-	-
Fair Market Value of Leased Space or Equipment	\$6,050,769	\$2,966,540	\$9,017,309
Other Costs to Be Capitalized	\$1,671,249	\$819,372	\$2,490,621
Acquisition of Building or Other Property (excluding land)	-	-	-
TOTAL USES OF FUNDS	\$18,034,289	\$9,166,788	\$27,201,077
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$11,983,520	\$6,200,248	\$18,183,768
Pledges	-	-	-
Gifts and Bequests	-	-	-
Bond Issues (project related)	-	-	-
Mortgages	-	-	-
Leases (fair market value)	\$6,050,769	\$2,966,540	\$9,017,309
Governmental Appropriations	-	-	-
Grants	-	-	-
Other Funds and Sources	-	-	-
TOTAL SOURCES OF FUNDS	\$18,034,289	\$9,166,788	\$27,201,077
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

Project Costs and Sources of Funds

New Construction Contracts – The total new construction contract costs are \$9,700,000, of which \$6,508,866 is attributable to clinical space and \$3,191,134 is attributable to nonclinical support space.

The clinical portion of construction costs reflects the specialized requirements of outpatient clinical environments, including exam rooms, procedure-ready spaces, patient care areas, and associated mechanical, electrical, plumbing, and life-safety systems necessary to support clinical operations. These costs also reflect medical grade infection control standards, accessibility requirements, and clinical workflow design.

The clinical costs associated with the project account for \$467.15 per GSF of clinical space.

Contingencies – The total contingency costs are \$636,835, of which \$427,327 is attributable to clinical components and \$209,508 to non-clinical components. The clinical portion of the contingency represents approximately 6.6% of new construction costs.

Clinical contingencies are intended to address potential variability related to clinical build-out, including coordination of medical equipment interfaces, compliance with healthcare-specific codes, and minor scope adjustments necessary to preserve clinical functionality.

Architectural, Engineering, and Professional Fees – Architectural and engineering fees total \$721,500, with \$484,139 attributable to clinical components and \$237,361 attributable to nonclinical components. When evaluated against the Capital Development Board's Centralized Fee Negotiation Professional Services and Fees Handbook, the clinical portion of the A&E and professional fees fall within acceptable percentage ranges for new construction projects of this scale and type and are consistent with industry standards for outpatient clinical facilities. The fees are equal to 7% of the combined clinical costs for the construction and contingency budget lines.

Consulting and Other Fees – Consulting and other professional fees total \$1,593,012, of which \$1,068,938 supports clinical functions.

These professional services are necessary to support clinical programming, medical planning, engineering coordination, regulatory compliance, and licensure requirements applicable to outpatient clinical facilities. Clinical professional fees reflect the additional complexity associated with healthcare design, including life-safety systems, infection control considerations, and coordination of clinical workflows. The fees include \$400,000 for project management fees, \$306,000 for other consultant fees, \$175,000 for associated permits and regulatory consultants, \$200,000 for additional labor costs, \$7,500 for miscellaneous costs, and \$504,512 for healthcare specific technical consultants, including infection control, building systems coordination, and clinical workflow support services required for outpatient care environments.

Equipment Costs – The Movable and other equipment costs not included in construction contracts total \$3,041,800, of which \$1,823,000 is attributable to clinical equipment and \$1,218,800 to nonclinical equipment.

Clinical equipment costs include diagnostic, treatment, and patient-care-related equipment necessary to support outpatient clinical services. These costs are directly tied to the proposed clinical programs and do not include nonessential or unrelated equipment. The Applicant submits that the clinical equipment investment is reasonable and necessary to ensure safe and effective care delivery. Of the \$1,823,000 allocated to clinical equipment:

- Approximately \$1.1–\$1.3 million is attributable to major diagnostic imaging and testing equipment, including the Stress Echocardiography machine, X-ray machine, and ultrasound machine; and

ATTACHMENT 7

Project Costs and Sources of Funds

- The remaining portion supports ancillary clinical equipment, accessories, software, and integration components necessary for safe, compliant, and efficient operation of these diagnostic systems.

The nonclinical equipment component (\$1,218,800) includes furniture, furnishings, information technology, signage, and other support equipment necessary to operate the facility but not directly involved in patient diagnosis or treatment. While nonclinical in nature, these items support the overall functionality and efficiency of outpatient clinical operations.

Fair Market Value of Leased Space – The fair market value of leased space associated with the project totals \$9,017,309, reflecting base lease costs over the initial 12-year lease term using a starting rental rate of \$30.60 per rentable square foot and 3% annual escalation. These lease costs are based on 20,764 rentable square feet of clinically configured medical office space.

Lease payments increase gradually and predictably over the lease term, consistent with standard medical office leasing practices, as follows:

- Year 1: \$635,378
- Year 2: \$654,440
- Year 3: \$674,073
- Year 4: \$694,295
- Year 5: \$715,124
- Year 6: \$736,578
- Year 7: \$758,675
- Year 8: \$781,435
- Year 9: \$804,878
- Year 10: \$829,025
- Year 11: \$853,895
- Year 12: \$879,512

Total lease cost over the 12-year term: \$9,017,309

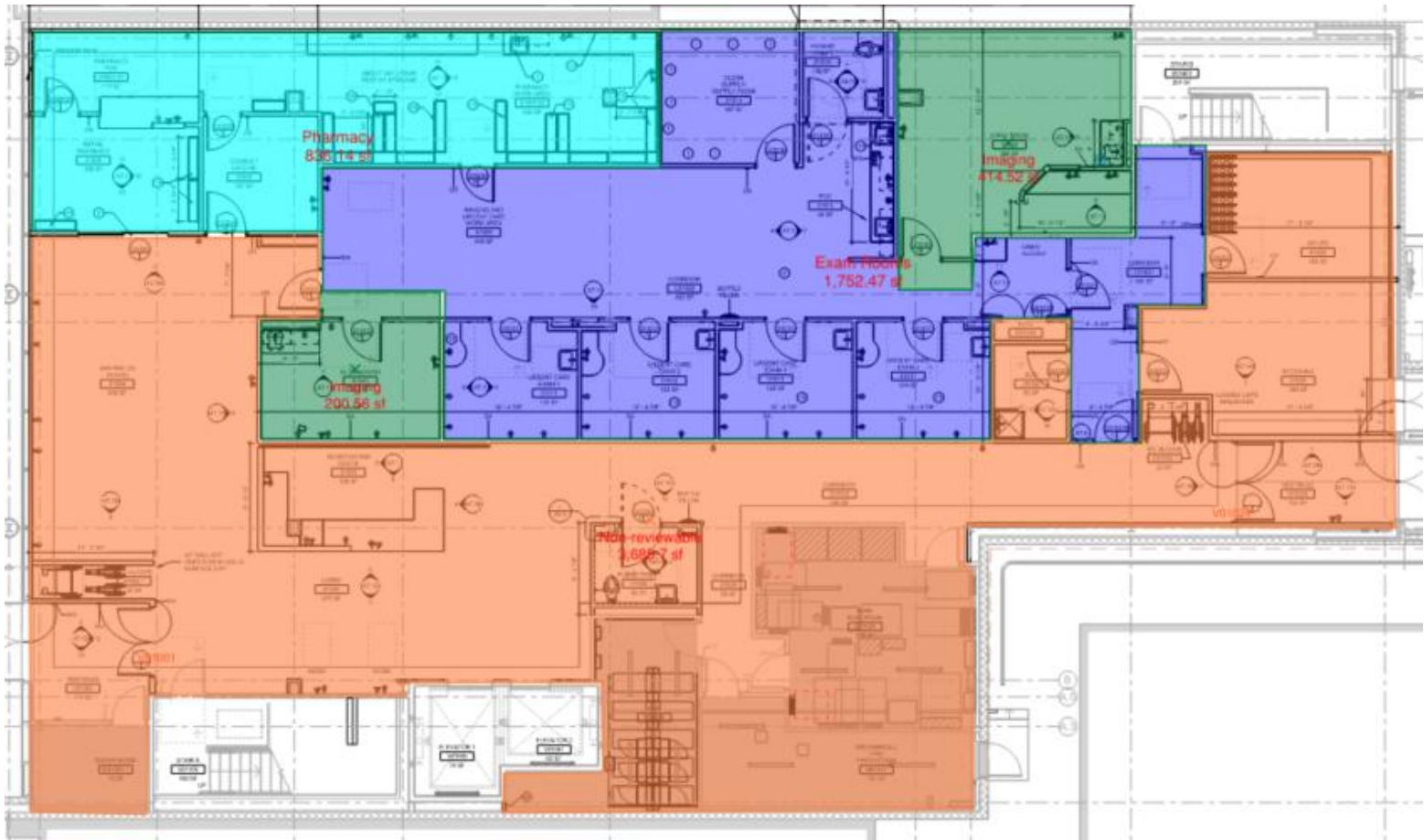
Other Capitalized Costs – The other capitalized costs total \$2,490,621, of which \$1,671,249 supports clinical components and \$819,372 supports nonclinical components. These costs include customary project-related expenditures appropriately capitalized in accordance with generally accepted accounting principles and necessary to support clinical operations. The associated costs include \$80,400 for temporary and project specific insurance, \$300,000 for Rush capital labor and internal project support including primary owner side project management support, \$961,813 for utility consumption and temporary operating costs required to support construction, testing, commissioning, and preparation of clinical systems, \$344,740 for escalation applied to non-construction project costs based on requirement for execution of project; the remainder is associated with miscellaneous capitalized costs that are one-time and non operating costs incurred solely as part of the project implementation.

ATTACHMENT 8

Project Status and Completion Schedule

The proposed project plans are still at the schematic stage, and the proposed project date is July 1, 2028. Financial Commitment for the Project will occur following permit issuance.

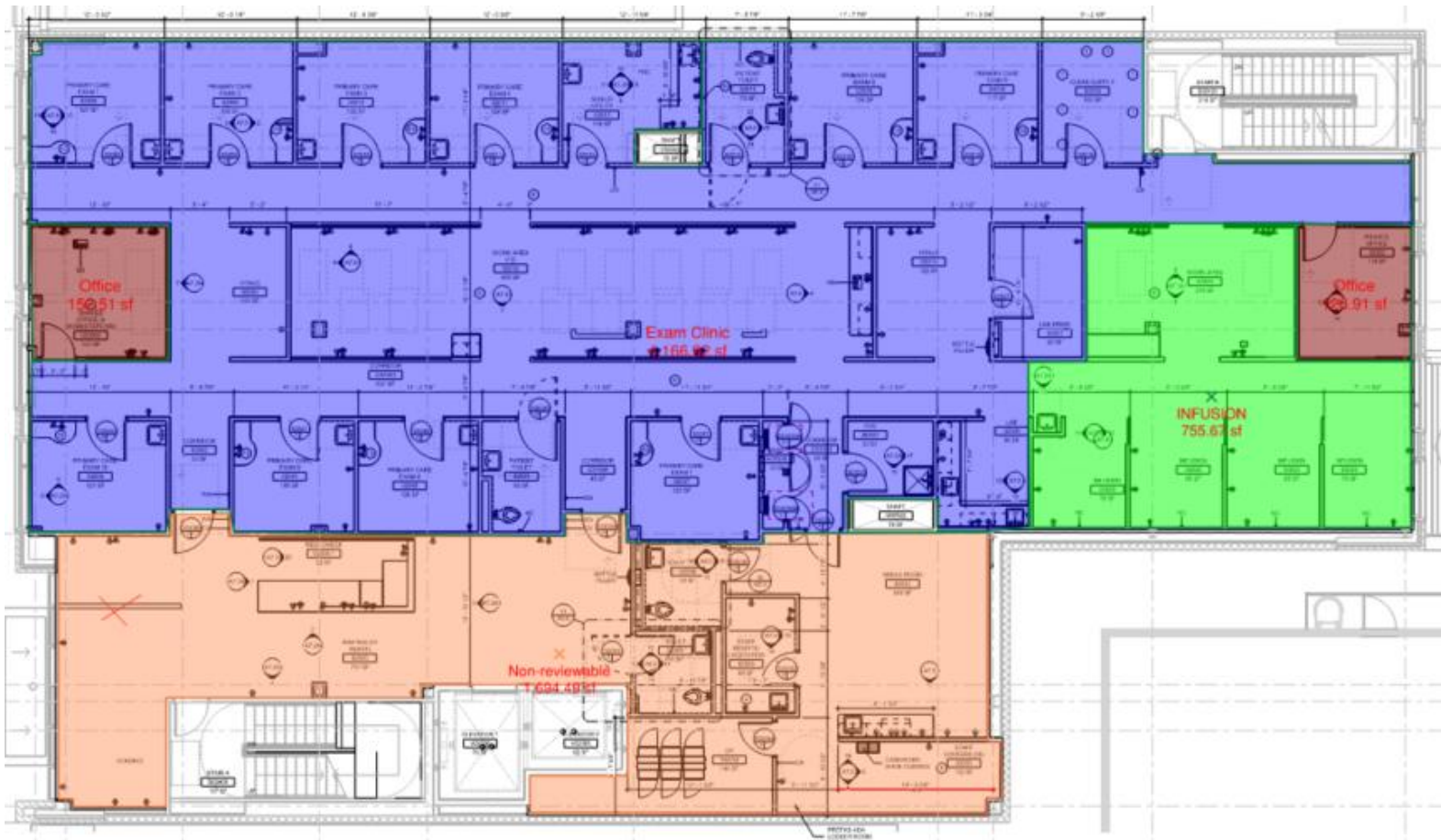
First Floor



ATTACHMENT 8

Project Status and Completion Schedule

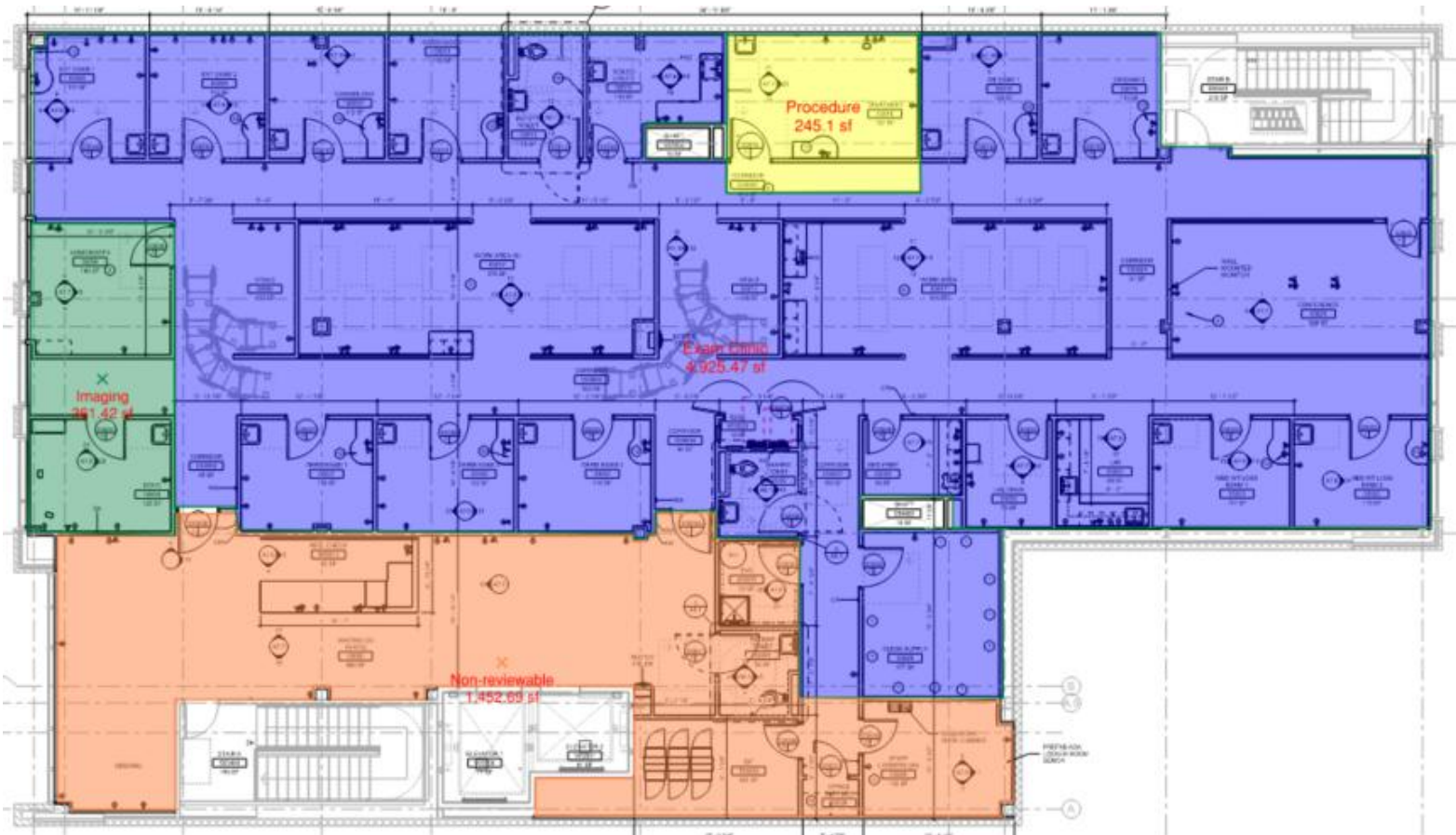
Second Floor



ATTACHMENT 8

Project Status and Completion Schedule

Third Floor



ATTACHMENT 9

Cost Space Requirements

The proposed project includes the development of 20,764 gross square feet (GSF) of new space, all of which will be new construction. No existing space is being modernized, reused, or vacated as part of the project. The proposed space is intentionally sized and configured to support the Applicant's outpatient clinical service model.

Of the total proposed space, 13,933 GSF is dedicated to clinical space, and 6,831 GSF is dedicated to non-clinical administrative and support space. This allocation reflects a clinically focused facility designed to maximize patient care delivery while maintaining appropriate administrative support.

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Diagnostic Radiology (Ultrasound, Stress Echo, X-Ray)	\$1,261,999	-	975	975	-	-	-
1 Procedure Rooms, 25 Exam Rooms, Pharmacy, Lab, and Home Infusion)	\$16,772,290	-	12,958	12,958	-	-	-
Total Clinical	\$18,034,289	-	13,933	13,933	-	-	-
NON-REVIEWABLE							
Administrative Space	\$9,166,788	-	6,831	6,831	-	-	-
Total Non-clinical	\$9,166,788	-	6,831	6,831	-	-	-
TOTAL	\$27,201,077	-	20,764	20,764	-	-	-

ATTACHMENT 11

Background of the Applicants

The following information is provided to illustrate the qualifications, background and character of the Applicants, and to assure the Review Board that the proposed Medical Office Building will provide a proper standard of health care services for the community.

Background of Rush University System for Health

Rush University System for Health ("Rush") is a nationally recognized, nonprofit academic health system anchored by Rush University Medical Center ("RUMC"), located in the Illinois Medical District. Rush also operates Rush Copley Medical Center in Aurora and Rush Oak Park Hospital ("ROPH"), along with ambulatory surgical treatment centers, its newly approved Ambulatory Care Building, and more than 30 outpatient clinical locations throughout the Chicago metropolitan area.

Rush is an integrated health system committed to delivering high-quality, patient-centered care across a full continuum of services, including inpatient, outpatient, diagnostic, and specialty care. In addition to its clinical operations, Rush serves as a major academic medical center through its education and research missions, training future healthcare professionals and advancing clinical innovation.

Rush maintains a longstanding presence in the communities it serves and prioritizes access to high-quality, coordinated care through strategically located outpatient facilities. The system's outpatient and ambulatory sites are designed to improve patient access, support efficient care delivery, and align services with community needs.

Rush is consistently recognized for excellence in patient care, education, research, and community partnerships and has demonstrated a sustained commitment to prudent planning, regulatory compliance, and responsible stewardship of healthcare resources.



ATTACHMENT 11

Background of the Applicants

Background of Rush University Medical Center

Rush University Medical Center (“RUMC”) is a nationally recognized academic medical center and the flagship hospital of Rush University System for Health. RUMC includes a 727-bed acute care hospital serving adults and children, is closely integrated with Rush University, and anchors a comprehensive academic, clinical, and research enterprise. For more than 180 years, Rush has played a leading role in the development of innovative and often life-saving treatments and has been part of the Chicago healthcare landscape longer than any other healthcare institution in the city.

The original Rush Medical College was destroyed in the Great Chicago Fire of 1871, and in 1876 the faculty rebuilt the Medical College at its current location at the corner of Polk and Harrison Streets. RUMC traces its hospital origins to Presbyterian Hospital, founded in 1882 as an 80-bed teaching hospital, and has since evolved into a major tertiary and quaternary care academic medical center serving patients from across the region.

As of October 2024, Rush University System for Health reported 1,133 licensed beds, 46,868 inpatient admissions, 59,090 surgeries, 180,479 emergency department visits, and 963,044 outpatient visits annually. RUMC provides a broad spectrum of services, including medical and surgical care, pediatrics, intensive care, obstetrics and gynecology, neonatal services, acute myocardial infarction (AMI) care, and inpatient rehabilitation, supported by a robust employed physician network and multidisciplinary clinical teams.

In addition to its clinical mission, RUMC is a nationally recognized center for research, education, and quality, with \$194.5 million in annual research revenue, stable investment-grade credit ratings, and consistent top-tier performance in national quality and patient safety rankings. RUMC serves as an anchor institution within the Illinois Medical District on Chicago’s near west side and plays a central role in advancing access to high-quality, patient-centered care throughout the Chicago metropolitan area and beyond.

RUSH By the numbers | 2024

Financial



\$5.5 billion	Total Assets
\$3.3 billion	Total Operating Revenue
6.1%	Operating Cash Flow Margin
1.1%	Operating Margin
206.8	Days Cash on Hand
\$194.5 million	Annual Research Revenue
\$79.5 million	Total Philanthropic Gifts

Patients



1,133	Licensed Beds
46,868	Admissions
59,090	Surgeries
180,479	ED Visits
963,044	Outpatient Visits

People

938	Employed Physicians
14,021	Full-Time Employees

Learners



2,208	Students (Summer Semester)
--------------	-------------------------------



**11 nationally
ranked
specialties.**

#2 in the
nation
for
quality

Vizient quality ranking for
inpatient and outpatient care

A1

Moody's
Rating
Stable

A+

S&P
Rating
Stable

AA-

Fitch
Rating
Stable

As of October 2024

ATTACHMENT 11 Background of the Applicants



Clinical Excellence & Quality Honors & Awards

 Vizient ranked Rush University Medical Center No. 2 in its 2024 quality and accountability study.	 Top U.S. Hospital (Rush University Medical Center) 9 ranked clinical programs, including 2 best in Illinois	 12 Rush University programs among top 10 in this year's rankings	 Magnet designation for Rush University Medical Center, Rush Oak Park Hospital and Magnet with Distinction for Rush Copley Medical Center	A1 Moody's Rating Stable
 Leader in LGBTQ+ Health care Equality* in the HEI 2024 with score of 100	 Rush University Medical Center received received 'A' grades, the highest possible, in the latest grades awarded by The Leapfrog Group.	 LGBTQ+ Healthcare Equality Leader	 Newsweek World's Best Hospitals in the United States	AA- Fitch Rating Stable
 Gold Stars Level 9 and Honor Roll Magna Cum Laude	 Digital Health Most Wired, Ambulatory Level 8 & Acute Level 8	 Rush University Medical Center received five stars from the Centers for Medicare and Medicaid Services (CMS). Rush Oak Park Hospital and Rush Copley Medical Center received four stars. (2024)	A+ S&P Rating Stable	

As of October 2024

Rush Elmhurst Medical Office Building

The Rush Elmhurst Medical Office Building ("Rush Elmhurst MOB"), is proposed to be an approximately 20,764 square foot medical office building that will be located at 107 N. York Street, Elmhurst, Illinois.

Rush Elmhurst MOB is intended to expand access to coordinated outpatient services for patients residing in Elmhurst and the surrounding near-west suburban communities of the Chicago metropolitan area. The project will support existing patients currently receiving care at Rush Oak Brook and other Rush outpatient locations, while also improving access for new patients who lack convenient options for comprehensive outpatient and urgent care services in the immediate vicinity.

The proposed medical office building will include twenty-five (25) examination rooms, one (1) procedure room, diagnostic imaging, pharmacy, laboratory, home infusion, and associated office and support space. The facility will provide the following outpatient services:

- Primary Care
- Urgent Care
- Medical Weight Loss
- General Gynecology
- Otolaryngology (ENT)
- Audiology
- Dermatology
- Transplant Hepatology
- Transplant Nephrology
- Cardiology

ATTACHMENT 11

Background of the Applicants

The inclusion of urgent care services at Rush Elmhurst MOB will provide patients with timely access to care for non-emergent conditions, offering a convenient and lower-cost alternative to hospital emergency department utilization. This service will also support care coordination across the Rush system and help reduce avoidable emergency department visits at nearby hospitals.

Rush Elmhurst MOB will further enhance system integration by creating opportunities for clinical collaboration across Rush's existing outpatient and hospital-based facilities, including locations in Oak Brook and Hinsdale. The co-location of specialty services, imaging, pharmacy, and laboratory functions within a single outpatient setting is designed to improve continuity of care, reduce patient travel, and enhance the overall patient experience.

While Rush has successfully served the community through its existing Oak Brook location, the Applicants have identified a need for a more comprehensive outpatient facility capable of supporting a broader range of services in a centralized, accessible setting. Rush Elmhurst MOB will allow the Applicants to meet the evolving needs of the community by expanding access to primary, urgent, and specialty care services in a purpose-built outpatient facility designed to support efficient, patient-centered care delivery.

Rush University

RUSH University | Today
Academic Programs Among the Best in Nation

RUSH University College of Nursing:

- #1 Acute Care DNP
- #1 Nursing Administration (Transformative Leadership: Systems) DNP
- #2 overall DNP
- #2 Pediatric Primary Care DNP
- #2 Psychiatric Mental Health DNP
- #3 Adult/Gerontological Nurse Practitioner - Primary Care DNP
- #4 Adult/Gerontological Nurse Practitioner - Acute Care DNP
- #4 Family Nurse Practitioner DNP
- #4 Online Master's Degree - CNL
- #17 Master's Degree - Generalist Entry Master's

RUSH College of Health Sciences:

- #5 Health Systems Management (ranked in 2019)
- #8 Audiology — Doctorate (ranked in 2021)
- #16 Speech-Language Pathology (ranked in 2021)
- #23 Occupational Therapy (ranked in 2021)

RUSH Medical College:

RMC Faculty lead each of the 10 nationally top ranked programs in the *US News and World Report* Best Hospitals Rankings

RMC was recognized with a special award from the AAMC in 2022 for community involvement



Rush's commitment to serving as a healthcare safety net extends beyond the patients it treats to include the education and training of the next generation of healthcare professionals. Through Rush University, the system offers more than 40 educational degree programs across medicine, nursing, and the health sciences. Notably, nine programs within the College of Nursing have been recognized by U.S. News & World Report in its *Best Graduate Schools* rankings, including four programs ranked No. 1 nationally. These academic programs support Rush's mission by ensuring a strong pipeline of highly trained clinicians prepared to deliver high-quality, patient-centered care, particularly to underserved populations.

ATTACHMENT 11

Background of the Applicants

Rush's Commitment to Health Equity

Rush maintains a strong commitment to Chicago and is a national leader in building healthier communities through the promotion of health equity and dismantling of barriers to health. RUMC named structural racism and economic deprivation as among the root causes for neighborhood-based racial health inequities and proposed an organizational anchor mission and equity strategy to begin to address the social and structural determinants of health that underpinned these racial health inequities. Like many other health systems, Rush began the shift to value-based care and population health, with the goal of improving the health of the individuals and diverse communities they serve through the integration of outstanding patient care, education, research, and community partnerships. Rush developed five pillars to guide their health equity strategy in 2016, and they include:

1. Name and eliminate racism.

Rush has stated that if structural racism, economic deprivation, and neighborhood conditions were afflictions at the root cause of health inequities, that they had an obligation as an academic health system to name these as the first step in identifying ways to address these inequities.

2. Adopt an anchor mission.

Rush launched an "anchor mission" to hire, purchase, invest and volunteer locally. Rush is focusing on hiring locally and developing talent, utilizing local labor for contracts and projects, buying and sourcing locally, investing locally and ensuring retirement readiness, and volunteering locally. Rush is one of the largest employers on Chicago's West Side with a hearty supply chain, and this pillar guides them to focus on community health and wealth-building. The impact of the Anchor Mission initiatives has spanned a range of areas.

3. Create wealth-building opportunities for employees.

Internal listening sessions determined that many employees experienced extreme financial distress and were not saving for retirement. Many of Rush's employees lived in the low-income neighborhoods that Rush was trying to elevate. Rush initiated a pension reform program to significantly increase retirement savings, raised entry hourly wages to \$15 per hour, launched healthcare career pathways for incumbent employees, and offered financial wellness and credit training. At the same time, Rush's long-standing Diversity Leadership Council made achieving demographic parity in leadership positions a critical part of the strategy. It was not enough to support low-wage employees: the medical center leadership representation needed to better reflect the demographics of our communities.

4. Eliminate healthcare inequities.

Rush established the Health Equity Governance Committee to report on performance projects that address racial, ethnic, gender and age inequities. Rush began screening patients for social determinants of health, including food, transportation, access to primary care and more. The health system launched a home visiting program for homebound patients who live with chronic illness and for postpartum mothers who live in communities with low life expectancy. With a gift from BMO Financial Group, the Rush BMO Institute for Health Equity was established. This allows Rush to maintain their most concentrated investment in health equity yet, and organize and coordinate all of their strategies for eliminating health inequities under a single umbrella.

5. Address the social and structural determinants of health.

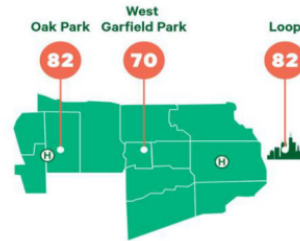
Rush partnered with other hospitals in Chicago so they could collectively make a greater impact. Consisting of Rush and five other hospitals, West Side United is able to invest millions back into the community and hire West Side employees. The partnership will work toward cutting Chicago's 14-year life expectancy gap between wealthy and low-income communities by 50 percent by 2030.

ATTACHMENT 11

Background of the Applicants

Achieving Health Equity Is a RUSH Strategy

More than half of premature deaths on the West Side are caused by cancer, heart disease, stroke, diabetes and infant mortality.



Map shows life expectancy in Chicago neighborhoods between Rush Oak Park (left) and Rush University Medical Center (right).

Here's what the discussions of barriers to good health in the RUSH University Medical Center and RUSH Oak Park Hospital service areas looked like.



We've added five new communities to this year's CHNA:

In Chicago

Archer Heights
Belmont Cragin
Brighton Park

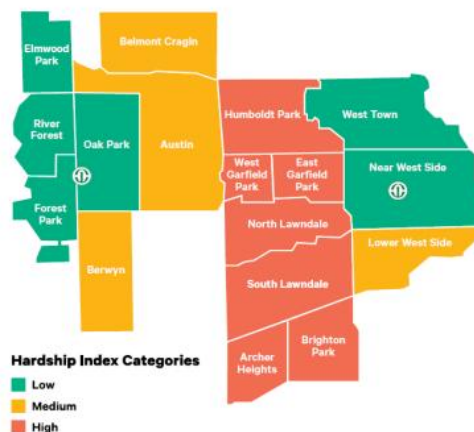
In the suburbs

Berwyn
Elmwood Park

We chose these communities after reviewing RUSH University Medical Center and RUSH Oak Park Hospital patient data and asking our partners in community-based organizations about their perception of the needs in their areas.

This map of where people experience the most hardship in the RUSH service area is based on six factors from the American Community Survey.

- The number of people under age 18 and over age 64
- The percentage of housing with more than one person per room
- Poverty
- Per capita income
- Unemployment
- No high school diploma



ATTACHMENT 11

Background of the Applicants

Community health: Connecting with underserved communities

Decades of disinvestment in many West Side neighborhoods mean that people have less access to resources and opportunities essential to good health. These disparities help explain why COVID-19 hit communities of color so hard — and why removing those obstacles is essential to achieving health equity. When the pandemic struck, we quadrupled our team of community health workers. They continue to provide screening for the social determinants of health and connect people to resources and health education; their additional duties now include contact tracing, testing and educating people about vaccines.



 **1,274**
cases of COVID-19 **contact-traced**
after being identified at Rush testing sites

2,215 people contacted
for COVID-19
vaccine education and scheduling 


293
people screened for the social
determinants of health
(outside of contact tracing and vaccine outreach calls)



20,000
people received
free, healthy food
distributed by Rush
employee volunteers



ATTACHMENT 11

Background of the Applicants

Education: Creating opportunities

The Rush Education and Career Hub (REACH) provides innovative, hands-on STEM learning for underrepresented students to increase postsecondary achievement and to build diversity in health care and STEM professions. During the pandemic, REACH continued its educational programming virtually. The team also expanded its efforts to connect with families in response to COVID-19, hosting webinars about the virus, distributing meal kits to those in need, distributing personal protective equipment and more.



4000+

students, parents, educators
and community members served

Students were:



180+

high school and college
students interned/
apprenticed through
MedSTEM programs



45%

of MedSTEM participants
and families received **wraparound supports:**
technology, food, transportation and other resources



100%

of college students
in REACH programs persist in a
STEM or health care major

Committed to Community | 3

ATTACHMENT 11

Background of the Applicants

Community-Based Practices: Meeting people where they are

The Rush Community-Based Practices team brings health care to people who face barriers to accessing care. We provide primary care, reproductive health care and mental health services to young people in conveniently located clinics on the West Side, and inclusive, affirming care for the LGBTQ+ community throughout the Rush system. During the pandemic, the team provided telehealth services along with health education through webinars and workshops. They also reached out to patients and their families to connect them with resources like mental health services, food and housing.

Affirm: The Rush Center for Gender, Sexuality and Reproductive Health

Affirm: The Rush Center for Gender, Sexuality and Reproductive Health is working to close gaps in the health care system for LGBTQ+ people. Longstanding internalized stigma, trauma and socioeconomic inequities contribute to health disparities in this community, so the Affirm team helps providers across the Rush system provide affirming care and services for everyone.



55
letters of readiness
written for transgender
patients seeking surgery



221 patients connected to affirming
services at Rush and in the community



291 training hours
provided for Rush clinicians;



13 hours for
community providers

ATTACHMENT 11

Background of the Applicants



School-Based Health Centers (SBHCs) and the Adolescent Family Center (AFC)

In three public school-based health centers on the West Side, we provide a full range of clinic services for young people, including physicals and immunizations, primary care, treatment of injuries and mental health services. The Adolescent Family Center on the Rush University Medical Center campus provides confidential, age-competent health care, including prenatal and reproductive care, for those ages 12 to 25.

1,405
mental health
visits provided



Children and
adolescents served:
768



539 phone calls made to SBHC
families to **screen for social
determinants of health**



1,702
students and adults reached
through sexual health
education programming



122
teen pregnancies
prevented
through family
planning services

Committed to Community | 5

ATTACHMENT 11

Background of the Applicants

Community health and engagement: Making connections

People who live in the communities we serve are the ones who know best what would help them and their neighbors get and stay healthy. We build relationships and work closely with community members, community-based organizations, clinics and public health agencies to develop strategies for fostering healthier, more equitable communities. During the pandemic, these relationships were invaluable in guiding our work to help feed, educate, vaccinate and care for our communities.

Faith-based initiatives

Houses of worship are some of the most trusted anchor institutions on the West Side, and their leaders are authoritative voices in the community. They were close collaborators as we worked to test for COVID-19, educate people about the virus and encourage them to get the vaccine — a critical effort because COVID-19 had a disproportionate impact on Black Chicagoans, who were more likely to be hospitalized and to die from the virus than Latinx and white residents.



1,200

community members tested

9 West Side and South side partner churches served as COVID-19 testing sites



386 walkers

West Side Walk for Wellness

This summer program was designed to engage West Side residents in regular exercise and educate them about health issues that disproportionately impact their communities. Held virtually in 2021 because of COVID-19 restrictions, the program was able to expand to all of Chicagoland and beyond. Participants walked on their own and engaged with each other and health experts via Zoom. They developed such a strong sense of connectedness during the pandemic that the program was extended for an additional three weeks.



ATTACHMENT 11

Background of the Applicants



Adopt-a-Family

Through this longstanding holiday partnership with West Side churches and social service agencies, Rush employees and outside partners provide personal care items, clothing, toys and more to West Side families experiencing hardship. For more than 25 years, Adopt-a-Family has been a beloved tradition at Rush.

251 families served during the 2021 holiday season



1,167

people served, including children, teens, parents and grandparents



36 community members trained

Mental Health First Aid

West Side residents consistently identify mental health resources as something their communities need. Rush's Mental Health First Aid training empowers community members to respond appropriately when someone needs help. More than that, it empowers neighbors to help neighbors without having to rely on large health care or social services institutions. Participants learn how to identify, understand and respond to signs and symptoms of mental illness and substance use disorders, reaching out and providing initial support until professionals can take over.



3

Mental Health First Aid
community trainings held

Committed to Community | 7

ATTACHMENT 11

Background of the Applicants

Anchor Mission: Building health by building community

Shorter life expectancies on the West Side aren't caused by genetics or poor choices, but by the impact of social determinants of health like poverty and a lack of access to healthy food, high-quality education and family-supporting jobs. Through our Anchor Mission strategy, we commit to using our economic power to improve West Side economic vitality by hiring, purchasing, investing and volunteering locally. During the pandemic, we paid particular attention to supporting local vendors, recruiting employees from the West Side and providing food and vaccinations.

Hiring locally

We work with citywide community-based organizations to align our hiring needs with job candidates' skills and offer programs to help our entry-level employees advance their careers within Rush. Our goal is to hire people into stable jobs that offer both a living wage and growth opportunities — an “outside in and inside up” approach.



100%
of patient care technician
pathway program
participants hired by Rush



17%
of all new hires at
Rush University
Medical Center
came from
Anchor Mission
communities



Spending locally

Every dollar spent at a small business recirculates within that community 33% more than a dollar spent at a chain store or restaurant. We encourage Rush departments to purchase through local businesses; bring local restaurants onto the Medical Center campus; and hire community residents to staff the Concordance Healthcare Solutions warehouse that keeps us stocked with medical supplies.

\$8 million spent with local vendors

40% of employees at the
Concordance Healthcare Solutions warehouse
live in Anchor Mission communities



ATTACHMENT 11

Background of the Applicants

Investing locally

We invest in Rush's "first community" of employees, many of whom live on the West Side, by helping them build their own household wealth through increased 403(b) contributions and free financial education. We also take part in local impact investing projects that address the social determinants of health, and have signed a national pledge to allocate 1% of our portfolio—\$7.5 million over the next five years—to these investments. And our contracts for capital projects include goals for local hiring and spending.

\$11.4 million
loaned to West Side social impact
projects through **impact investing**
with our partners



15% more
Rush employees began
saving at least 6% of
their paychecks for
retirement

\$4 million
spent with Anchor
Mission communities
on capital projects

Volunteering locally

The Rush Employee Volunteer Program (EVP) lets employees take time during the work day to volunteer on the West Side. We address issues that improve health and well-being and reduce hardship, and work to provide volunteer opportunities that enrich and inspire employees.



22,588
people served

490 employee volunteers **distributed food**
and staffed COVID-19 vaccination clinics

Committed to Community | 9

ATTACHMENT 11 Facility Licenses



**ILLINOIS DEPARTMENT OF
PUBLIC HEALTH** **HF132397**

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
1/29/2026		7003222

Ambulatory Surgery Treatment Center

Effective: 01/30/2025

Rush Oak Brook Surgery Center, LLC
2011 York Rd, Suite 3000
Oak Brook, IL 60523

The face of this license has a colored background. • Printed by Authority of the State of Illinois • P.O. #4024001 2M 4/24

← DISPLAY THIS PART IN A
CONSPICUOUS PLACE

Exp. Date 1/29/2026

Lic Number 7003222

Date Printed 12/11/2024

Rush Oak Brook Surgery Center, LLC

2011 York Rd, Suite 3000
Oak Brook, IL 60523-1914

FEE RECEIPT NO.



**ILLINOIS DEPARTMENT OF
PUBLIC HEALTH** **HF132167**

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
12/31/2025		0001917

General Hospital

Effective: 01/01/2025

Rush University Medical Center
1653 W Congress Pkwy
Chicago, IL 60612

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← DISPLAY THIS PART IN A
CONSPICUOUS PLACE

Exp. Date 12/31/2025

Lic Number 0001917

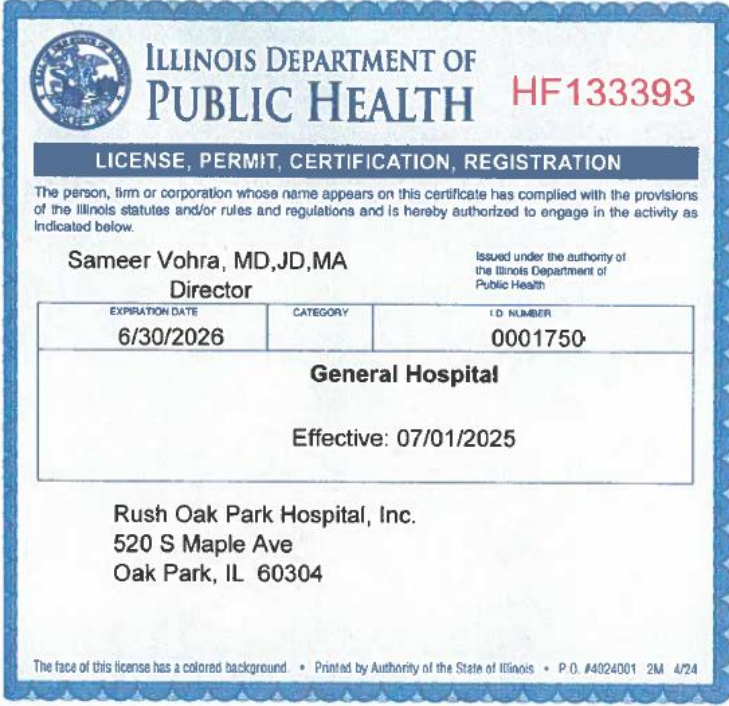
Date Printed 11/15/2024

Rush University Medical Center

1653 W Congress Pkwy
Chicago, IL 60612

FEE RECEIPT NO.

ATTACHMENT 11 Facility Licenses



ILLINOIS DEPARTMENT OF PUBLIC HEALTH **HF133393**

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 6/30/2026	CATEGORY	ID NUMBER 0001750
General Hospital		
Effective: 07/01/2025		

Rush Oak Park Hospital, Inc.
520 S Maple Ave
Oak Park, IL 60304

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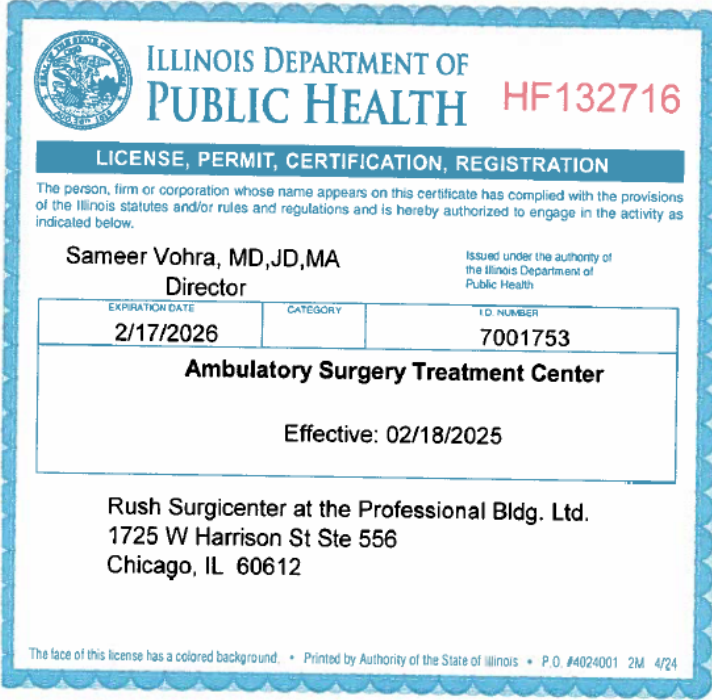
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CONSPICUOUS PLACE

Exp. Date 6/30/2026
Lic Number 0001750

Date Printed 4/3/2025

Rush Oak Park Hospital, Inc.
520 S Maple Ave
Oak Park, IL 60304

FEE RECEIPT NO.



ILLINOIS DEPARTMENT OF PUBLIC HEALTH **HF132716**

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 2/17/2026	CATEGORY	ID NUMBER 7001753
Ambulatory Surgery Treatment Center		
Effective: 02/18/2025		

Rush Surgicenter at the Professional Bldg. Ltd.
1725 W Harrison St Ste 556
Chicago, IL 60612

The face of this license has a colored background. • Printed by Authority of the State of Illinois • P.O. #4024001 2M 4/24

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CONSPICUOUS PLACE

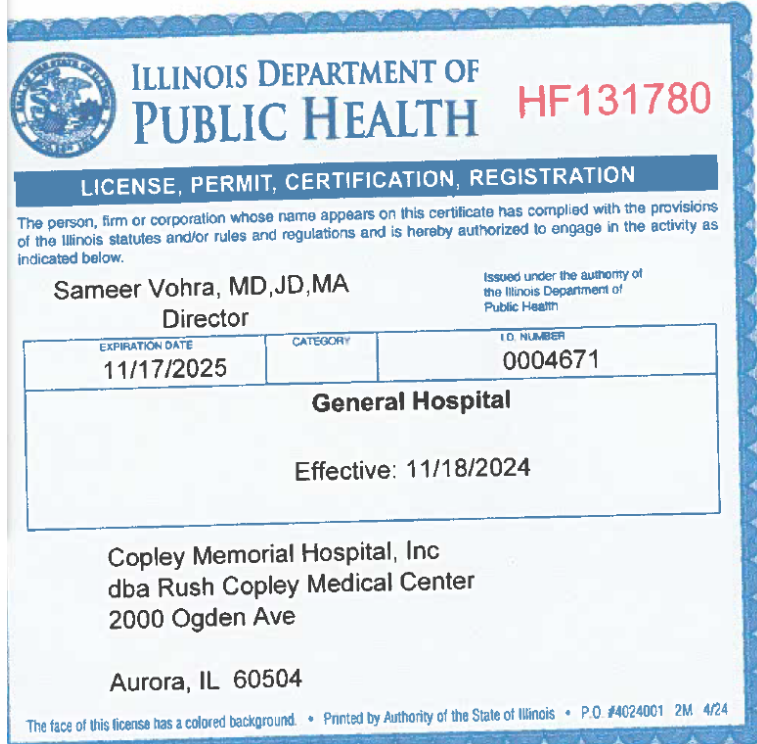
Exp. Date 2/17/2026
Lic Number 7001753

Date Printed 1/21/2025

Rush Surgicenter at the Professional B
1725 W Harrison St Ste 556
Chicago, IL 60612-2846

FEE RECEIPT NO.

ATTACHMENT 11 Facility Licenses



ILLINOIS DEPARTMENT OF PUBLIC HEALTH **HF131780**

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
11/17/2025		0004671
General Hospital		
Effective: 11/18/2024		

Copley Memorial Hospital, Inc
dba Rush Copley Medical Center
2000 Ogden Ave
Aurora, IL 60504

The face of this license has a colored background. • Printed by Authority of the State of Illinois • P.O. #4024001 2M 4/24

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

Exp. Date 11/17/2025

Lic Number 0004671

Date Printed 9/25/2024

Copley Memorial Hospital, Inc
dba Rush Copley Medical Center
2000 Ogden Ave
Aurora, IL 60504

FEE RECEIPT NO.

ATTACHMENT 11

Certification and Authorization Letter

Rush University System for Health
1653 W. Congress Parkway
Chicago, IL 60612
www.rush.edu



January 26, 2026

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

Re: Rush Elmhurst Medical Office Building -Certification and Authorization

Dear Mr. Kniery,

As representative of Rush System for Health d/b/a Rush University System of Health, Rush University Medical Center, I, Carl Bergetz, give authorization to the Health Facilities and Services Review Board and the Illinois Department of Public Health (IDPH) to access documents necessary to verify the information submitted including, but not limited to: official records of IDPH or other state agencies, the licensing or certification records of other states, and the records of nationally recognized accreditation organizations.

I further verify that, Rush System for Health d/b/a Rush University System of Health maintains an ownership interest in the following Illinois healthcare facilities:

- Rush University Medical Center
- Rush Copley Medical Center
- Rush Oak Park Hospital
- Rush Specialty Hospital
- Rush Surgicenter at the Professional Building, Ltd.
- Rush Oak Brook Surgery Center, LLC
- Rush-Copley Surgicenter, LLC

None of the healthcare facilities listed above have been cited for an adverse action in the past three (3) years.

I hereby certify that this is true and based upon my personal knowledge under penalty of perjury and in accordance with 735 ILCS 5/1-109.

Sincerely,

A handwritten signature in blue ink, appearing to read "Carl Bergetz".

Carl Bergetz, JD
Chief Legal Officer
Rush University System for Health

28170881 v1

ATTACHMENT 12

Purpose of the Project

The purpose of the proposed project is to expand access to high-quality, coordinated outpatient health services for residents of Elmhurst and the surrounding near-west suburban communities of the Chicago metropolitan area. The Rush Elmhurst Medical Office Building (“Rush Elmhurst MOB”) will provide comprehensive, community-based ambulatory services that improve access, continuity of care, and patient convenience while supporting appropriate utilization of hospital-based resources.

The project is designed to enhance the health and well-being of the market area population by delivering primary care, urgent care, diagnostic services, and specialty care in a single, accessible outpatient setting. By shifting appropriate care to an ambulatory environment, the project will improve patient experience, reduce unnecessary emergency department utilization, and support timely diagnosis and treatment.

For purposes of this application, the planning area consists of the City of Elmhurst and adjacent near-west suburban communities, including areas currently served by Rush outpatient facilities in Oak Brook and Hinsdale. This market area includes a substantial population of existing Rush patients who currently travel outside their immediate community for ambulatory and specialty care, as well as residents who lack convenient access to comprehensive outpatient services. The proposed site at 107 N. York Street, Elmhurst, Illinois is centrally located within this market area and is readily accessible to patients via local roadways and public transportation.

The project is intended to address several existing and interrelated issues within the market area, including:

- Limited access to comprehensive outpatient and urgent care services within the immediate Elmhurst community, requiring patients to travel to hospital campuses or more distant outpatient facilities;
- Overreliance on hospital emergency departments for non-emergent conditions due to insufficient urgent care capacity in convenient community locations;
- Fragmentation of care, with patients receiving primary care, diagnostic services, and specialty care across multiple locations;
- Growing demand for outpatient services, driven by population growth, aging demographics, and increased prevalence of chronic conditions, including cardiovascular disease and obesity.

The Rush Elmhurst MOB will directly address the identified access, capacity, and care-coordination issues by establishing a 20,764 square foot, outpatient facility that integrates primary care, urgent care, diagnostic services, pharmacy, laboratory, home infusion, and specialty care within a single, community-based setting. The facility will include 25 examination rooms, one procedure room, on-site diagnostic imaging, pharmacy and laboratory services, and clinical support space, allowing patients to receive timely evaluation, diagnosis, and treatment without the need to travel to multiple locations.

Primary care and urgent care services will collectively occupy approximately half of the facility, ensuring robust access to front-line care for patients across the service area. Primary care services will include routine preventive care, chronic disease management, immunizations, and care coordination for conditions such as diabetes, hypertension, and asthma. Patients will benefit from same-day or next-day appointments, continuity with Rush providers, and seamless referral to on-site specialty services when needed.

Urgent care services will provide evaluation and treatment for non-life-threatening conditions, including minor injuries, infections, respiratory illnesses, gastrointestinal complaints, and uncomplicated cardiac or neurologic symptoms requiring prompt assessment. By offering extended hours and walk-in availability, urgent care at Rush Elmhurst MOB will provide a lower-cost, more appropriate alternative to hospital emergency department visits, improving convenience for patients while helping to reduce unnecessary emergency department utilization in the region.

ATTACHMENT 12

Purpose of the Project

The Rush Elmhurst MOB will provide a range of specialty outpatient services designed to address identified gaps in access and meet the evolving healthcare needs of the service area population. Medical weight loss services will focus on the evaluation and management of obesity-related conditions through a comprehensive approach that includes nutrition counseling, pharmacologic therapy, and coordination with specialty care to support metabolic health and reduce cardiovascular risk.

General gynecology services will offer preventive care, routine gynecologic evaluations, and management of common women's health conditions, improving access to essential services for patients who currently must travel outside the community for care. Otolaryngology (ENT) and audiology services will provide diagnosis and treatment of ear, nose, and throat conditions, along with hearing evaluations and audiologic care, allowing patients to receive coordinated specialty services in a single, convenient location.

The facility will also offer dermatology services, including evaluation and treatment of chronic skin conditions and assessment of dermatologic lesions, supporting timely diagnosis and ongoing management. Transplant hepatology and transplant nephrology services will provide outpatient management and follow-up care for transplant patients and individuals with advanced liver or kidney disease, enabling patients to receive specialty oversight closer to home while remaining fully integrated with Rush's hospital on site care resources. In addition, cardiology services will support the evaluation and management of cardiovascular conditions such as hypertension, arrhythmias, and ischemic heart disease, with care supported by on-site diagnostic testing to enhance clinical decision-making and continuity of care.

The facility will also offer advanced diagnostic capabilities including ultrasound, stress echocardiography, and X-ray imaging. This will allow providers to promptly evaluate symptoms such as chest pain, shortness of breath, abdominal pain, and musculoskeletal injuries. Immediate access to diagnostic testing will reduce delays in diagnosis, support timely treatment decisions, and enhance coordination among primary care, urgent care, and specialty providers.

On-site pharmacy and laboratory services will further streamline care by enabling patients to complete testing and obtain prescribed medications during a single visit, improving adherence and reducing barriers to treatment. Home infusion services will support patients requiring infusion therapies, minimizing the need for hospital-based visits and enhancing convenience for patients with chronic or complex conditions.

The project will also allow Rush to consolidate existing off-site primary care practices into a single, comprehensive outpatient setting, improving operational efficiency and care coordination. By shifting lower-acuity visits to a community-based setting, the project will free hospital-based capacity at Rush Oak Park Hospital and other Rush facilities for higher-acuity and more complex care.

The goals of the project are to expand access to high-quality outpatient care, promote appropriate utilization of healthcare resources, and enhance coordinated, community-based service delivery for patients in Elmhurst and the surrounding near-west suburban communities. To improve access to outpatient care, the project is designed to achieve operational capacity to support more outpatient visits annually within five years of opening, reflecting anticipated demand and patient preference for locally accessible services.

A further goal of the project is to reduce inappropriate utilization of hospital emergency departments for non-emergent conditions. This objective will be achieved by establishing urgent care services capable of diverting a measurable portion of non-emergent emergency department visits to an outpatient urgent care setting within the first 24 months of operation, thereby improving patient convenience while supporting more efficient use of hospital-based resources.

ATTACHMENT 12

Purpose of the Project

Finally, the project supports equitable, community-based care delivery by expanding access to specialty services for both existing and new Rush patients residing in Elmhurst and nearby communities. Within the first year of operation, the Rush Elmhurst MOB is expected to measurably increase local availability of specialty outpatient services, allowing patients to receive timely, high-quality care closer to home. For patients in Elmhurst and the surrounding near-west suburbs, the Rush Elmhurst MOB will deliver closer-to-home access to a broad spectrum of outpatient services, reduce travel time, and improve continuity of care across Rush's integrated network. Collectively, these clinical capabilities will support improved health outcomes, enhanced patient experience, and more efficient use of healthcare resources within the service area.

The Rush Elmhurst MOB is a strategic, community-focused project designed to improve access to high-quality outpatient care, address existing service gaps, and enhance the overall health and well-being of the market area population. By delivering the right care in the right setting, the project aligns with Rush's mission and the objectives of the Health Facilities and Services Review Board and represents a responsive investment in community health infrastructure.

ATTACHMENT 13

Alternatives

Alternative #1: Maintain the Status Quo. (No Additional CON costs / Healthcare Delivery Costs)

Under this alternative, no capital investment would be made and no additional costs would be incurred. However, this alternative would also produce no corresponding benefit to the community. Existing utilization patterns and patient origin data demonstrate unmet demand for urgent care and specialty outpatient services in the Near West suburbs, including among established Rush patients currently receiving care at the Oak Brook and other dispersed suburban locations.

Maintaining the status quo would require continued reliance on more distant facilities for services that could be provided in a community-based setting, resulting in reduced access, increased travel burdens, and continued pressure on hospital-based resources. From a health planning perspective, delaying action would place Rush in a reactive position rather than proactively addressing evolving patient needs. For these reasons, this alternative was determined to be inconsistent with sound healthcare planning and was not selected.

Alternative #2: Construct another Medical Office Building at another location. (Similar CON costs to Proposed Project)

The Applicants evaluated other potential sites within the health service area. While alternative locations were available, none offered a combination of accessibility, proximity to the existing patient base, and operational efficiency superior to the proposed site. Construction and development costs at alternative locations would have been comparable to the proposed project, resulting in similar Certificate of Need costs without a commensurate improvement in patient access or system integration.

Importantly, the selected location allows continuity of care for existing Rush patients currently served in the geographic service area, minimizing disruption while expanding services. Given the lack of a clear advantage and the absence of meaningful cost or access benefits, this alternative was not selected.

Alternative #3: Construct a smaller Medical Office Building at the same location. (Lower CON costs than Proposed Project / Smaller Healthcare Delivery Impact)

The Applicants also considered constructing a smaller facility at the proposed site. While this alternative could have resulted in lower overall project costs, it would fail to adequately address the demonstrated and projected demand for urgent care and specialty services in the Near West suburbs.

A reduced-scale facility would limit service availability, constrain future growth, and undermine Rush's ability to meet community needs over time. Although initial capital expenditures would be lower, the long-term impact on access, capacity, and care delivery would be significant. From a health planning standpoint, this alternative would represent an underinvestment relative to identified community needs and was therefore not selected.

Alternative #4: Project as Proposed.

The proposed project represents the most responsible and balanced alternative from both a healthcare planning and patient care delivery perspective. It allows Rush to expand access to urgent and specialty outpatient services in a manner that is appropriately scaled, financially prudent, and strategically located to serve existing and future patients.

The project satisfies the Certificate of Need principle of achieving the most effective increase in access at the lowest appropriate cost, while supporting continuity of care, reducing unnecessary hospital utilization, and improving patient convenience. Given the limitations of the alternatives considered, the Applicants determined that proceeding with the project as proposed best advances community health needs and is therefore the alternative presented to the Board for review and approval.

ATTACHMENT 14

Size of the Project

The square footage identified in this application for the proposed project includes a total of 20,764 gross square feet (GSF), all of which is newly constructed. Of this total, 13,933 GSF is dedicated to clinical space and 6,831 GSF is dedicated to non-clinical administrative and support space. The proposed square footage is necessary to support the planned outpatient services, not excessive, and consistent with the applicable size standards set forth in Appendix B of 77 Ill. Admin. Code §1110, as summarized below.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
Diagnostic Radiology (Ultrasound, Echo Stress, X-Ray)	975	Total: 3,500 GSF 1,300 GSF Per Unit (General Radiology); 900 GSF Per Unit (Ultrasound)	-2,525	Yes

ATTACHMENT 15

Project Services Utilization

The proposed medical office building is designed with the primary purpose of expanding access to primary and specialty outpatient care for residents of the planning area in which the facility will be located. The facility is also expected to serve Rush patients residing in secondary service areas who currently seek care at other Rush locations. Existing physician office capacity in the community is approaching operational limits, and continued growth in the Rush patient base has created a need to expand outpatient services in a convenient, community-based setting. Accordingly, the proposed project is warranted to address current capacity constraints and to support anticipated future demand for care.

Based on projected referrals from Rush Medical Group ("RUMG") practices and Rush University Medical Center ("RUMC") patients residing within the service area, the Applicants anticipate substantial utilization of diagnostic imaging services at the proposed facility. In Year 1 of operation, it is projected that the facility will perform at least 6,900 X-ray procedures. This projection is supported by historical utilization trends, which reflect 9,723 X-ray procedures in 2023, 11,031 procedures in 2024, and 11,625 procedures in 2025 across comparable Rush outpatient settings.

Using the same methodology, outpatient ultrasound utilization at RUMC totaled 7,307 visits in 2023, 9,106 visits in 2024, and 10,215 visits in 2025. After reviewing utilization data from other Rush medical office buildings, the Applicants project that the proposed facility will perform approximately 6,100 outpatient ultrasound studies annually. These projected X-ray and ultrasound volumes support the need for one X-ray machine and one general ultrasound machine at the proposed medical office building.

Although there is no State-established utilization standard for stress echocardiography equipment, historical utilization further supports the inclusion of this modality. Rush performed 2,791 stress echocardiography procedures in 2023, 3,263 procedures in 2024, and 3,581 procedures in 2025. Based on historical patterns and anticipated patient volumes, the proposed facility is projected to perform approximately 2,200 stress echocardiography studies annually.

All projections are based on historical utilization data and existing Rush patient volumes and reflect conservative assumptions regarding patient migration to the proposed site. It is anticipated that in Year 2 of operation, the number of procedures performed using this diagnostic equipment will increase by approximately 3 percent annually, consistent with recent utilization trends and projected growth in outpatient demand.

Diagnostic Imaging Utilization – Historical and Projected Volumes

Modality	2023	2024	2025	Year 1	Year 2
X-Ray	9,723	11,031	11,625	6,900	7,107
Ultrasound	7,307	9,106	10,215	6,100	6,283
Stress Echocardiography	2,791	3,263	3,581	2,200	2,266

ATTACHMENT 15

Project Services Utilization



(Siemens Acuson Sequoia Ultrasound)



(Advanced Digital Radiography X-Ray Equipment)

ATTACHMENT 31

Need Determination – Establishment

The proposed Rush Elmhurst MOB is designed with the primary purpose of expanding access to primary and specialty outpatient care for residents of Elmhurst and the surrounding near-west suburban planning area. The services to be provided at the facility are non-hospital-based outpatient services that will be delivered by physicians and providers affiliated with Rush University System for Health. In addition to serving patients residing within the primary service area, the facility is expected to provide services to Rush patients residing in secondary service areas who currently travel to other Rush locations for care.

The project responds to a demonstrated need for expanded community-based outpatient capacity, driven by growing demand for primary care, urgent care, diagnostic, and specialty services among Rush's existing patient population. Capacity constraints at existing Rush Medical Group physician offices and increased outpatient utilization across the Rush system underscore the need for a purpose-built facility capable of accommodating additional visit volume in a convenient, community setting.

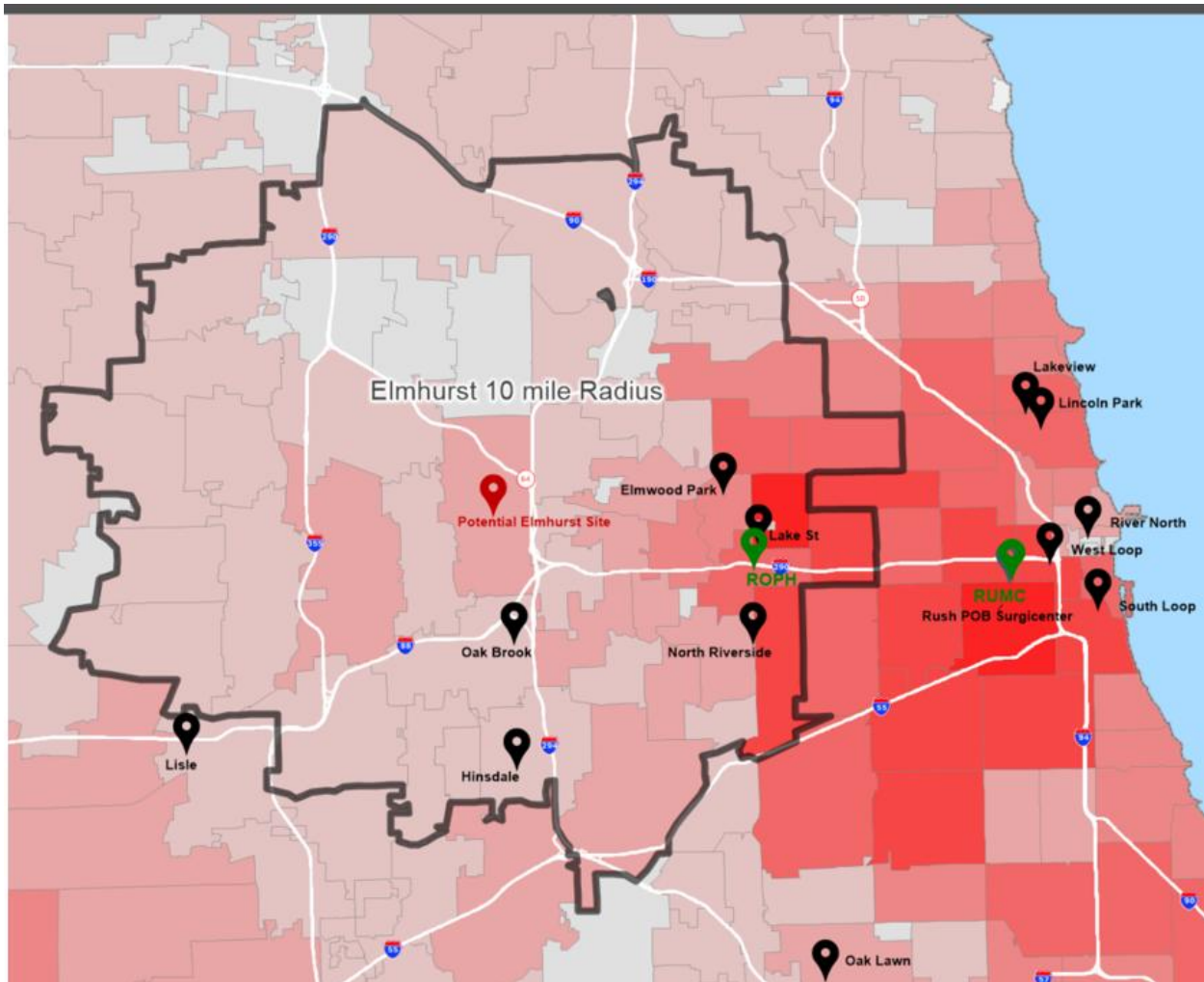
There is an established and growing base of Rush patients residing in and around Elmhurst, as reflected in patient origin and utilization data. Historical visit patterns utilized for this application come from the geographic service area surrounding the proposed facility site. Projected visit volumes at the Rush Elmhurst MOB are based on historical utilization trends across Rush outpatient sites in the near-west suburban market, as well as anticipated growth in demand for urgent and specialty care services. The proposed facility is expected to capture and better serve this existing patient population by offering care closer to where patients live, while also accommodating future growth.

The project is not expected to have a material adverse impact on other area providers. Rather, it will allow the Rush system to more effectively serve its existing patients, improve access to timely outpatient care, and ensure that services are delivered in the most appropriate and cost-effective setting. By expanding community-based capacity, the Rush Elmhurst MOB will strengthen Rush's ability to meet patient needs while supporting efficient system-wide care delivery.

ATTACHMENT 31

Need Determination – Establishment

The heat map included with this application illustrates the growing concentration of Rush patients within the geographic service area surrounding the proposed facility. The data demonstrate a strong and expanding patient base in the Elmhurst area. In FY2025, approximately 18 percent of Rush Medical Group (RMG) patients originated from within the Elmhurst service radius. Notably, among Rush Medical Group departments operating at the Rush Oak Brook location, approximately 40 percent of patients originated from the same Elmhurst service radius. These utilization patterns underscore the presence of an established patient population in the immediate area and support the need for expanded outpatient services closer to where patients reside.



ATTACHMENT 34

Availability of Funds

The total estimated project cost for the proposed Rush Elmhurst MOB is \$27,201,077. The Applicants will fund the project through a combination of cash and existing securities and lease-related funding.

Specifically, \$16,561,312 of the total project cost, representing the construction and related costs to be borne by the Applicants, will be funded through cash and existing securities of Rush University System for Health and Rush University Medical Center. The remaining \$10,639,765 of the total project cost reflects the fair market value of lease costs associated with the facility over the applicable lease term, including the tenant improvement allowance provided by the building owner pursuant to the lease.

Rush University System for Health and Rush University Medical Center have sufficient and readily available internal financial resources to fund the project as proposed, as demonstrated in the Applicants' proof of funding materials and most recent audited financial statements, which are included as attachments to this application. These materials confirm the Applicants' ability to meet all project-related financial obligations, as well as ongoing operational and capital requirements.

ATTACHMENT 34
Audited Financial Statement



Rush University System for Health

Annual Report
For the Fiscal Year Ended June 30, 2024
Audited

Rush Copley Medical Center
Rush Oak Park Hospital
Rush University Medical Center
Rush University

ATTACHMENT 34

Audited Financial Statement

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CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING INFORMATION IN THIS ANNUAL REPORT

Certain statements included or incorporated by reference in this Annual Report constitute “forward-looking statements.” Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “budget,” or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVES KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE OBLIGATED GROUP DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN THE EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

PURPOSE OF THE ANNUAL REPORT

The purpose of this Annual Report is to present certain financial and operating information for the RUSH Obligated Group as defined below, for the fiscal years ended June 30, 2024 and 2023 and management’s discussion and analysis of the RUSH Obligated Group’s financial condition and results of operations for the fiscal year ended June 30, 2024. This report also provides insights on the quality of earnings reported, significant balance sheet assumptions used and any changes in assumptions used, risks to the balance sheet and statement of operations, and the impact of anticipated future events.

Effective March 1, 2017, Rush University Medical Center (“RUMC”) and Rush Copley Medical Center (“RCMC”) reorganized their operations under a common corporate parent, Rush System for Health, d/b/a Rush University System for Health (the “System Parent”). Effective July 1, 2023, the corporate member of Rush Oak Park Hospital (“ROPH”) changed from RUMC to the System Parent. The System Parent, together with its various wholly-owned or ultimately controlled subsidiaries, collectively comprise the integrated academic health system referred to herein as “RUSH”. RUSH is led by a 19-member board of directors (the “System Parent Board”), responsible for overseeing the vision and strategy of RUSH. The System Parent, RUMC, RCMC, ROPH, and Copley Memorial Hospital, Inc. (“CMH”), Rush Copley Foundation (“Copley Foundation”), Copley Ventures, Inc. and Rush Copley Medical Group NFP (“RCMG”) comprise the “RUSH Obligated Group” (or the “Obligated Group”) pursuant to the Amended and Restated Master Trust Indenture, dated as of February 1, 2015 as amended and as entered into by each member of the RUSH Obligated Group (“the Master Trust Indenture”).

The financial and operating data in this Annual Report continues to be presented on a consolidated basis for this report. For the fiscal year ended June 30, 2024, the Obligated Group members constituted approximately 99.7% of the total revenue of RUSH. See “INTRODUCTION OF RUSH - PRESENTATION OF FINANCIAL INFORMATION” below for additional information.

This report includes the consolidated activities and results of the Obligated Group. The primary activities and consolidated results of this report include the three hospitals, Rush University education and research activities, Rush University Medical Group (“RUMG”), RUMC’s faculty practice plans, and other physician practice activity as well as other operating activities.

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Audited Financial Statement

OFFICER'S CERTIFICATE

The undersigned duly appointed and Senior Vice President and Chief Financial Officer of Rush University Medical Center and Rush University System for Health, as the Group Representative pursuant to the Master Continuing Disclosure Agreement dated as of February 1, 2015 between the Group Representative, on behalf of itself and the other members of the Obligated Group, and Digital Assurance Certification, L.L.C., as Dissemination Agent (Dissemination Agent), hereby certifies as follows:

1. **Definitions.** Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Master Continuing Disclosure Agreement.
2. **Annual Report.** Accompanying this Annual Report Certificate is the Annual Report for fiscal year ended June 30, 2024.
3. **Compliance with Master Continuing Disclosure Agreement.** The Annual Report is being delivered to the Dissemination Agent herewith not later than the one-hundred twentieth (120th) following the end of the fiscal year which is the applicable Annual Report Date for purposes of such Annual Report. The Annual Report contains, or includes by reference, the Financial Information and Operating Data required by the Master Continuing Disclosure Agreement. The Financial Information and Operating Data include information with respect to the Obligated Persons identified in Schedule 1 hereto, and such Obligated Persons constitute all of the Obligated Persons with respect to the Related Bonds for the fiscal year covered by the Annual Report. To the extent any information is included in the Annual Report by reference, any document so referred to has been previously provided to the Repositories or filed with the SEC or, in the case of a reference to a Final Official Statement, has been filed with the MSRB.

Such Financial Information and Operating Data have been prepared on the same basis as the most recently prepared Audited Financial Statements.

IN WITNESS WHEREOF the undersigned has executed and delivered this Annual Report Certificate to the Dissemination Agent, which has received such certificate and the Annual Report, all as of the 25th day of October 2024.

RUSH UNIVERSITY SYSTEM FOR HEALTH
As Group Representative



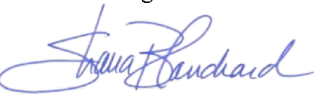
By: _____

Patricia S. O'Neil

Its: Senior Vice President and Chief Financial Officer

Acknowledgment of Receipt:

Digital Assurance Certification (DAC)
As Dissemination Agent

By: 
Shana Blanchard

Its: Client Service Manager, Senior Vice President

ATTACHMENT 34

Audited Financial Statement

OBLIGATED PERSONS

1. Rush University Medical Center ("RUMC")
2. Rush Oak Park Hospital, Inc. ("ROPH")
3. Copley Memorial Hospital, Inc. ("CMH")
4. Rush Copley Medical Center ("RCMC")
5. Rush Copley Foundation ("Copley Foundation")
6. Copley Ventures, Inc. ("Copley Ventures")
7. Rush Copley Medical Group NFP ("RCMG")
8. Rush System for Health, d/b/a Rush University System for Health ("System Parent")

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Audited Financial Statement

Selected Financial Results and Other Information

The selected financial data for the fiscal years ended June 30, 2024 and 2023 are derived from audited consolidated financial statements. The audited consolidated financial statements include all adjustments, including normal recurring accruals, which RUSH considers necessary for a fair presentation of the financial position and the results of operations for these periods. See below for various highlights of the Annual Obligated Group results:

(In thousands)

Financial Results for the Obligated Group (with Federal Funding)	Fiscal Year Ended June 30, 2024	Fiscal Year Ended June 30, 2023	Impact	
Total operating revenue	\$ 3,651,642	\$ 3,353,832	\$ 297,810	8.9%
Total operating expenses	3,574,025	3,318,274	(255,751)	(7.7)%
Operating income (1)	77,617	35,558	42,059	118.3%
Non-operating income	143,365	86,118	57,247	66.5%
Excess of Revenue over expenses	220,982	121,676	99,306	81.6%
Operating cash flow margin	268,064	205,350	62,714	30.5%

Selected Obligated Group Cash Flow Information for the	Fiscal Year Ended June 30, 2024	Fiscal Year Ended June 30, 2023	Impact	
Net cash provided by operating activities	\$ 75,216	\$ 131,260	\$ (56,044)	(42.7)%
Changes in operating assets and liabilities	(36,673)	(41,961)	5,289	12.6 %
Capital expenditures	(219,903)	(333,511)	113,608	34.1%

Selected Obligated Group Balance Sheet Information as of	June 30, 2024	June 30, 2023	Impact	
Unrestricted cash and investments	\$ 1,963,486	\$ 1,799,558	\$ 163,928	9.1%
Restricted cash and investments	990,719	938,959	51,760	5.5%
Accounts receivable for patient services	430,151	407,284	22,867	(5.6)%
Net property and equipment	1,893,767	1,879,905	13,862	0.7%
Obligated Group indebtedness	928,638	945,301	16,663	1.8%
Postretirement and pension benefits assets	35,377	7,195	28,182	391.7 %
Postretirement and pension benefits liabilities	1,864	4,893	3,029	61.9%
Net assets without donor restrictions	2,377,067	2,120,717	256,350	12.1%

Note 1: Refer to ‘Significant Nonrecurring Items’ on page 20 of this Annual Report for a listing of items impacting the Obligated Group’s reported operating income for the fiscal years ended June 30, 2024 and 2023.

ATTACHMENT 34

Audited Financial Statement

Financial Ratios – Obligated Group

	AUDITED	AUDITED FISCAL YEAR			TARGET
	Fiscal Year Ended				
	June 30, 2024	2023	2022	2021	Moody's "A"
	Actual	Actual	Actual	Actual	Median 2022 (2)
Operating Performance:					
Operating Margin	2.1%	1.1%	3.5%	4.1%	0.1%
Operating Margin without Federal funding (4)	0.7%	0.4%	0.8%	2.1%	0.1%
Excess Margin (1)	3.6%	1.2%	5.0%	5.6%	2.7%
Operating Cash Flow Margin	7.3%	6.1%	9.1%	10.2%	5.6%
Liquidity:					
Days Cash on Hand	210.2	206.8	232.8	289.5	206.5
Days in Patient Accounts Receivable	49.7	51.0	50.0	51.6	48.0
Financial Position / Debt Capacity:					
Debt to Capitalization	28.1%	30.8%	32.4%	32.2%	31.8%
Debt to Cash Flow (1)	3.2	5.2	3.0	2.9	3.6
Cash to Debt	211.4%	190.4%	201.5%	230.6%	173.7%
Maximum Annual Debt Service Coverage (1) (3)	5.3x	3.3x	5.4x	5.3x	3.8x
Annual Debt Service Coverage (1) (3)	3.7x	5.1x	7.7x	7.5x	4.5x
Average Age of Plant in Years	13.6	14.1	13.0	12.5	12.8
Capital Spending Ratio	1.4	2.3	1.4	1.2	1.2

Note 1: Net income excludes unrealized gains and losses on unrestricted investments and change in fair value of interest rate swaps still outstanding.

Note 2: As published by Moody's Investor Services, Fiscal Year 2022 Not-for-Profit Health care Medians for Freestanding Hospitals, Single-State and Multi-State Healthcare Systems, September 2023.

Note 3: Net revenue available for debt service excludes net gains and losses on sales of investments, a component of nonoperating income, which is consistent with the Obligated Group debt covenant calculation.

Note 4: Operating margin excludes various federal funding of \$52.3 million for June 30, 2024 and \$21.7, \$84.5 and \$61.2 million for the fiscal years ended June 30, 2023, 2022 and 2021, respectively. This amount includes 340b remediation of \$48.6 million for June 30, 2024.

ATTACHMENT 34

Audited Financial Statement

INTRODUCTION

This Annual Report contains information concerning the RUSH Obligated Group, which comprises Rush System for Health d/b/a Rush University System for Health (the “System Parent”) and its various wholly owned or ultimately controlled subsidiaries (together with the System Parent, collectively, “RUSH”). RUSH shares a common mission across entities to improve the health of the individuals and diverse communities it serves through the integration of outstanding patient care, education, research and community partnerships.

RUSH

Effective March 1, 2017, after 30 years of collaboration as members of the same Obligated Group, Rush University Medical Center (“RUMC”) and Rush Copley Medical Center (“RCMC”) entered into a reorganization agreement to fully integrate their operations under the System Parent, forming RUSH. Effective July 1, 2023, the corporate member of Rush Oak Park Hospital (“ROPH”) changed from RUMC to the System Parent. RUSH is comprised of: (i) RUMC, RCMC and ROPH, each of which owns and operates a hospital (the “Hospitals”), (ii) numerous outpatient care facilities throughout the Chicagoland area, (iii) Rush University, a health sciences university with more than 2,750 students (2,070 for summer enrollment) comprised of Rush Medical College, the College of Nursing and the College of Health Sciences and (iv) Rush Health, RUSH’s physician hospital organization and clinically integrated network, which includes the Hospitals, Riverside Health System in Kankakee and more than 2,500 affiliated providers. As of June 30, 2024, RUSH included three hospitals, 918 staffed beds, and 973 employed physicians.

The Obligated Group

The System Parent and certain of its affiliates are members of the RUSH Obligated Group created under the Master Trust Indenture, as described herein. The entities listed as “Obligated Persons” on page 3 of this Report are the only members of the RUSH Obligated Group and are the only entities that have any liability or obligation under the Master Trust Indenture.

Rush Health and Riverside Health System are not members of the RUSH Obligated Group and do not have any liability with respect to the Master Trust Indenture. The Obligated Group members have other affiliates, joint ventures and investments in other organizations which are not members of the RUSH Obligated Group and which do not have any liability with respect to the Master Trust Indenture. These organizations primarily operate inpatient and outpatient health and related services that support the operations of the RUSH Hospitals and the mission of RUSH. In addition, joint ventures and investments, although not members of the Obligated Group, are accounted for in the RUSH financial statements using the equity method or are consolidated depending upon the control exercised by the RUSH Obligated Group.

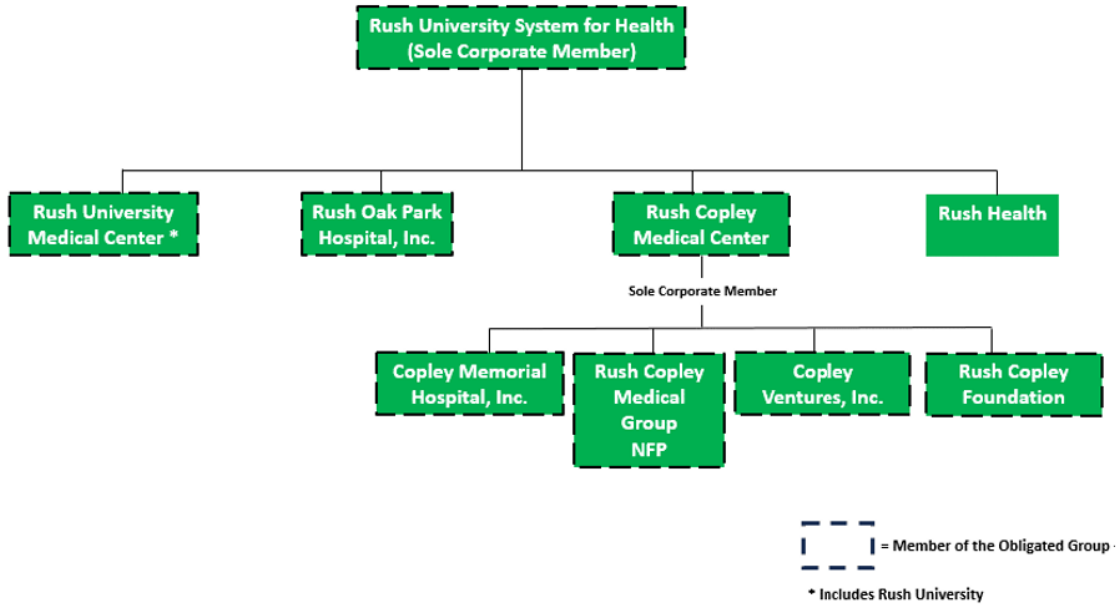
Organizational Chart

The chart on the following page reflects the corporate organizational structure of RUSH, excluding joint ventures and other affiliated for-profit companies which are disregarded from a federal tax accounting perspective. The entities shown are all members of the Obligated Group other than Rush Health.

ATTACHMENT 34

Audited Financial Statement

Rush System for Health Organizational Chart



ATTACHMENT 34

Audited Financial Statement

Vision, Mission and Imperatives

RUSH's vision is to be the leading academic health system in the region and nationally recognized for transforming health care. The mission of RUSH is to improve the health of the individuals and diverse communities it serves through the integration of outstanding patient care, education, research and community partnerships. RUSH's core "I CARE" values — Innovation, Collaboration, Accountability, Respect and Excellence — are the roadmap to its mission and vision.

Excellence at RUSH comes from its singular focus to improve health for all. Across its three hospitals, integrated health sciences university and more than 30 care locations, everything at RUSH is built around this commitment.

RUSH is a learning health care system with research, education, training and excellent clinical care rooted in its values. With this foundation, RUSH is building cutting-edge capacity and an outstanding, best-in-class workforce trained to provide the right care, in the right place, at the right time. Fully leveraging these resources will deliver what matters most to patients: the best value and the best outcomes for the best life.

Presentation of Financial Information

Although the System Parent and the other Obligated Persons listed on page 3 of this report are currently the only members of the RUSH Obligated Group under the Master Trust Indenture, the System Parent controls directly or indirectly, a number of other non-member entities whose revenues and expenses and results of operations are included in RUSH consolidated financial statements included in appendix hereto. Such non-member joint ventures and investment entities are accounted for in RUSH unaudited consolidated financial statements using the equity method of accounting or are consolidated depending upon the control exercised by the applicable Obligated Group member. Further, the information describing the financial condition of RUSH contained in this Annual Report includes information with respect to these entities which are not Obligated Group members. For the fiscal year ended June 30, 2024, these non-member entities constituted approximately 0.3% of the total revenue of RUSH.

Obligated Group Members

Rush University System for Health – The System Parent is the sole corporate member (with reserved powers over the operations) of RUMC, RCMC, ROPH and Rush Health and oversees all entities that comprise RUSH.

Rush University Medical Center – RUMC owns and operates an academic medical center located in Chicago, Illinois. Major operations of RUMC include Rush University Hospital ("RUH"), Rush University and Rush University Medical Group ("RUMG"). The hospital operations of RUMC are licensed by the State of Illinois to operate 678 beds. According to COMData, RUMC is the fifth largest hospital provider in the eight county Chicago metropolitan area as measured by market share. RUMC is an Illinois not for profit corporation, which is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

Rush Oak Park Hospital, Inc. – ROPH owns and operates a 185 licensed bed acute care facility located approximately eight miles west of RUMC in Oak Park, Illinois. Effective June 30, 2014, ROPH became a member of the Obligated Group. ROPH is an Illinois not for profit corporation, which is exempt from federal income taxes under Section 501(c)(3) of the Code.

Rush Copley Medical Center – RCMC is the sole corporate member (with reserved powers over the operations) of the other Copley members of the Obligated Group (a description of each as follows). RCMC supports the other Copley members by providing administrative, management and related services. RCMC is an Illinois not for profit corporation, which is exempt from federal income taxes under Section 501(c)(3) of the Code.

ATTACHMENT 34

Audited Financial Statement

Copley Memorial Hospital, Inc. – CMH owns and operates an acute care hospital located approximately 35 miles west of RUMC in Aurora, Illinois. CMH is licensed by the State of Illinois to operate 210 beds, all of which are currently staffed. CMH is an Illinois not for profit corporation, which is exempt from federal income taxes under Section 501(c)(3) of the Code.

Rush Copley Foundation – Copley Foundation solicits contributions to support health care activities in RCMC's service area, including, but not limited to, those of RCMC. Copley Foundation is an Illinois not for profit corporation, which is exempt from federal income taxes under Section 501(c)(3) of the Code.

Copley Ventures, Inc. – Copley Ventures holds title to property for rental purposes. Copley Ventures is an Illinois not for profit corporation, which is exempt from federal income taxes under Section 501(c)(3) of the Code.

Rush Copley Medical Group NFP – RCMG owns, operates, controls and otherwise coordinates the activities of physician practice health and medical services and provides certain physician billing and administrative services. RCMG is an Illinois not for profit taxable corporation.

Non-Obligated Group Members

Rush Health, an Illinois not for profit corporation, was established in 1994 for the purpose of contracting and administering various contracts with certain managed care organizations, marketing and improving clinical processes and outcomes through the integration and coordination of high-quality, patient-focused, cost-effective health care products and services meeting the needs of the patient, employer, community and the provider. Rush Health has evolved into RUSH's physician hospital organization and clinically integrated network. Members currently include RUMC, ROPH, RCMC, Riverside Health System and more than 2,500 affiliated providers. Rush Health manages more than \$2.9 billion in net patient services revenues and has approximately 157,000 lives covered under a variety of commercial and governmental value-based care arrangements.

Rush Health also operates a subsidiary company, Rush Health ACO, which holds a Medicare Shared Savings Program ("MSSP") contract. All Rush Health providers are participants in the Rush Health ACO.

RUSH Service Area

RUSH serves Cook County and the eight-county Chicago metro area, which has an estimated population of almost nine million people. This market area encompasses Cook, DuPage, Grundy, Kane, Kankakee, Kendall, Lake, McHenry and Will counties. Additionally, RUSH serves DeKalb and LaSalle counties.

Governance

On March 1, 2017, RUMC and RCMC reorganized their operations under a newly constituted System Parent Board of Trustees (the "System Parent Board" or the "Board"). Effective July 1, 2023, the corporate member of ROPH changed from RUMC to the System Parent. The Board, established to facilitate nimble, centralized and shared governance over key strategic and threshold matters, is comprised of 19 Directors ("Directors"), 14 of which are members designated by the board of RUMC, three of which are members designated by the board of RCMC, and two of which are members designated by the board of ROPH. The System Parent Board has certain reserved powers aimed to ensure RUSH meets the commitments of its mission and supports the continued pursuit of the RUSH vision. Local subsidiary boards at RUMC, RCMC and ROPH have been maintained to support community-focused, patient prioritized governance of Hospital and ambulatory care initiatives. RUSH deems these subsidiary boards critical to system-wide success, as the local leadership and local board of each Hospital best know their communities and understand their unique needs. RUSH's governance structure and management style rely on this support and respect this expertise.

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Medical Staff

Each Hospital has a separate medical staff. The members of each medical staff are appointed by the board of each Hospital in accordance with the appointment and reappointment procedures in the respective medical staff bylaws and according to the respective Hospitals' governance procedures. The categories of membership for each Hospitals' medical staff are determined by each Hospitals' medical staff bylaws. As of June 30, 2024, RUSH's medical staff consists of 973 employed physicians. Refer to Subsequent Events page 30 for more information.

Recognition

In October 2023, Rush University Medical Center earned a five-year Baby-Friendly hospital redesignation for 2023-2028. This honor recognizes that RUMC continues to adhere to the highest standards of care in infant feeding care.

In October 2023, RUSH and Gift of Hope Organ & Tissue Donor Network announced the establishment of the Midwest's first hospital-based donor care center. Scheduled to open in July 2024, the Gift of Hope Organ Donor Care Center at RUSH will include six intensive care bays, two operating rooms and 24/7 medical and allied services dedicated to donor management and recovery.

In October 2023, RUSH has achieved "Overall Revenue High Performer", "Overall Productivity High Performer", and "Health System High Performer" status amongst respondents for the 2023 Report on Giving. The Association for Healthcare Philanthropy (AHP) recognizes high performance based on organizations that fall within the top 75th percentile in net production returns, calculated by subtracting total fundraising expenses from total production returns.

In October 2023, Rush Copley Cancer Care Center has earned recognition as a Center of Excellence by GO2 for Lung Cancer for providing the Fox Valley community with patient-centered, evidence-based lung cancer screening.

In November 2023, all three RUSH Hospitals have again received high ratings from the Leapfrog Group, a nonprofit healthcare watchdog organization that grades hospitals on the quality and safety of care they provide. Rush University Medical Center and Rush Oak Park Hospital again received A grades and Rush Copley Medical Center received a B grade.

In December 2023, Gartner Healthcare Supply Chain Top 25 named RUSH in the top Supply Chains in the country. RUSH moved up from 19th to 13th this year.

In December 2023, RUSH achieved Magna Cum Laude level in Epic's Honor Roll program. The Honor Roll program is a recognition program based on use of strategies, lessons learned, and best practices distilled from Epic's experience serving well-respected healthcare organizations. This is the fourth time that RUSH has been on Epic's Honor Roll and the first time to achieve Magna Cum Laude status.

In July 2024, Rush University Medical Center has once again achieved the Honor Roll designation on the prestigious 2024-2025 U.S. News & World Report Best Hospitals List. This is the fifth year in a row that Rush has achieved this distinguished status. Each year, U.S. News evaluates more than 5,000 hospitals in the United States based on a number of quality, safety and process measures. Achieving the Honor Roll designation places Rush in the top percentile of all hospitals in the country.

In July 2024, demonstrating its ongoing commitment to equity and inclusion for individuals with disabilities, Rush University Medical Center is among the top-scoring organizations on the 2024 Disability Equality Index for the sixth year in a row. Rush earns the honor of being named one of the nation's 'Best Places to Work for Disability Inclusion.'

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THE HOSPITALS AND UNIVERSITY

Rush University Medical Center

History and Background

Major operations of RUMC include RUH, RUMG and Rush University, a graduate health sciences university that educates students in health-related fields and houses Rush Medical College, the College of Nursing and the College of Health Sciences.

Location

RUMC is located on the west side of Chicago, Illinois. RUMC operates in the eight-county area which includes the City of Chicago and surrounding counties. The clinical and academic facilities of RUMC are primarily located on approximately 33 acres in the northeast portion of the Illinois Medical District ("IMD"), which consists of 560 acres on the near west side of Chicago.

Service Area and Competition

RUMC considers its service area to be the eight counties surrounding and including the City of Chicago. Cook County and the eight-county market area encompasses Cook, DuPage, Kane, Kankakee, Kendall, Lake, McHenry, and Will counties. Additionally, RUSH serves DeKalb and LaSalle counties. RUMC is the fifth largest inpatient hospital provider in this market area, with a market share of 3.6% for the nine months ended March 31, 2024 and the fifth largest inpatient hospital provider in this market area, with a market share of 3.4% for the fiscal year ended June 30, 2023. RUMC was the third in Bone and Joint, second in Cancer, fourth in Neuroscience and fifth in the market in transplant.

RUMC's primary service area ("PSA") consists of 61 ZIP codes that surround the RUMC main campus. These ZIP codes were responsible for 57.7% and 57.9% of RUMC's total discharges for the first nine months ended March 31, 2024 and 2023, respectively. Beginning with the first quarter of fiscal year 2024, psych and rehab DRGs have been excluded.

RUMC considers its principal, but not exclusive, competition to be the four other academic medical centers in the Chicago metropolitan area. In addition, there are several large institutions in the area that provide certain tertiary levels of care which are also provided by RUMC and numerous community hospitals that provide primary and secondary levels of care which are also provided by RUMC. The four academic medical centers are Northwestern Memorial Hospital, University of Chicago Hospitals & Health System, Loyola University Medical Center and the University of Illinois at Chicago Medical Center.

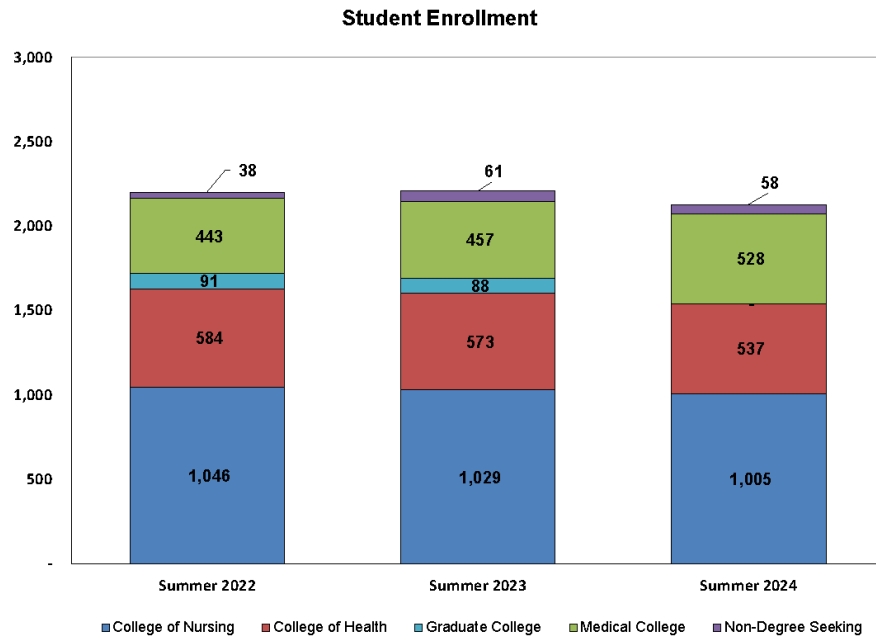
Rush University

Rush University, which includes Rush Medical College, the College of Nursing and the College of Health Sciences, was established in 1972 as the higher education component of RUMC. The antecedent to Rush University dates from 1837 when Rush Medical College was founded, two days before the city of Chicago was chartered. Rush Medical College graduated 10,976 physicians before suspending operations in 1942. It was reactivated in 1969. Rush University's reputation for excellence is reinforced by U.S. News & World Report 2023 - 2024 Best Graduate Schools rankings. The College of Nursing is ranked second in the Overall Doctor of Nursing Practice category. In addition, the College of Nursing ranked in the top five in six other categories.

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Revenue consists mainly of tuition revenue. Expenses are those instructional expenses required to educate the students. Enrollment continues to be relatively steady with total enrollment in the colleges of 2,128 students in the summer of 2024. Total summer enrollment for 2022, 2023 and 2024 in Rush University is shown in the following table.



Note: Graduate College programs transferred into RUSH Medical College

Rush Copley Medical Center

History and Background

Copley Memorial Hospital, which operates as Rush Copley Medical Center, has served the health care needs of the greater Aurora community since 1886 when it began operations as the Aurora City Hospital. In 1995, Copley opened a new acute care hospital and closed its previously existing facility. RCMC is a full-service community hospital offering a comprehensive range of inpatient and outpatient services. In addition to traditional community hospital services, RCMC also provides more sophisticated services including an inpatient rehabilitation unit, cardiovascular surgery, a cancer center with two linear accelerators and stereotactic radiosurgery, gynecologic oncology, neurosurgical services, a movement disorders program, a neuro intensive care unit, and a neonatal intensive care unit.

Location

RCMC is located approximately 35 miles west of RUMC in Aurora, Illinois. The clinical facilities are located primarily on a 98-acre campus serving Aurora and the greater Aurora community, including most of southern Kane County and Kendall County.

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Service Area and Competition

RCMC's PSA is located almost wholly in southern Kane County and Kendall County, as well as parts of DuPage, DeKalb, LaSalle, Grundy, and Will counties and is comprised of Aurora and communities to the west of Aurora including Montgomery, Oswego, Sugar Grove, Yorkville and a number of other rural communities in Kendall County. RCMC is the largest inpatient hospital provider in this market area, with a market share of 39.8% for the nine months ended March 31, 2024.

Rush Oak Park Hospital

History and Background

Opened in 1907 by the Sisters of Misericordia, ROPH was the first hospital in the area. ROPH historically was affiliated with Wheaton Franciscan Services, Inc. In 1997, RUMC assumed full management of hospital operations, bringing its comprehensive services, programs and physicians to ROPH and in 2014 RUMC became the sole corporate member of ROPH. Effective July 1, 2023, the corporate member of ROPH changed from RUMC to the System Parent. The ROPH campus includes the Breast Center, a state-of-the-art Interventional Radiology and Surgical suite, a comprehensive Center for Diabetes and Endocrine Care with an American Diabetes Association-Recognized Education Program and board-certified endocrinologists, a new emergency department, and a busy Multispecialty Clinic with providers from Rush University Medical Group.

Location

ROPH is located approximately eight miles west of RUMC in Oak Park, Illinois. Oak Park is a village adjacent to the west side of the city of Chicago in Cook County, Illinois.

Service Area and Competition

ROPH has been a key health care provider in the Oak Park and River Forest community for more than 100 years. As a foundational location within RUSH, ROPH combines the convenience and personal touch of a community hospital with the technology and expertise of a major academic health system.

ROPH is a full-service community hospital offering a comprehensive range of inpatient and outpatient services. In addition to traditional community hospital services, ROPH also provides comprehensive diabetes care, orthopaedics and a Rush Radiation Therapy Center.

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SUMMARY OF HISTORICAL UTILIZATION AND FINANCIAL INFORMATION

Historical Utilization of Services

The following tables summarize certain consolidated historical utilization statistics for the Obligated Group for the fiscal years ended June 30, 2024 and 2023:

Historical Utilization of Services

	Fiscal Year Ended June 30,	
	2024	2023
Beds:		
Licensed	1,073	1,113
Staffed	918	971
Utilization Statistics:		
Admissions	48,855	46,868
Patient Days	259,509	254,692
Average length of stay	5.31	5.43
Adjusted Discharges	127,230	119,189
Occupancy:		
RUMC	77.5%	72.1%
ROPH	62.1%	62.1%
RCMC	82.8%	75.3%
Obligated Group	<u>77.2%</u>	<u>71.9%</u>
Emergency Room Visits:	177,093	180,479
Surgical Procedures:		
Inpatient	13,837	13,755
Outpatient	48,694	45,335
Total	<u>62,531</u>	<u>59,090</u>
Volumes:		
Provider Visits	1,280,953	1,208,676
Outpatient Visits	999,659	963,044
Total	<u>2,280,612</u>	<u>2,171,720</u>

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Summary of Revenues and Expenses

The selected financial data for the fiscal years ended June 30, 2024, and 2023 are derived from unaudited consolidated financial statements of RUSH. The unaudited consolidated financial statements include all adjustments, including normal recurring accruals, which RUSH considers necessary for a fair presentation of the financial position and the results of operations for these periods. See below for various highlights of Annual results:

RUSH currently files annual reports and certain other disclosures on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system.

Operating Results

The operating results of the Obligated Group for the fiscal years ended June 30, 2024, and 2023:

A breakdown of the inpatient and outpatient revenue was 39.9% inpatient and 60.1% outpatient for the fiscal year ended June 30, 2024, while the breakdown was 41.0% inpatient and 59.0% outpatient for the fiscal year ended June 30, 2023.

Summary of Statement of Operations - Obligated Group

<i>(In thousands)</i>	Fiscal Year Ended	
	June 30,	
	2024	2023
Patient service revenue (1)	\$ 3,170,555	\$ 2,916,374
Other operating revenue	481,087	437,458
Total operating revenue	<u>3,651,642</u>	<u>3,353,832</u>
Salaries, wages and employee benefits	1,825,737	1,716,344
Supplies, utilities and other	1,166,481	1,086,567
Professional liability and other insurance	81,136	73,378
Purchased services	310,224	272,192
Depreciation and amortization	155,953	142,829
Interest	34,494	26,964
Total operating expenses	<u>3,574,025</u>	<u>3,318,274</u>
Operating income	77,617	35,558
Non-operating income	143,365	86,118
Excess of revenue over expenses	<u>\$ 220,982</u>	<u>\$ 121,676</u>

⁽¹⁾ Patient service revenue is net of implicit and explicit price concessions for the fiscal years ended June 30, 2024, and 2023.

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Liquidity

The following table sets forth the Obligated Group's liquidity, namely unrestricted cash and cash equivalents and marketable securities, which include investments designated for capital purposes. Excluded from liquidity are investments limited as to use for donor purposes, interest in collateral pools and trust assets limited for use to the self-insurance program.

Obligated Group Liquidity

<i>(In thousands)</i>	Fiscal Year Ended June 30,	
	2024	2023
Unrestricted cash and cash equivalents	\$ 407,485	\$ 424,325
Unrestricted marketable securities	1,556,002	1,375,233
Total unrestricted cash and marketable securities	<u>1,963,487</u>	<u>1,799,558</u>
 Total operating expenses	 \$ 3,574,026	 \$ 3,318,274
Depreciation and amortization	155,953	142,829
Total operating expenses less depreciation	<u>\$ 3,418,073</u>	<u>\$ 3,175,445</u>
 Days cash on hand	 <u>210.2</u>	 <u>206.8</u>

Capitalization

The following table reflects the Obligated Group's historical long-term indebtedness as a percentage of total capitalization for the fiscal years ended June 30, 2024, and 2023:

Historical Long-Term Capitalization

<i>(In thousands)</i>	Fiscal Year Ended June 30,	
	2024	2023
Long-term debt	\$ 850,777	\$ 902,022
Capital leases and other financing arrangements	77,862	43,279
Total debt	928,639	945,301
Net assets without donor restrictions	2,377,067	2,120,717
Total Capitalization	<u>\$ 3,305,706</u>	<u>\$ 3,066,018</u>
Capitalization Ratio	<u>28.1%</u>	<u>30.8%</u>

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Sources of Revenue

The majority of revenue received by RUSH is attributable to billed services provided to its patients. The payments made on behalf of these patients are from government programs such as Medicare and Medicaid, from managed care companies under negotiated contracts, from commercial insurance carriers with no negotiated contract and directly from patients.

The following is a summary of gross patient service revenue payor mix for the fiscal years ended June 30, 2024, and 2023:

	Fiscal Year Ended June 30,	
	2024	2023
Medicare	24.3 %	26.0 %
Medicare Managed Care	16.9	14.8
Medicaid	3.3	3.3
Medicaid Managed Care	18.8	19.8
Blue Cross	20.8	21.1
Managed Care	13.2	12.3
Commercial & Self-Pay	2.7	2.7
Total	100.0 %	100.0 %

The Illinois Hospital Assessment Program (“HAP”) was redesigned and reauthorized by the Illinois General Assembly in May 2020 and subsequently signed into law by Governor Pritzker as Illinois Public Law 101-0650. HAP provides for increased Illinois Medicaid and Illinois Medicaid Managed Care rates and better recognizes patient volumes as well as acuity.

HB 1950 was signed into law by the Governor as Illinois Public Law 102-866 effectively extending the current HAP for the State of Illinois through 2026. The legislation maintains the current HAP’s tax structure and has the intended outcome that no hospital or hospital system would have a projected impact under the HAP for calendar year 2023 that is less than its net impact in calendar year 2023, assuming volumes and patient acuity remain unchanged.

The combined HAP’s impact on the Consolidated Statements of Operations during the fiscal years ended June 30, 2024, and 2023:

Illinois Hospital Assessment Program Impact

<i>(In thousands)</i>	Fiscal Year Ended June 30,	
	2024	2023
Patient service revenue	\$ 195,064	\$ 122,992
Supplies, utilities and other expense	87,951	60,815
Operating income	<u>\$ 107,113</u>	<u>\$ 62,177</u>

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Debt Service Coverage

The following tables sets forth the actual maximum annual debt service coverage on the Indebtedness of the Obligated Group for the fiscal years ended June 30, 2024 and June 30, 2023:

<i>(In thousands)</i>	Fiscal Year Ended June 30,	
	2024	2023
Excess of revenues over expenses	\$ 220,982	\$ 121,676
Exclude certain special items:		
Change in fair value of interest rate swaps	971	3,017
Unrealized gain / (loss) on trading securities	63,477	78,153
Net gain (loss) on sales	-	48
Net Income, excluding special items	156,534	40,457
Depreciation and amortization	155,953	142,829
Interest	34,494	26,964
Income available for debt service	\$ 346,981	\$ 210,250
Maximum Annual Debt Service Requirement	61,330	63,793
Maximum Annual Debt Service Coverage Ratio	5.7	3.3

Recent Financial Performance – Fiscal Years Ended June 30, 2024 and 2023

Drivers of Performance – Operating Revenue – Operating revenue for RUSH increased by \$303.7 million or 9.0% from the fiscal year ended June 30, 2023, to the fiscal year ended June 30, 2024. The largest contributor to operating revenue is patient service revenue in the hospitals contributing 72.3% of operating revenue for the fiscal year ended June 30, 2024.

<i>(In thousands)</i>	Fiscal Year Ended June 30,			
	2024		2023	
	Operating Revenue	% of Total	Operating Revenue	% of Total
Patient Service Revenue:				
Hospitals	\$ 2,649,594	72.6%	\$ 2,439,016	72.6%
Physician Practice Plans	521,071	14.3%	477,358	14.2%
University Services:				
Research	215,623	5.9%	194,507	5.8%
Education	94,754	2.6%	95,356	2.8%
Other Operating Activities	170,710	4.7%	154,244	4.6%
Total	\$ 3,651,752	100.0%	\$ 3,360,481	100.0%

Patient service revenue for the hospitals and physician practice plans, combined increased by \$254.3 million or 8.7% from the fiscal year ended June 30, 2023, to the fiscal year ended June 30, 2024 driven by outpatient services.

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Reimbursement Environment and Payer Mix – Revenue for the hospitals includes payments from government programs such as Medicare and Medicaid, from managed care companies under negotiated contracts, from commercial insurance companies with no negotiated contract, and directly from patients. Governmental payers accounted for 63.3% and 63.9% of the Obligated Group’s gross patient service revenues for the fiscal years ended June 30, 2024, and 2023, respectively. Effective May 17, 2022, HB 1950 was signed into law which extended and expanded the HAP through June 2026. Effective January 1, 2024, RUSH saw an increase to Medicaid rate increases across the system at an average of 10%.

The Obligated Group is experiencing a shift in its traditional payer mix of patients. In an effort to reduce the number of uninsured patients, the ACA provided for the creation of Health Insurance Exchanges (“HIX”) and the expansion of Medicaid coverage for adults. This has resulted in increased hospital volume under new Blue Cross HIX plans as well as an increase in the overall Medicaid patient mix. Additionally, the number of self-pay patients has decreased slightly. The mix of patient service revenue recognized during the years ended June 30, 2024, and 2023, by major payor source and by lines of business, was as follows:

June 30, 2024					
Clinical Joint					
	Hospitals	Physician Groups	Ventures & Other	TOTAL	%
Medicare	\$ 501,209	\$ 56,832	\$ 6,306	\$ 564,347	17.8%
Medicare Managed Care	264,711	41,520	28,600	334,831	10.6%
Medicaid	82,693	6,333	2,185	91,211	2.9%
Medicaid Managed Care	379,658	43,048	31,472	454,178	14.3%
Managed care	404,778	76,304	34,432	515,514	16.3%
Blue Cross	762,449	117,249	16,298	895,996	28.3%
Commercial, self-pay, and other	258,909	46,443	9,126	314,478	9.9%
Total	\$ 2,654,407	\$ 387,729	\$ 128,419	\$ 3,170,555	100.0%

June 30, 2023					
Clinical Joint					
	Hospitals	Physician Groups	Ventures & Other	TOTAL	%
Medicare	\$ 484,740	\$ 60,887	\$ 6,381	\$ 552,008	18.9%
Medicare Managed Care	209,310	32,811	30,727	272,848	9.4%
Medicaid	66,277	6,714	2,488	75,479	2.6%
Medicaid Managed Care	346,542	41,366	32,704	420,612	14.4%
Managed care	343,082	68,630	32,992	444,704	15.2%
Blue Cross	712,330	106,095	16,197	834,622	28.6%
Commercial, self-pay, and other	259,888	47,722	8,491	316,101	10.8%
Total	\$ 2,422,169	\$ 364,225	\$ 129,980	\$ 2,916,374	100.0%

Physician Practice Plans – Total patient service revenue from the physician practice plans increased \$43.7 million or 9.2% from the fiscal year ended June 30, 2023, to the fiscal year ended June 30, 2024 mainly due to increased volumes.

Other Operating Revenue – Other operating revenue represented 13.5% of total operating revenue for the fiscal year ended June 30, 2024 and increased \$49.5 million or 11.1% from the fiscal year ended June 30, 2023. Other operating revenue consists primarily of external funding for research and internal fund support to research (44%), tuition and educational grants (19%) and other non-patient care service activities (37%). Other operating activities increased by \$28.9 million or 18.8% from the fiscal year ended June 30, 2023, to the fiscal year ended June 30, 2024.

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Drivers of Performance – Operating Expense – Operating expenses increased by \$253.1 million or 7.6% from the fiscal year ended June 30, 2023, to the fiscal year ended June 30, 2024. Operating costs as a percentage of operating revenue for the fiscal years ended June 30, 2024, and 2023:

	Fiscal Year Ended June 30,	
	2024	2023
Salaries, wages and employee benefits	50.2%	51.4%
Supplies, utilities and other (including purchased services)	40.4%	40.6%
Depreciation and amortization	4.3%	4.3%
Professional liability and other insurance	2.2%	2.2%
Interest	0.9%	0.8%

Salaries, Wages and Employee Benefits – Salaries, wages and employee benefits increased by \$110.6 million or 6.4% from the fiscal year ended June 30, 2023, to the fiscal year ended June 30, 2024 due to increased FTEs and labor pressures resulting in retention bonuses and other labor initiatives.

The table below shows the employed FTEs and employed physicians for RUSH at fiscal years ended June 30, 2024, and 2023:

	As of June 30,		Percent Change
	2024	2023	
Number of Full-time Equivalents	14,099	14,021	0.6%
Number of Employed Physicians	973	938	3.7%

Note: Of the 14,099 FTEs, approximately 6.9% of non-clinical employees are represented by a union.

Supplies, utilities and other expense, including purchased services – Supplies, utilities and other expense, including purchased services increased \$114.4 million or 8.4% from the fiscal year ended June 30, 2023, to the fiscal year ended June 30, 2024 due to inflationary increases in supplies and drug expenses.

Depreciation and amortization expense – Depreciation and amortization expense increased by \$12.9 million or 9.0% from the fiscal year ended June 30, 2023, to the fiscal year ended June 30, 2024.

Professional liability and other insurance – Professional liability and other insurance expense increased by \$7.7 million or 10.4% from the fiscal year ended June 30, 2023, to the fiscal year ended June 30, 2024.

Interest expense – Interest expense was \$34.5 million for the fiscal year ended June 30, 2024, an increase of \$7.5 million or 27.9% from the fiscal year ended June 30, 2023.

Significant Nonrecurring Items – During the fiscal years ended June 30, 2024, and 2023, significant nonrecurring items impacted the Obligated Group's reported operating income as follows:

(In millions)	June 30, 2024		June 30, 2023	
	June 30, 2024	Operating Margin	June 30, 2023	Operating Margin
Operating income reported	\$77.6	2.1%	\$35.6	1.1%
Items impacting operating revenue	(70.2)	(1.9)	(102.3)	(3.0)
Items impacting operating expenses	(7.9)	(0.2)	29.1	0.9
Total adjustments	(78.1)	(2.1)	(73.2)	(2.2)
Operating income	(\$0.5)	0.0%	(\$37.6)	(1.1)%

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Key items impacting operating revenue for June 30, 2024, includes \$48.6 million of 340b Remedy Funds, \$24.6 million for Rush Oak Brook Orthopaedic Center, LLC sale, \$14.7 million in patient A/R write-offs, \$8.0 gain on Specialty Rehab sales, \$3.7 million FEMA funds. Key items impacting operating expense for June 30, 2024, include \$9.9 million due to fixed asset life adjustments, \$3.1 million severance accrual and \$2.3 million for property sales, \$0.7 million for building decanting and \$0.5 million for fixed asset life adjustment consulting service.

Non-operating Income/Expense – Total non-operating income increased by \$57.3 million from the fiscal year ended June 30, 2023, to the fiscal year ended June 30, 2024. Non-operating income consists of unrealized investment returns, unrestricted contributions, and interest rate swaps. The increase in the income is due to investment strategy and strong market performance.

Liquidity and Capital Resources – The Obligated Group's unrestricted cash and investments at market value increased by \$163.9 million or 9.1% from June 30, 2023. The days cash on hand increased 3.4 days to 210.2 days as of June 30, 2024, from 206.8 as of June 30, 2023. Included in unrestricted cash and investments was \$206.6 million and \$186.8 million of Specific Purpose Fund balances as of June 30, 2024, and June 30, 2023, respectively, and \$80.5 million and \$76.6 million of appreciation on the unrestricted portion of RUMC's endowment as of June 30, 2024 and June 30, 2023, respectively.

Excluded from unrestricted cash and investments is the appreciation on the restricted portion of RUMC's endowment fund of \$451.4 million and \$407.1 million as of June 30, 2024, and June 30, 2023, respectively. These temporarily restricted funds are used to support specific purposes such as research and education.

As of June 30, 2024, the State of Illinois receivables has decreased by 14.8% compared to June 30, 2023, and amounts outstanding over 90 days have decreased by 29.3%. RUSH will continue to closely monitor the outstanding receivables from the state and evaluate any impact of possible future delays in collections.

The Obligated Groups' indebtedness, including capital leases, deferred financing obligations and guarantees, was \$928.6 million and \$945.3 million as of June 30, 2024 and June 30, 2023, respectively. The Obligated Group's ratio of the sum of unrestricted cash and investments and debt service reserve funds to indebtedness was 211.4% at June 30, 2024 an increase from 190.4% at June 30, 2023.

Capital Expenditures

Total capital expenditures for RUSH amounted to \$145.1 million for the fiscal year ended June 30, 2024. Some of the largest initiatives during fiscal year 2024 are the Lisle Cancer Center, Rush Copley Medical Center Clinical Decision Unit, Physician Office Buildings, Rush Donor Care Center, and Information Technology solutions. Construction commitments outstanding as of June 30, 2024 and June 30, 2023 were \$132.0 million and \$149.0 million, respectively.

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MISCELLANEOUS

New Accounting Pronouncements

In June 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* which requires the application of a current expected credit loss (“CECL”) impairment model to financial assets measured at amortized cost (including trade accounts receivable), net investments in leases, and certain off-balance-sheet credit exposures. Under the CECL model, lifetime expected credit losses on such financial assets are measured and recognized at each reporting date based on historical, current, and forecasted information. Furthermore, the CECL model requires financial assets with similar risk characteristics to be analyzed on a collective basis. The ASU did not have a material impact on the consolidated financial statements or notes thereto upon adoption on July 1, 2023.

Ratings

Moody’s, S&P and Fitch have assigned municipal bond ratings of “A1”, “A+” and “AA-,” respectively, to the long-term debt of the Obligated Group. As of June 28, 2024, S&P affirmed the Obligated Group’s A+ rating and outlook of “Stable”. As of February 8, 2024, Fitch affirmed the Obligated Group’s rating of AA- and outlook of “Stable”. As of February 13, 2024, Moody’s affirmed the Obligated Group’s A1 rating and “Stable” outlook.

Any explanation of the significance of such ratings may only be obtained from Moody’s, S&P and Fitch. Certain information and materials not included in this Annual Report may have been furnished to Moody’s, S&P and Fitch concerning the Obligated Group. Generally, rating agencies base their ratings on such information and materials and on investigations, studies and assumptions by the rating agencies. Such ratings reflect only the views of such organizations, and an explanation of the significance of such ratings may be obtained only from the rating agencies furnishing the same. There is no assurance that such ratings will remain in effect for any given period of time or that such ratings will not be revised downward or upward or withdrawn entirely by any of such rating agencies if, in the judgment of such rating agency, circumstances warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price or marketability of the Obligated Group’s outstanding bonds.

Licenses, Accreditations and Memberships

Members of RUSH, including RUMC, CMH and ROPH have been approved and accredited by many governmental and not for profit organizations including The Joint Commission. Additionally, RUMC, CMH and ROPH are members of numerous associations, consortiums and councils dedicated to the various medical specialties offered by each facility.

Community Benefits

RUSH is committed to improving the health of the diverse communities it serves. This commitment is evidenced through the provision of care to patients as charity care, financial support to community partners, the development of health improvement programs and serving through volunteer efforts in RUSH’s communities.

Charity care, as it is currently defined, is limited to very specific services carried out in the nation’s non-profit medical centers. It does not take into account the work that a hospital carries out to improve the wellness of a community, through which costly medical procedures can be avoided.

In fiscal years ended June 30, 2023, and 2022, RUSH’s total community benefit was \$744.2 million and \$643.9 million, respectively. Charity care amounted to \$30.3 million and \$36.4 million during fiscal years ended June 30, 2023 and 2022, respectively. The decrease in Charity Care is due to a shift in Medicaid cases from the state’s Medicaid

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Continuous Coverage program that occurred over fiscal year 2023. While our Charity Care continues to include the self-pay patient discounts, the increase in Medicaid volume offset the decrease in Charity Care.

Focusing on these efforts while also delivering on its obligations to provide charity care is something RUSH considers to be central to its mission.

By creating jobs, investing in the community, offering critical health and wellness programs at no cost, as well as a host of other initiatives aimed at reducing mortality rates across the west side of Chicago, RUSH strives to improve the lives of one of Chicago's most vulnerable communities.

In doing so, RUSH has been recognized as a national leader in addressing the social determinants of health. As a founding member and fiscal agent of West Side United, RUSH established a coalition of health systems, residents and community groups with the shared goal of reducing mortality rates across the west side of Chicago.

Pension Plans

RUSH sponsors a defined benefit retirement plan for employees of RUMC and ROPH. The investment policy for the plan's assets is overseen by the System Investment Committee of the System Parent Board of Trustees. Effective December 31, 2023, the plan was frozen to all existing plan participants and future benefit accruals. As of June 30, 2024, the plan is funded at 104%.

In addition to the defined benefit retirement plan, RUMC also provides postretirement health care benefits for certain employees (the "Postretirement Healthcare Plans"). Further benefits under the Postretirement Healthcare Plans have been curtailed since 2010.

Investment Policies

RUSH's investment program consists of unrestricted cash and investments, an endowment at RUMC and RCMC and investment trusts maintained for the specific purpose of funding RUMC's self-insured general and professional liability claims, and RUMC's defined benefit plan. The Investment Committee of the Board of Trustees at RUMC has the primary purpose of assisting the Board of Trustees in the oversight of RUMC's asset pools, and specifically, assets in the operating reserves, self-insurance trust, endowment fund, and Master Retirement Trust and investment offerings in the defined contribution plans. The Finance Committee of the Board of Directors at RCMC is responsible for determining and implementing all investment policies, selecting and terminating investment managers and reviewing investment performance.

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The objective of the RUMC self-insurance trust is to fund the self-insurance obligations of RUMC. As of June 30, 2024, the self-insurance trust assets had a market value of \$162.7 million versus a market value of \$179.0 million as of June 30, 2023. The following table shows the current asset allocation targets and ranges as well as the asset allocation as of June 30, 2024, and June 30, 2023 for the self-insurance trust:

Asset Class	Target Allocation and Range		Percentage Trust Assets as of	
			June 30, 2024	June 30, 2023
Public Equity	40%	(+/-10%)	43.1%	45.7%
Fixed Income	35%	(+/-10%)	38.0%	28.8%
U.S. Treasuries	25%	(+/-10%)	17.6%	22.0%
Cash/Money Market	0%	-	1.3%	3.5%
Total			100%	100%

Fair Value Measurements

As of June 30, 2024 and 2023, RUSH held certain assets and liabilities that are required to be measured at fair value on a recurring basis, including marketable securities and short-term investments, certain restricted, trustee and other investments, derivative instruments, and beneficial interests in trusts.

Valuation Principles

Under FASB Accounting Standard Codification 820, *Fair Value Measurement*, fair value is defined as an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The valuation techniques used to measure fair value are based upon observable and unobservable inputs. Observable inputs generally reflect market data from independent sources and are supported by market activity, while unobservable inputs are generally unsupported by market activity. The three-level valuation hierarchy, which prioritizes the inputs used in measuring fair value of an asset or liability at the measurement date, includes:

Level 1 inputs — Quoted prices (unadjusted) for identical assets or liabilities in active markets. Securities typically priced using Level 1 inputs include listed equities and exchange-traded mutual funds.

Level 2 inputs — Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in nonactive markets, and model-driven valuations whose inputs are observable for the asset or liability, either directly or indirectly. Securities typically priced using Level 2 inputs include government bonds (including US treasuries and agencies), corporate and municipal bonds, collateralized obligations, interest rate swaps, commercial paper, currency options and pending transactions.

Level 3 inputs — Unobservable inputs for which there is little or no market data available and are based on the reporting entity's own judgment or estimation of the assumptions that market participants would use in pricing the asset or liability. The fair values for securities typically priced using Level 3 inputs are determined using model-driven techniques, which include option-pricing models, discounted cash flow models, and similar methods. The level 3 classification includes beneficial interests in trusts.

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Fair Value Measurements at the Consolidated Balance Sheet Date

The following tables present RUSH's fair value hierarchy for its financial assets and liabilities measured at fair value on a recurring basis as of June 30, 2024 and 2023:

Fair Value Measurements as of June 30, 2024	Level 1	Level 2	Level 3	Total Fair Value
Assets				
Marketable securities and short-term investments	\$ 11,991	\$ -	\$ -	\$ 11,991
Fixed Income Securities:				
U.S. Government and Agency securities	-	223,216	-	223,216
Corporate Bonds	-	73,259	-	73,259
Asset Backed Securities and Other	-	43,947	6,010	49,957
Public Equity Securities	707,319	658	-	707,977
Mutual Funds	788,679	9,214	-	797,893
Other Assets	-	-	45,831	45,831
Total investments at Fair Value	<u>\$ 1,507,989</u>	<u>\$ 350,294</u>	<u>\$ 51,841</u>	<u>\$ 1,910,124</u>
Investments valued at NAV				632,342
Pending trades				(1,221)
Accrued income				5,476
Total Assets				<u><u>\$ 2,546,721</u></u>
Liabilities				
Obligations under interest rate swap agreements	\$ -	\$ (2,329)	\$ -	\$ (2,329)
Derivative liabilities	-	(599)	-	(599)
Total liabilities at fair value	<u>\$ -</u>	<u>\$ (2,928)</u>	<u>\$ -</u>	<u>\$ (2,928)</u>

Fair Value Measurements as of June 30, 2023	Level 1	Level 2	Level 3	Total Fair Value
Assets				
Marketable securities and short-term investments	\$ 29,055	\$ -	\$ -	\$ 29,055
Fixed Income Securities:				
U.S. Government and Agency securities	-	306,766	-	306,766
Corporate Bonds	107	62,118	-	62,225
Asset Backed Securities and Other	-	91,620	6,157	97,777
Public Equity Securities	472,326	3,359	-	475,685
Mutual Funds	557,411	7,837	-	565,248
Other Assets	-	-	35,608	35,608
Total investments at Fair Value	<u>\$ 1,058,899</u>	<u>\$ 471,700</u>	<u>\$ 41,765</u>	<u>\$ 1,572,364</u>
Investments valued at NAV				\$ 741,540
Pending trades				(9,876)
Accrued income				10,164
Total Assets				<u><u>\$ 2,314,192</u></u>
Liabilities				
Obligations under interest rate swap agreements	\$ -	\$ (3,764)	\$ -	\$ (3,764)
Derivative liabilities	194	(509)	-	(315)
Total liabilities at fair value	<u>\$ 194</u>	<u>\$ (4,273)</u>	<u>\$ -</u>	<u>\$ (4,079)</u>

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Level 3 Rollforward

A rollforward of the amounts in the consolidated balance sheets for financial instruments classified by RUSH within Level 3 of the fair value hierarchy is as follows:

	Total
Fair value—June 30, 2022	\$ 36,996
Actual return on investments—Realized and unrealized gains and (losses)	1,904
Purchases	2,865
Sales	-
Fair value—June 30, 2023	41,765
Actual return on investments—Realized and unrealized gains and (losses)	3,599
Purchases	6,477
Sales	-
Fair value—June 30, 2024	<u><u>\$ 51,841</u></u>

During the fiscal year 2024 and 2023, there were no transfers in Level 3 investments.

Investments in Entities that Report Fair Value Using NAV

Included within the fair value table above are investments in certain entities that report fair value using a calculated NAV or its equivalent. These investments consist of hedge fund of funds, private equity partnerships, and private debt within alternative investments. The NAV instruments listed in the fair value measurement tables use the following valuation techniques and inputs as of the valuation date:

Common Collective Trusts—Commingled funds formed from the pooling of investments under common management. Unlike a mutual fund, these investments are not registered investment companies and therefore are exempt from registering with the Securities and Exchange Commission. Underlying investments within this category consist of public equity securities. The fair value of common collective trusts classified at NAV are primarily determined using the calculated NAV at the valuation date under a market approach.

Alternative Investments—Investments within this category consist primarily of hedge funds, private equity and private debt. Hedge fund investments are valued based on RUSH's ownership interest in the NAV of the respective fund as estimated by the general partner, which approximates fair value. Private equity and private debt partnerships are valued based on the estimated fair values of the nonmarketable private equity and private debt partnerships in which it invests, which is an equivalent of NAV.

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The following table summarizes RUSH's investments and unfunded commitments that report fair value using NAV as of June 30, 2024 and 2023:

Entities that Report Fair Value Using NAV	Fair Value at June 30, 2024	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Common Collective Trusts	\$ 317,067	None	Daily/Monthly	1-15 days
Alternative Investments:				
Hedge Funds	47,458	None	Quarterly	65-95 days
Private Equity	267,817	92,980	Not currently redeemable	N/A
Total	<u>\$ 632,342</u>	<u>\$ 92,980</u>		

Entities that Report Fair Value Using NAV	Fair Value at June 30, 2023	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Common Collective Trusts	\$ 392,041	None	Daily/Monthly	1-15 days
Alternative Investments:				
Hedge Funds	71,385	None	Quarterly	65-95 days
Private Equity	278,114	107,593	Not currently redeemable	N/A
Total	<u>\$ 741,540</u>	<u>\$ 107,593</u>		

Endowment Investment and Spending Policies

RUSH has adopted endowment investment and spending policies to preserve purchasing power over the long term and provide stable annual support to the programs supported by the endowment, including professorships, research and education, free care, student financial aid, scholarships, and fellowships. Approximately 16% of RUSH's endowment is available for general purposes for the years ended June 30, 2024 and 2023.

RUMC has an Investment Committee with the authority discharged from the RUMC Board of Trustees to oversee their investment portfolio and approve the investment policy for RUMC and ROPH. RCMC has a Finance Committee with the authority to oversee their investment portfolio and approve their investment policy. The System Parent Board of Trustees, as a whole, maintains ultimate oversight and control over the investment policies and practices of its subsidiaries, through the discharge of its reserved powers over RUMC, RCMC, and ROPH.

The asset allocation policy reflects the objective with allocations structured for capital growth and inflation protection over the long term. The current asset allocation targets and ranges as well as the asset allocation as of June 30, 2024 and 2023, are as follows:

Asset Class	Target Allocation and Range	Percentage of Endowment Assets	
		2024	2023
Public Equity	60% (+/- 10%)	61 %	63 %
Fixed Income	15% (+/- 10%)	15	7
U.S. Treasuries	10% (+/- 10%)	5	10
Private Equity	15% (+/- 10%)	19	20
Cash	-	-	-

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To achieve its long-term rate of return objectives, RUSH relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current income (interest and dividends). The expected long-term rate of return target of the endowment given its current asset allocation structure is approximately 7.0%. Actual returns in any given year may vary from this amount. RUSH has established market-related benchmarks to evaluate the endowment fund's performance on an ongoing basis.

The System Parent Board of Trustees approves the annual spending policy for program support. In establishing the annual spending policy, RUSH's main objectives are to provide for intergenerational equity over the long term, the concept that future beneficiaries will receive the same level of support as current beneficiaries on an inflation-adjusted basis, and to maximize annual support to the programs supported by the endowment. The spending rate was 4.5% in the fiscal years ended June 30, 2024 and 2023, and income from the endowment fund provided \$38,703 and \$27,138 of support for RUSH's programs during the fiscal years ended June 30, 2024 and 2023, respectively.

Interest Rate Swap Agreements

The Obligated Group has two interest rate swap agreements (the "Swap Agreements"), which were designed to synthetically fix the interest payments on its Series 2006A Bonds. Under the Swap Agreements, the Obligated Group makes fixed-rate payments equal to 3.945% to the swap counterparties and receives variable-rate payments equal to 68% of London InterBank Offered Rate (3.717% and 3.548% as of June 30, 2024 and 2023, respectively) from the swap counterparties, each calculated on the notional amount of the Swap Agreements. As of June 30, 2024, and 2023, the Swap Agreements had a notional amount of \$54.3 million and \$58.9 million, respectively, (\$27.1 million in notional amount with each counterparty). Following the refinancing of the Series 2006A Bonds into the Series 2016 Bonds, the Obligated Group used \$50 million in notional amount of the Swap Agreements to synthetically fix the interest on the Series 2016 Bonds. The Swap Agreements each expire on November 1, 2035, and amortize annually commencing in November 2012. The Swap Agreements are secured by obligations issued under the Master Trust Indenture.

The Swap Agreements also require either party to post collateral in the form of cash and certain cash equivalents to secure potential termination payments. The amount of collateral that is required to be posted is based on the relevant party's long-term credit rating. Based on its current rating, the Obligated Group is required to post collateral with the Swap Counterparties in the event that the market value of the Swap Agreements exceeds \$(30) million or \$(15) million for each Swap Agreement. As of June 30, 2024, the Obligated Group had no collateral posted under Swap Agreements.

The fair value of the Swap Agreements reported in RUSH's consolidated balance sheets as of June 30, 2024, and 2023, includes an adjustment for the Obligated Group's credit risk and may not be indicative of the termination value that RUSH would be required to pay upon early termination of the Swap Agreements.

Management has not designated the Swap Agreements as hedging instruments. Amounts recorded in the accompanying consolidated statements of operations and changes in net assets for the Swap Agreements allocated to RUSH for the fiscal years ended June 30, 2024, and 2023:

<i>(In Thousands)</i>	Reported As	Fiscal Year Ended	
		June 30,	
		2024	2023
Change in Fair Value of Interest Rate Swaps	Nonoperating Income (Expense)	\$ 971	\$ 3,017
Net Cash Payments on Interest Rate Swaps	Interest Expense	\$ (86)	\$ (616)

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Affiliations, Merger, Acquisition and Divestiture

Management of RUSH is actively considering and evaluating potential affiliation candidates as part of the overall strategic planning and development process. As part of its ongoing planning and property management functions, management reviews the use, compatibility and business viability of many of the operations of RUSH, and from time-to-time RUSH may pursue changes in the use of, or disposition of, their facilities. RUSH receives offers from and/or conducts discussions with third parties about potential affiliations and joint venture opportunities. As a result, it is possible that the current organization, assets, operations and financial condition of RUSH may change from time-to-time as a result of such affiliations, mergers, acquisitions and divestitures.

In addition to relationships with other hospitals and physicians, RUSH may consider investments, ventures, affiliations, development and acquisition of other health care-related entities. These may include home health care, long-term care entities or operations, infusion providers, pharmaceutical providers, and other health care enterprises that support the overall operations of RUSH. In addition, RUSH may pursue transactions with health insurers, HMOs, preferred provider organizations, third-party administrators and other health insurance-related businesses. Because of the integration occurring throughout the health care field, management will consider these arrangements if there is a perceived strategic or operational benefit for RUSH. Any such investment, venture, affiliate, development or acquisition may involve significant capital commitments and/or capital or operating risk (including, potentially, insurance risk) in a business in which RUSH may have less expertise than in hospital operations. There can be no assurance that these projects, if pursued, will not lead to material adverse consequences to RUSH.

In April 26, 2024, RUSH and MD Anderson Cancer Center formed an integrated operations partnership, expanding multidisciplinary care for patients with improved experience and access to treatments. Through the newly created RUSH MD Anderson Cancer Center, RUSH will provide patients in the region with access to cancer treatments that are among the most advanced in the nation.

As of April 9, 2024, the new RUSH Specialty Hospital opened, a combined critical illness recovery and inpatient rehabilitation hospital, offering a seamless continuum of care for patients and families recovering after being hospitalized in RUMC intensive care.

Information Technology

The Obligated Group strives to be a national leader for the innovative use of informatics and technology to support safe, effective and efficient patient-centered quality health care, empowering customers and partners by advancing technology solutions that enable the Obligated Group to achieve its mission, vision and values. Total initiatives of \$33.1 million includes Workstation on Wheels Refresh \$5.2 million, Digital Strategy CRM \$3.6 million, Pathology Beaker Replacement \$3.6 million, iPhone refresh \$2.7 million and Jelke/PAV/OAB network refresh \$1.9 million. During the fiscal years ended June 30, 2024, and 2023, the Obligated Group has spent \$198.2 million and \$147.9 million, respectively, on IT expenditures, which represents 5.4% and 4.4% of its operating revenue.

Recent Transactions and Other Matters

A new Clinical Decision Unit opened in August 2023 at Rush Copley Medical Center to provide specialized care for patients needing observation. The 15,000-square-foot unit's total cost is \$21 million with \$7.3 million funded by a grant from the State of Illinois' Capital Development Board.

On October 16, 2023, Rush University Medical Center sold a parcel of land immediately north of the campus to a subsidiary of the Chicago Blackhawks for roughly \$23.5 million with net excess proceeds from the sale to be reinvested in the Sankofa Wellness Village in West Garfield Park.

On November 1, 2023, Rush University Medical Center closed on the sale of a three-story medical office building and ambulatory surgery center in Oak Brook, IL for \$70.7 million dollars and paid off \$36.2 million debt with net proceeds of \$34.5 million.

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Effective January 2024, Matt Walsh will serve as the Executive Vice President and Chief Operating Officer of Rush University System for Health.

In January 2024, RUSH shared the news that Robert S.D. Higgins, MD, MSHA, will return to RUSH to serve as the next President & Chief Academic Officer of RUSH University and Chief Academic Officer, Senior Vice President of RUSH. Dr. Higgins started in his role at RUSH University in April 2024.

In January 2024, HHS issued a final rule on the remedy for unlawful payment cuts to certain hospitals that participated in the 340b Drug Pricing program for calendar years 2018 – 2022. The remedy includes a lump-sum payment of \$48.6 million received in January 2024.

Announced in March 2024, after years of dedicated service at RUSH Angelique Richard, senior vice president of hospital operations for RUSH University Medical Center and chief nursing officer for RUSH, stepping down from her role effective April 5, 2024.

In March 2024, Luis Garcia, MD, FACS, MBA, FACHE, has accepted the role of president for the new RUSH Medical Group, which will unite all RUSH medical groups under one banner starting July 1, 2024. In this role, Dr. Garcia will work with providers at each organization to build a shared vision for quality care across all RUSH locations.

In May 2024, Paul Casey, MD, MBA, FACEP, senior vice president and chief medical officer of Rush University Medical Center, has been named chief medical officer for RUSH. In this new role, Dr. Casey will assume additional responsibilities to ensure the delivery of high-quality medical care across our entire system. He will play a pivotal role in fostering collaboration throughout RUSH's leadership team, medical staff, RUSH boards and other stakeholders.

There were no other significant or material transactions outside the ordinary course of business during the twelve months ended June 30, 2024.

Subsequent Events

RUSH has evaluated events occurring subsequent to the consolidated balance sheet date through October 25, 2024, the date the consolidated financial statements were available to be issued. There were no significant subsequent events through this date other than those noted below.

Effective July 1, 2024, Rush Medical Group, an Illinois not-for-profit corporation ("RMG"), was admitted as a Member of the Obligated Group pursuant to the Master Trust Indenture. This represents the unification of the three medical group activities under the Obligated Group members. As such, the new member will include operations that were held in other entities.

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CONSOLIDATED FINANCIAL STATEMENTS

The following June 30, 2024 financial statement information was derived from and should be read in conjunction with the Rush System for Health 2024 Audited Consolidated Financial Statements. See accompanying notes to consolidated financial statements.

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RUSH UNIVERSITY SYSTEM FOR HEALTH

Consolidated Balance Sheet

(In thousands)

	As of June 30,	
	2024	2023
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 422,806	\$ 439,952
Accounts receivable for patient services	430,151	407,284
Other accounts receivable	60,767	62,664
Self-insurance trust—current portion	57,209	57,209
Other current assets	141,496	151,168
Total current assets	1,112,429	1,118,277
ASSETS LIMITED AS TO USE AND INVESTMENTS:		
Investments—less current portion	1,556,002	1,375,233
Limited as to use by donor or time restriction or other	828,012	759,914
Self-insurance trust—less current portion	105,498	121,836
Total assets limited as to use and investments	2,489,512	2,256,983
PROPERTY AND EQUIPMENT—NET	1,893,852	1,880,229
OPERATING LEASE RIGHT-OF-USE ASSETS	99,771	100,237
POSTRETIREMENT AND PENSION BENEFIT ASSETS	35,377	7,195
OTHER NONCURRENT ASSETS	84,879	131,315
TOTAL ASSETS	\$ 5,715,820	\$ 5,494,236
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	\$ 119,384	\$ 101,119
Accrued expenses	379,438	406,405
Postretirement and pension benefit liabilities	181	2,811
Estimated third-party settlements payable and advances payable	248,043	286,348
Current portion of accrued liability under self-insurance programs	66,028	69,229
Current portion of long-term debt	12,598	13,510
Current operating lease liability	25,037	26,128
Total current liabilities	850,709	905,550
LONG-TERM LIABILITIES:		
Accrued liability under self-insurance programs—less current portion	252,645	313,019
Postretirement and pension benefit liabilities	1,683	2,082
Long-term debt—less current portion	838,179	888,512
Line of credit	-	-
Obligations under financing leases and other financing arrangements	74,356	41,899
Long-term operating lease liabilities	79,819	78,471
Other long-term liabilities	95,694	85,227
Total long-term liabilities	1,342,376	1,409,210
Total liabilities	2,193,085	2,314,760
NET ASSETS:		
Without donor restrictions	2,373,447	2,118,371
With donor restrictions	1,149,288	1,061,105
Total net assets	3,522,735	3,179,476
TOTAL LIABILITIES AND NET ASSETS	\$ 5,715,820	\$ 5,494,236

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RUSH UNIVERSITY SYSTEM FOR HEALTH
Consolidated Statements of Operations
(In thousands)

	For the Years Ended June 30,	
	2024	2023
REVENUE:		
Patient service revenue	\$ 3,170,555	\$ 2,916,374
Tuition and educational programs revenue	94,754	95,356
Research revenue and net assets released from restriction and used for research and other operations	215,623	194,507
Other revenue	183,195	154,244
Total revenue	<u>3,664,127</u>	<u>3,360,481</u>
EXPENSES:		
Salaries, wages and employee benefits	1,837,819	1,727,199
Supplies, utilities and other	1,167,909	1,091,348
Insurance	81,183	73,518
Purchased services	310,846	273,045
Depreciation and amortization	156,192	143,248
Interest and fees	34,494	26,964
Total expenses	<u>3,588,443</u>	<u>3,335,322</u>
OPERATING INCOME	<u>75,684</u>	<u>25,159</u>
NON-OPERATING INCOME (LOSS)		
Investment income (loss) and other—net	152,727	93,465
Contributions without donor restrictions	2,121	2,556
Fundraising expenses	(11,795)	(12,437)
Change in fair value of interest rate swaps	971	3,017
Total non-operating income (loss)	<u>144,024</u>	<u>86,601</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES	<u>\$ 219,708</u>	<u>\$ 111,760</u>

(Continued)

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RUSH UNIVERSITY SYSTEM FOR HEALTH

Consolidated Statements of Operations and Changes in Net Assets (In thousands)

	For the Years Ended June 30,	
	2024	2023
NET ASSETS WITHOUT DONOR RESTRICTIONS:		
Excess (deficit) of revenues over expenses	\$ 219,708	\$ 111,760
Net assets released from restrictions used for the purchase of property and equipment	11,808	11,218
Postretirement related changes other than net periodic postretirement cost	36,837	56,408
Other	(13,277)	8,200
Increase (decrease) in net assets without donor restrictions	255,076	187,586
NET ASSETS WITH DONOR RESTRICTIONS:		
Pledges, contributions and grants	99,888	117,498
Net assets released from restrictions	(124,371)	(111,460)
Net realized and unrealized gains (losses) on investments	112,666	75,922
Increase (decrease) in net assets with donor restrictions	88,183	81,960
INCREASE (DECREASE) IN NET ASSETS	343,259	269,546
NET ASSETS—Beginning of period	3,179,476	2,909,930
NET ASSETS—End of period	\$ 3,522,735	\$ 3,179,476

(Concluded)

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RUSH UNIVERSITY SYSTEM FOR HEALTH

Consolidated Statements of Cash Flows

(In thousands)

Increase (decrease) in net assets	\$ 343,259	\$ 269,546
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	156,192	143,248
Non-cash operating lease expense	(315)	11
Postretirement related changes other than net periodic postretirement cost	(36,837)	(56,408)
Change in fair value of interest rate swaps	(971)	(3,017)
Net unrealized and realized (gains) losses on investments	(255,736)	(160,938)
Restricted contributions	(66,833)	(26,717)
Investment (gains) losses on trustee held investments	(3,530)	(1,813)
(Gain) loss on sale of property and equipment	(24,688)	(48)
Changes in operating assets and liabilities:		
Accounts receivable for patient services	(22,867)	(36,932)
Accounts payable and accrued expenses	(9,111)	(1,369)
Estimated third-party settlements payable	(38,305)	1,322
Pension and postretirement costs	5,626	928
Accrued liability under self-insurance programs	(63,576)	50,692
Other changes in assets and liabilities	92,603	(53,319)
Net cash provided by (used in) operating activities	<u>74,911</u>	<u>125,186</u>
INVESTING ACTIVITIES:		
Additions to property and equipment	(219,903)	(333,564)
Proceeds from the sale of property and equipment	86,008	-
Purchase of investments	(2,675,016)	(1,124,899)
Sale of investments	2,701,754	1,199,064
Net cash (used in) provided by investing activities	<u>(107,157)</u>	<u>(259,399)</u>
FINANCING ACTIVITIES:		
Proceeds from restricted contributions	66,833	26,717
Payment of long-term debt	(48,675)	(12,703)
Payment of obligations on finance lease liabilities	(3,058)	(1,245)
Proceeds (payments) on other financing arrangements	-	41,398
Net cash (used in) provided by provided by financing activities	<u>15,100</u>	<u>54,167</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	<u>(17,146)</u>	<u>(80,046)</u>
CASH AND CASH EQUIVALENTS—Beginning of period	<u>439,952</u>	<u>519,998</u>
CASH AND CASH EQUIVALENTS—End of period	<u>\$ 422,806</u>	<u>\$ 439,952</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Right of use assets obtained in exchange for new operating lease liabilities	<u>\$ 23,072</u>	<u>\$ 21,052</u>
Cash paid for interest	<u>\$ 38,074</u>	<u>\$ 31,988</u>
Noncash additions to property and equipment	<u>\$ 8,440</u>	<u>\$ 3,999</u>

ATTACHMENT 34
Audited Financial Statement

APPENDICES

ATTACHMENT 34

Audited Financial Statement

Financial Results Compared to Budget for the Fiscal Year Ended June 30, 2024

The RUSH Parent Board is required to set the RUSH strategic plan and annual budget as well as approve the strategic plans, annual operating budgets, and the financial and capital priorities for RUMC and RCMC. The budget remains in effect the entire fiscal year. An actual to budget comparison and analysis is presented monthly in the financial statements, and the information for the fiscal year ended June 30, 2024, is presented below for the Obligated Group.

Summary Statement of Operations - Obligated Group

<i>(In thousands)</i>	Fiscal Year Ended June 30, 2024	
	Actual	Budget
Patient service revenue	\$ 3,170,555	\$ 3,107,286
Other operating revenue	481,087	462,105
Total operating revenue	3,651,642	3,569,391
Salaries, wages and employee benefits	1,825,737	1,834,391
Supplies, utilities and other	1,166,481	1,107,600
Professional liability and other insurance	81,136	292,185
Purchased services	310,224	160,282
Depreciation and amortization	155,953	84,829
Interest	34,494	35,004
Total operating expenses	3,574,025	3,514,291
Operating income	77,617	55,100
Non-operating income	143,365	64,376
Excess of revenue over expenses	\$ 220,982	\$ 119,476

ATTACHMENT 34

Audited Financial Statement

Covenant Compliance Certificate

The following calculations are pursuant to the financial covenants expressed in the Amended and Restated Master Trust Indenture dated February 1, 2015 for the RUSH Obligated Group.

(In thousands)

I. MAXIMUM ANNUAL DEBT SERVICE COVERAGE RATIO:

Net income, excluding net gains and losses on sales ^[1]	\$	156,534
Add: Depreciation expense		155,953
Add: Interest expense		34,494
Revenues available for debt service	\$	346,981
Maximum annual debt service	\$	61,330
Revenues available for debt service	\$	346,981
Maximum annual debt service	\$	61,330
		5.66
Ratio exceeds 1.20	(please check)	<u>X</u>

II. DAYS CASH ON HAND:

Unrestricted cash and cash equivalents	\$	407,485
Add: Unrestricted marketable securities		1,556,001
Unrestricted cash and marketable securities	\$	1,963,486
Number of days in period		366
Unrestricted cash and marketable securities x 366	\$	718,635,876
Total operating expenses		3,574,025
Less: Depreciation expense		(155,953)
Total operating expenses - depreciation expense	\$	3,418,072
Unrestricted cash and marketable securities x 366	\$	718,635,876
Total operating expenses - depreciation expense	\$	3,418,072
		210.2
Days exceed 65	(please check)	<u>X</u>

Notes:

[1] Maximum annual and historical debt service coverage ratios are calculated based on net revenue available for debt service of the Obligated Group and exclude unrealized gains and losses on unrestricted investments, the change in fair value of interest rate swaps still outstanding and net gains and losses on sales, a component of nonoperating income.

Covenant Compliance Certificate – Continued

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Audited Financial Statement

(In thousands)

III. HISTORICAL DEBT SERVICE COVERAGE RATIO:

Net income, excluding net gains and losses on sales ^[1]	\$	156,534	
Add: Depreciation expense		155,953	
Add: Interest expense		34,494	
Revenues available for debt service	\$	346,981	
 Payments of debt	 \$	 51,733	
Add: Interest expense		34,494	
Annual debt service	\$	86,227	
 Revenues available for debt service	 \$	 346,981	 4.02
Annual debt service	\$	86,227	
 Ratio exceeds 1.10	 (please check)		 <u>X</u>

Notes:

[1] Maximum annual and historical debt service coverage ratios are calculated based on net revenue available for debt service of the Obligated Group and exclude unrealized gains and losses on unrestricted investments, the change in fair value of interest rate swaps still outstanding and net gains and losses on sales, a component of nonoperating income.

ATTACHMENT 34

Audited Financial Statement

System Board of Directors

Business Affiliations and Years of Service | As of June 30, 2024

Name	Business Affiliation	Years of Service
Susan Crown (Chairperson)	Chairman and CEO, SCE	7
Peter C. B. Bynoe	Senior Advisor, DLA Piper LLP (US)	7
Catherine M. Cederoth	Director, Huron Consulting Group	7
Bruce W. Dienst	President, Norican North America; CEO, Simpson Technologies	7
William A. Downe (Chair Elect)	Former CEO, BMO Financial Group	7
Christine A. Edwards	Ret. Partner & Chair, Bank Regulatory Group, Winston & Strawn	7
William J. Friend	Managing Partner and Founder, Core Capital Management, LLC	1
Sandra P. Guthman	Chair and Former CEO, Polk Bros. Foundation	7
Jay L. Henderson	Retired Vice Chairman, Client Service, PricewaterhouseCoopers	7
Kenneth H. M. Leet	Retired Partner, Goldman, Sachs & Co.	1
Juan R. Luciano	Chairman, President and CEO, Archer Daniels Midland Company	1
Gary E. McCullough	CEO, GEM Advisory Services	1
Stephen N. Potter	Retired Vice Chairman, Northern Trust Corporation	4
E. Scott Santi	Chairman and Retired CEO, Illinois Tool Works	1
Russell P. Smyth	Chairman/General Partner, HAVI	1
Christine J. Sobek, EdD	President Emeritus, Waubesa Community College	1
Charles A. Tribbett III	Vice Chairman, Russell Reynolds Associates	1
Everett Ward	Partner, Fox Swibel Levin & Carroll LLP	1
Robert A. Wislow	Co-Founder, Chairman and CEO, Parkside Realty, Inc.	3

ATTACHMENT 34

Audited Financial Statement

Medical Staff

The following table represents information relating to the composition of the Medical Staff of Rush University Medical Center as of June 30, 2024:

Specialty	Total Medical Staff	% Board Certified	Average Age
Addiction Medicine	2	100%	52
Addiction Psychiatry	1	100%	50
Advanced Heart Failure and Transplant Cardiology	3	67%	40
Allergy & Immunology	6	100%	54
Anesthesiology	59	74%	53
Cardiovascular Disease	20	95%	47
Child and Adolescent Psychiatry	5	100%	50
Child Psychiatry	1	100%	38
Clinical Cardiac Electrophysiology	6	100%	50
Clinical Genetics and Genomics	2	100%	52
Clinical Neurophysiology	6	100%	39
Colon and Rectal Surgery	4	100%	47
Complex General Surgical Oncology	1	100%	42
Congenital Cardiac Surgery	1	100%	47
Critical Care Medicine	3	67%	48
Dermatology	18	94%	44
Developmental-Behavioral Pediatrics	2	50%	38
Diagnostic Radiology	39	90%	48
Emergency Medicine	19	53%	41
Endocrinology, Diabetes and Metabolism	8	63%	43
Epilepsy	2	100%	43
Family Medicine	6	83%	43
Family Medicine (PCP)	40	100%	48
Foot and Ankle Surgery	5	20%	49
Foot Surgery	1	100%	38
Gastroenterology	22	77%	46
Geriatric Medicine	2	100%	45
Geriatric Medicine (PCP)	6	100%	49
Geriatric Psychiatry	1	100%	51
Gynecologic Oncology	5	60%	45
Hematology	11	64%	52
Hematopathology	1	100%	41
Hospice and Palliative Medicine	13	69%	46
Infectious Disease	22	100%	49

ATTACHMENT 34

Audited Financial Statement

Specialty	Total Medical Staff	% Board Certified	Average Age
Internal Medicine (PCP)	72	94%	52
Internal Medicine/Pediatrics	2	0%	33
Internal Medicine/Pediatrics (PCP)	5	100%	48
Interventional Cardiology	17	88%	50
Interventional Radiology and Diagnostic Radiology	7	71%	44
Maternal-Fetal Medicine	7	86%	54
Medical Oncology	18	83%	50
Micrographic Dermatologic Surgery	1	100%	38
Neonatal-Perinatal Medicine	25	76%	45
Nephrology	11	100%	55
Neurocritical Care	2	50%	39
Neurological Surgery	18	94%	54
Neurology	56	98%	48
Neurology with Special Qualifications in Child Neurology	7	100%	57
Neuropathology	2	100%	49
Neuroradiology	11	82%	46
Nuclear Medicine	1	100%	48
Obstetrics & Gynecology	39	92%	45
Occupational Medicine	3	100%	65
Ophthalmology	46	96%	52
Oral and Maxillofacial Surgery	3	100%	48
Orthodontics	1	100%	41
Orthopaedic Sports Medicine	7	57%	49
Orthopaedic Surgery	24	92%	52
Otolaryngology - Head and Neck Surgery	15	93%	45
Pain Medicine	2	100%	43
Pathology - Anatomic	2	100%	69
Pathology-Anatomic/Pathology-Clinical	17	100%	51
Pathology-Clinical	1	100%	74
Pediatric Anesthesiology	2	100%	38
Pediatric Cardiology	13	92%	49
Pediatric Critical Care Medicine	10	80%	42
Pediatric Dermatology	1	100%	39
Pediatric Endocrinology	5	100%	49
Pediatric Gastroenterology	3	100%	52
Pediatric Hematology-Oncology	8	88%	51
Pediatric Hospital Medicine	2	100%	43
Pediatric Infectious Diseases	5	100%	45

ATTACHMENT 34

Audited Financial Statement

Specialty	Total Medical Staff	% Board Certified	Average Age
Pediatric Nephrology	5	40%	37
Pediatric Otolaryngology	2	0%	35
Pediatric Pulmonology	1	100%	42
Pediatric Rehabilitation Medicine	1	100%	45
Pediatric Rheumatology	3	100%	49
Pediatric Surgery	6	100%	48
Pediatric Urology	1	100%	64
Pediatrics	4	100%	40
Pediatrics (PCP)	20	100%	46
Physical Medicine & Rehabilitation	22	91%	46
Plastic Surgery	13	77%	47
Psychiatry	27	96%	54
Pulmonary Disease	17	94%	45
Radiation Oncology	9	100%	42
Reproductive Endocrinology/Infertility	3	100%	59
Rheumatology	19	100%	51
Sleep Medicine	5	100%	46
Sports Medicine	7	100%	46
Surgery	22	82%	50
Surgery of the Hand	5	80%	48
Surgical Critical Care	3	100%	43
Thoracic and Cardiac Surgery	22	73%	51
Transplant Hepatology	6	67%	47
Urogynecology and Reconstructive Pelvic Surgery	5	100%	44
Urology	10	90%	57
Vascular Medicine	1	0%	35
Vascular Neurology	3	33%	36
Vascular Surgery	4	100%	48

ATTACHMENT 34

Audited Financial Statement

Medical Staff

The following table represents information relating to the composition of the Medical Staff of Rush Copley Medical Center as of June 30, 2024:

Specialty	Total Medical Staff	% Board Certified	Average Age
Allergy & Immunology	2	100%	40
Anesthesiology	20	95%	49
Cardiovascular Disease	9	100%	45
Clinical Cardiac Electrophysiology	1	100%	52
Clinical Genetics and Genomics	1	100%	63
Colon and Rectal Surgery	1	100%	54
Critical Care Medicine	6	85%	45
Dermatology	4	100%	46
Diagnostic Radiology	53	96%	45
Emergency Medicine	26	96%	42
Endocrinology, Diabetes and Metabolism	3	100%	51
Epilepsy	2	100%	43
Family Medicine	32	100%	46
Foot Surgery	7	90%	57
Gastroenterology	4	100%	55
Geriatric Medicine	1	100%	49
Gynecologic Oncology	4	50%	44
Hematology	1	100%	59
Hospice and Palliative Medicine	1	100%	44
Infectious Disease	3	100%	56
Internal Medicine	29	93%	47
Interventional Cardiology	5	83%	50
Interventional Radiology and Diagnostic Radiology	4	100%	50
Maternal-Fetal Medicine	8	100%	51
Medical Oncology	3	100%	51
Neonatal-Perinatal Medicine	8	100%	43
Nephrology	10	100%	58
Neurological Surgery	4	100%	52
Neurology	16	94%	52
Neuroradiology	2	100%	42
Obstetrics & Gynecology	18	90%	52
Ophthalmology	9	100%	57
Orthopaedic Surgery	6	100%	51

ATTACHMENT 34

Audited Financial Statement

Specialty	Total Medical Staff	% Board Certified	Average Age
Otolaryngology - Head and Neck Surgery	4	100%	48
Pathology-Anatomic/Pathology-Clinical	5	100%	64
Pediatric Anesthesiology	4	100%	44
Pediatric Cardiology	3	100%	46
Pediatric Endocrinology	3	100%	44
Pediatric Gastroenterology	1	100%	42
Pediatric Hematology-Oncology	2	100%	54
Pediatric Infectious Diseases	1	100%	43
Pediatric Otolaryngology	1	100%	37
Pediatric Pulmonology	2	100%	43
Pediatric Radiology	21	100%	49
Pediatric Surgery	6	100%	48
Pediatric Urology	1	100%	64
Pediatrics (PCP)	16	100%	46
Physical Medicine & Rehabilitation	9	82%	42
Plastic Surgery	1	50%	43
Psychiatry	1	100%	40
Pulmonary Disease	8	100%	50
Radiation Oncology	2	100%	42
Reproductive Endocrinology/Infertility	2	100%	51
Surgery	9	100%	54
Surgery of the Hand	1	100%	51
Thoracic and Cardiac Surgery	14	93%	52
Urogynecology and Reconstructive Pelvic Surgery	3	100%	54
Urology	3	75%	43
Vascular Neurology	2	40%	42
Vascular Surgery	4	100%	51

ATTACHMENT 34

Audited Financial Statement

Medical Staff

The following table represents information relating to the composition of the Medical Staff of Rush Oak Park Hospital as of June 30, 2024:

Specialty	Total Medical Staff	% Board Certified	Average Age
Addiction Psychiatry	1	100%	50
Advanced Heart Failure and Transplant Cardiology	3	67%	40
Allergy & Immunology	6	100%	48
Anesthesiology	19	79%	53
Cardiovascular Disease	21	86%	46
Child and Adolescent Psychiatry	1	100%	37
Clinical Cardiac Electrophysiology	5	100%	50
Clinical Neurophysiology	2	100%	40
Colon and Rectal Surgery	4	100%	47
Complex General Surgical Oncology	1	100%	42
Critical Care Medicine	2	100%	47
Dentistry	1	0%	69
Dermatology	5	100%	53
Diagnostic Radiology	39	90%	48
Emergency Medicine	52	75%	41
Endocrinology, Diabetes and Metabolism	4	100%	45
Epilepsy	2	100%	43
Family Medicine	3	100%	40
Family Medicine (PCP)	29	86%	51
Family Medicine/ Osteopathic Manipulative Treatment	1	100%	39
Foot and Ankle Surgery	7	43%	57
Foot Surgery	6	67%	42
Gastroenterology	20	80%	46
Geriatric Medicine	2	100%	58
Gynecologic Oncology	4	50%	44
Hematology	6	33%	51
Hematopathology	1	100%	41
Infectious Disease	15	93%	51
Internal Medicine	16	94%	42
Internal Medicine (PCP)	22	86%	53
Interventional Cardiology	10	90%	53
Interventional Radiology and Diagnostic Radiology	8	75%	47
Medical Oncology	11	82%	46
Nephrology	11	100%	54
Neurological Surgery	1	0%	33
Neurology	19	100%	45
Neurology with Special Qualifications in Child Neurology	1	100%	58
Neuroradiology	11	100%	46
Nuclear Medicine	1	100%	48

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ATTACHMENT 34

Audited Financial Statement

Specialty	Total Medical Staff	% Board Certified	Average Age
Obstetrics & Gynecology	19	95%	43
Occupational Medicine	1	100%	49
Ophthalmology	13	92%	57
Oral and Maxillofacial Surgery	1	100%	54
Orthopaedic Sports Medicine	8	50%	48
Orthopaedic Surgery	12	92%	49
Otolaryngology - Head and Neck Surgery	8	100%	44
Pain Medicine	1	100%	36
Pathology-Anatomic	1	100%	59
Pathology-Anatomic/Pathology-Clinical	11	100%	48
Pathology-Clinical	1	100%	74
Pediatric Cardiology	2	100%	49
Pediatrics (PCP)	1	100%	67
Physical Medicine & Rehabilitation	11	91%	42
Plastic Surgery	10	80%	43
Psychiatry	6	100%	44
Pulmonary Disease	17	94%	45
Radiation Oncology	8	100%	42
Reproductive Endocrinology/Infertility	1	0%	35
Rheumatology	5	100%	44
Sleep Medicine	3	100%	58
Sports Medicine	4	100%	46
Surgery	21	76%	50
Surgery of the Hand	5	80%	48
Surgical Critical Care	3	100%	43
Thoracic and Cardiac Surgery	4	100%	47
Transplant Hepatology	6	67%	47
Urogynecology and Reconstructive Pelvic Surgery	5	100%	44
Urology	11	91%	56
Vascular Medicine	1	0%	35
Vascular Neurology	3	33%	36
Vascular Surgery	4	100%	51

ATTACHMENT 36

Financial Viability

Rush System for Health d/b/a Rush University System for Health was recently rated by Fitch Ratings in October of 2025 and was affirmed to have an AA- credit rating. As a result, the Applicants qualify for the financial viability waiver.

2/3/26, 11:57 PM

Fitch Rates Rush System for Health, IL 'AA-'; Outlook Stable



RATING ACTION COMMENTARY

Fitch Rates Rush System for Health, IL 'AA-'; Outlook Stable

Mon 27 Oct, 2025 - 4:03 PM ET

Fitch Ratings - Chicago - 27 Oct 2025: Fitch Ratings has affirmed Rush System for Health's (RUSH) Issuer Default Rating (IDR) at 'AA-'. Fitch has also assigned a 'AA-' rating to the \$389.995 million series 2025A and 2025B bonds and affirmed the 'AA-' ratings on tax-exempt revenue bonds issued by the Illinois Finance Authority on behalf of RUSH and taxable revenue bonds issued directly by RUSH.

The Rating Outlook is Stable.

Proceeds from the bonds will be used to refund a portion of RUSH's outstanding series 2015A and 2015B bonds, and pay the costs of issuance. The bonds are expected to sell the week of Nov. 3.

RATING ACTIONS

ENTITY / DEBT ↕	RATING ↕		PRIOR ↕	
Rush System for Health (IL)	LT IDR	AA- Rating Outlook Stable	AA- Rating Outlook Stable	
	Affirmed			
Rush System for Health (IL) /General Revenues/1 LT	LT	AA- Rating Outlook Stable	Affirmed	AA- Rating Outlook Stable

[VIEW ADDITIONAL RATING DETAILS](#)

<https://www.fitchratings.com/research/us-public-finance/fitch-rates-rush-system-for-health-il-aa-outlook-stable-27-10-2025>

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ATTACHMENT 37

Economic Feasibility

Rush University System for Health
1653 W. Congress Parkway
Chicago, IL 60612
www.rush.edu



January 26, 2026

John Kniery
Board Administrator
Health Facilities and Services Review Board
525 W Jefferson Street, Floor 2
Springfield, IL 62761

Re: Rush Elmhurst Medical Office Building
III. Admin Code Section 1120.120(a) Available Funds Certification
III. Admin Code Section 1120.140(a) Reasonableness of Financing Arrangements.

Dear Mr. Kniery:

As the authorized representative of Rush University Medical Center and Rush System for Health d/b/a Rush University System for Health, I, Carl Bergetz, hereby attest that the total project cost for the proposed project is \$27,201,077.

Rush University Medical Center will fund the project through a combination of cash and existing securities, net of the tenant improvement allowance provided for under the lease for the facility. The construction costs to be funded directly by Rush University Medical Center are \$16,561,312, with the remaining project costs attributable to lease costs associated with the project.

Rush University Medical Center has sufficient and readily available internal financial resources to fund the project as proposed and to meet all other existing and anticipated financial obligations. I further certify that Rush University Medical Center evaluated available funding options for this project and determined that the funding strategy described herein represents the lowest net cost available.

Sincerely,

A handwritten signature in black ink, appearing to read 'Patricia O'Neil', written over a horizontal line.

Patricia O'Neil
Chief Financial Officer
Rush University System for Health

ATTACHMENT 37

Economic Feasibility

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)	
Imaging and Diagnostic Spaces	\$467.15		13,933				\$6,508,866		\$6,508,866
Contingency	\$30.67		13,933				\$427,327		\$427,327
TOTALS	\$497.82		13,933				\$6,936,193		\$6,936,193
* Include the percentage (%) of space for circulation									

Pursuant to Illinois Administrative Code Section 1120 Appendix A(a)(3), a project's cost must be at or below the RS Means for the new construction of a medical office building. At the time of this application the RS Means for the new construction of a medical office building in this area of the state, adjusted to reflect green/LEED-compliant construction, is \$410.98 per GSF. This project is slated to be completed in the third quarter of 2028 and the applicable RS Means standard is \$436.01 per GSF. The proposed cost per GSF for this project is \$497.82.

ATTACHMENT 38

Safety Net Information

Safety Net Information per PA 96-0031			
CHARITY CARE – RUSH UNIVERSITY MEDICAL CENTER			
Charity (# of patients)	2022	2023	2024
Inpatient	243	182	433
Outpatient	7,449	3,090	9,599
Total	7,692	3,272	10,032
Charity (cost in dollars)			
Inpatient	\$9,594,764	\$8,758,456	\$9,771,449
Outpatient	\$18,849,670	\$14,370,298	\$17,925,427
Total	\$28,444,434	\$23,128,754	\$27,696,876
MEDICAID			
Medicaid (# of patients)	2022	2023	2024
Inpatient	8,093	8,295	8,105
Outpatient	140,139	166,086	170,343
Total	148,232	174,381	178,448
Medicaid (revenue)			
Inpatient	\$115,032,599	\$119,205,126	\$132,539,128
Outpatient	\$72,985,956	\$83,549,311	\$92,732,259
Total	\$188,018,555	\$202,754,437	\$225,271,387

ATTACHMENT 40

Flood Plain Requirements Letter

Rush University System for Health
1653 W. Congress Parkway
Chicago, IL 60612
www.rush.edu



January 26, 2026

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

Re: Rush Elmhurst Medical Office Building- Flood Plain Letter

Dear Mr. Kniery:

As representative of Rush System for Health d/b/a Rush University System of Health, Rush University Medical Center, I, Carl Bergetz, affirm that the proposed establishment of the Rush Elmhurst Medical Office Building complies with the Illinois Executive Order #2005-5. The facility location is 107 N. York St., Elmhurst, IL 60126, and it is not located in a flood plain. As evidence, please find enclosed a map from the Federal Emergency Management Agency ("FEMA") reflecting the same.

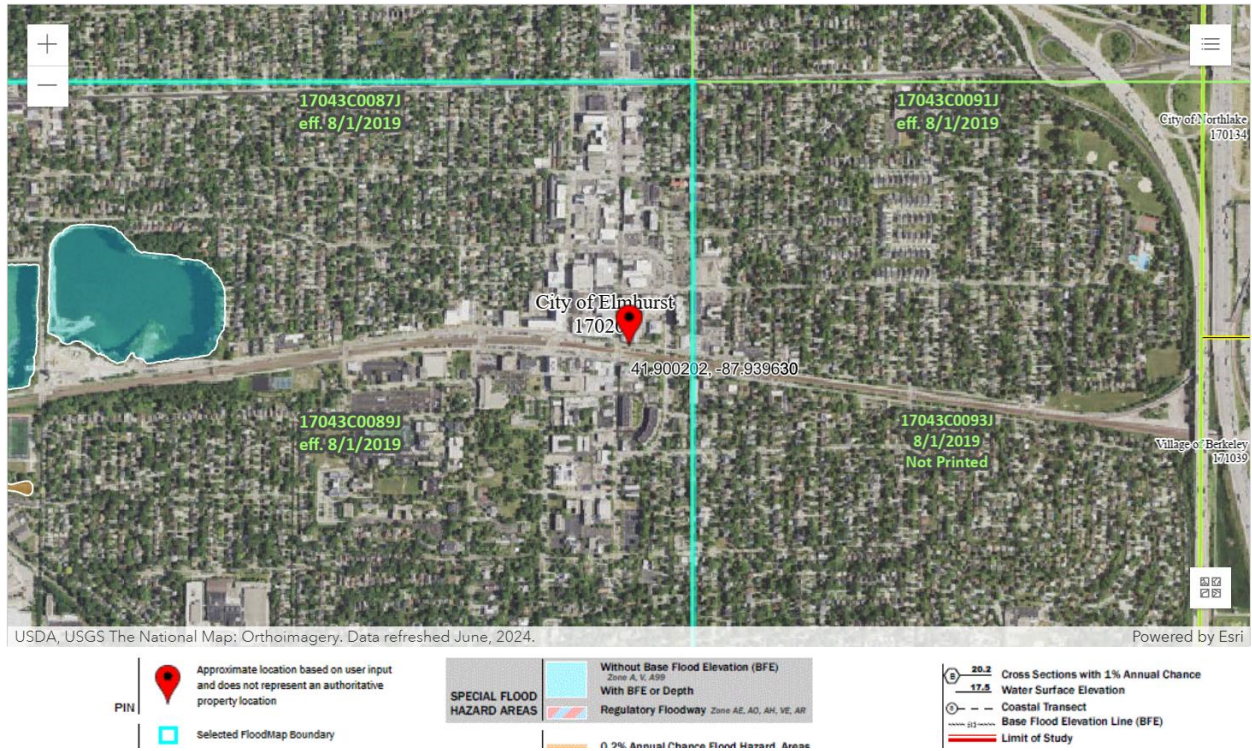
I hereby certify this is true and is based upon my personal knowledge under penalty of perjury and in accordance with 735 ILCS 5/1-109.

Sincerely,

Carl Bergetz, MD
Chief Legal Officer
Rush University System for Health

ATTACHMENT 40

Flood Plain Requirements Letter



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

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16.	Unfinished or Shell Space	n/a
17.	Assurances for Unfinished/Shell Space	n/a
Service Specific:		
18.	Master Design and Related Projects	n/a
19.	Medical Surgical Pediatrics, Obstetrics, ICU	n/a
20.	Comprehensive Physical Rehabilitation	n/a
21.	Acute Mental Illness	n/a
22.	Open Heart Surgery	n/a
23.	Cardiac Catheterization	n/a
24.	In-Center Hemodialysis	n/a
25.	Non-Hospital Based Ambulatory Surgery	n/a
26.	Selected Organ Transplantation	n/a
27.	Kidney Transplantation	n/a
28.	Subacute Care Hospital Model	n/a
29.	Community-Based Residential Rehabilitation Center	n/a
30.	Long Term Acute Care Hospital	n/a
31.	Clinical Service Areas Other than Categories of Service	78-79
32.	Freestanding Emergency Center Medical Services	n/a
33.	Birth Center	n/a
Financial and Economic Feasibility:		
34.	Availability of Funds	80-130
35.	Financial Waiver	n/a
36.	Financial Viability	131
37.	Economic Feasibility	132-133
38.	Safety Net Impact Statement	134
39.	Charity Care Information	n/a
40.	Flood Plain Information	135-136