

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: Carle Richland Memorial Hospital- HOPD Building			
Street Address: See legal description			
City and Zip Code: Olney 62450			
County: Richland	Health Service Area: HSA-5	Health Planning Area: F-03	

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

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

Type of Ownership of Applicants

☒ Non-profit Corporation ☐ For-profit Corporation ☐ Limited Liability Company ☐ Other	☐ Partnership ☐ Governmental ☐ Sole Proprietorship
○ Corporations and limited liability companies must provide an Illinois certificate of good standing. ○ Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.	
APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Primary Contact [Person to receive ALL correspondence or inquiries]

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

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

Name: Kara Friedman
Title: Attorney
Company Name: Aronberg Goldgehn
Address: 225 W. Washington St. Suite 2800 Chicago, IL 60606
Telephone Number: (312) 755-3157
E-mail Address: Kfriedman@agdgllaw.com

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: Carle Richland Memorial Hospital- HOPD Building		
Street Address: See legal description		
City and Zip Code: Olney 62450		
County: Richland	Health Service Area: HSA-5	Health Planning Area: F-03

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

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

Type of Ownership of Applicants

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

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

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

Primary Contact [Person to receive ALL correspondence or inquiries]

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

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

Name: Kara Friedman
Title: Attorney
Company Name: Aronberg Goldgehn
Address: 225 W. Washington St. Suite 2800 Chicago, IL 60606
Telephone Number: (312) 755-3157
E-mail Address: Kfriedman@agdgllaw.com

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

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Richland Memorial Hospital, Inc. d/b/a Carle Richland Memorial Hospital
Address of Site Owner: 800 E. Locust St. Olney, IL 62450
Street Address or Legal Description of the Site: PART OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 34, TOWNSHIP 4 NORTH, RANGE 10 EAST OF THE 3RD PRINCIPAL MERIDIAN, RICHLAND COUNTY, ILLINOIS, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF LOT 1 OF MAX D. HOCKING'S ADDITION; THENCE SOUTH 00° 06' 44" EAST, 122.25 FEET ALONG THE WEST RIGHT OF WAY LINE OF EAST STREET; THENCE SOUTH 89° 25' 54" WEST, 200.00 FEET; THENCE SOUTH 00° 06' 44" EAST, 78.00 FEET; THENCE NORTH 89° 25' 54" EAST, 200.00 FEET TO THE EAST RIGHT OF WAY LINE OF EAST STREET; THENCE SOUTH 00° 06' 44" EAST, 769.31 FEET ALONG SAID WEST RIGHT OF WAY LINE TO THE NORTH RIGHT OF WAY LINE OF LOCUST STREET; THENCE SOUTH 88°00'03" WEST, 753.59 FEET TO THE SOUTHEAST CORNER OF LOT 13 OF H.L. RITTER'S ADDITION; THENCE NORTH 00°27'25" WEST, 105.00 FEET ALONG THE EAST LINE OF LOT 13; THENCE SOUTH 88°01'36" WEST, 83.98 FEET ALONG THE NORTH LINE OF LOT 13; THENCE SOUTH 01°59'49" EAST, 105.00 FEET ALONG THE WEST LINE OF LOT 13 TO THE NORTH RIGHT OF WAY LINE OF LOCUST STREET; THENCE SOUTH 88°00'03" WEST, 40.00 FEET ALONG THE NORTH RIGHT OF WAY LINE OF LOCUST STREET TO THE SOUTHEAST CORNER OF LOT 8; THENCE NORTH 01°59'49" WEST, 121.00 FEET ALONG THE EAST LINE OF LOT 8; THENCE SOUTH 87°58'48" WEST, 79.10 FEET ALONG THE NORTH LINE OF H.L. RITTER'S ADDITION; THENCE SOUTH 80°05'11" WEST, 116.05 FEET ALONG SAID NORTH LINE; THENCE SOUTH 88°00'11" WEST, 36.12 FEET ALONG SAID NORTH LINE; THENCE NORTH 01°10'36" EAST, 9.25 FEET; THENCE NORTH 53°50'37" WEST, 127.75 FEET; THENCE NORTH 57°25'00" WEST, 65.00 FEET TO THE EAST RIGHT OF WAY LINE OF SILVER STREET; THENCE NORTH 00° 35' 27" WEST, 570.73 FEET ALONG SAID EAST RIGHT OF WAY LINE; THENCE NORTH 89° 25' 18" EAST, 516.70 FEET; THENCE NORTH 00° 12' 06" WEST, 165.36 FEET; THENCE NORTH 89° 22' 15" EAST, 173.65 FEET; THENCE NORTH 00° 12' 06" WEST, 34.00 FEET TO THE SOUTH LINE OF MAX D. HOCKING'S ADDITION; THENCE NORTH 89° 22' 15" EAST, 580.04 FEET TO THE POINT OF BEGINNING, CONTAINING 24.4 ACRES MORE OR LESS. Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease. APPEND DOCUMENTATION AS <u>ATTACHMENT 2</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

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

Exact Legal Name: Richland Memorial Hospital, Inc. d/b/a Carle Richland Memorial Hospital
Address: 800 E. Locust St. Olney, IL 62450
☒ 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.

Richland Memorial Hospital, Inc. d/b/a Carle Richland Memorial Hospital ("CRMH") and The Carle Foundation d/b/a Carle Health (the "Applicants") seek authority to construct a 2-story 45,120 square foot Hospital Outpatient Department ("HOPD") building to be connected to the existing CRMH hospital (the "Project"). The Project will consolidate the following existing ambulatory care services, which are currently located at three separate sites in Olney, Illinois into a single building:

- Physician medical offices and exam rooms for cardiology, pain, urology, audiology, ENT, allergy, oncology, general surgery, wound healing, orthopedics, podiatry and dermatology
- Lab
- Cardiac rehabilitation
- Pulmonary rehabilitation
- General x-ray

The Project does not propose to establish a new category of service or a new health care facility as defined in the Illinois Health Facilities Planning Act (the "Planning Act"). Accordingly, the Project is non-substantive.

Rendering



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	\$4,368	\$165,632	\$170,000
Site Survey and Soil Investigation	\$899	\$34,101	\$35,000
Site Preparation	\$38,724	\$2,529,892	\$2,568,616
Off Site Work	\$0	\$0	\$0
New Construction Contracts	\$754,645	\$27,551,433	\$28,306,078
Modernization Contracts	\$0	\$0	\$0
Contingencies	\$66,022	\$2,503,298	\$2,569,320
Architectural/Engineering Fees	\$65,603	\$1,534,647	\$1,600,250
Consulting and Other Fees	\$8,364	\$317,136	\$325,500
Movable or Other Equipment (not in construction contracts)	\$1,735,513	\$1,999,724	\$3,735,236
Bond Issuance Expense (project related)	\$7,690	\$106,476	\$114,166
Net Interest Expense During Construction (project related)	\$47,313	\$655,018	\$702,331
Fair Market Value of Leased Space or Equipment	\$0	\$0	\$0
Other Costs to Be Capitalized (NBV of equipment to be transferred)	\$71,235	\$0	\$71,235
Acquisition of Building or Other Property (excluding land)	\$0	\$0	\$0
TOTAL USES OF FUNDS	\$2,800,376	\$37,397,357	\$40,197,732
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$459,141	\$6,267,357	\$6,726,497
Pledges	\$0	\$0	\$0
Gifts and Bequests	\$0	\$0	\$0
Bond Issues (project related)	\$2,250,000	\$31,150,000	\$33,400,000
Mortgages	\$0	\$0	\$0
Leases (fair market value)	\$0	\$0	\$0
Governmental Appropriations	\$0	\$0	\$0
Grants	\$0	\$0	\$0
Other Funds and Sources (NBV of equipment to be transferred)	\$71,235	\$0	\$71,235
TOTAL SOURCES OF FUNDS	\$2,780,376	\$37,417,357	\$40,197,732
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: \$ _____ Fair Market Value: \$ _____
The project involves the establishment of a new facility or a new category of service ☐ Yes ☒ No If yes, provide the dollar amount of all non-capitalized operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100. Estimated start-up costs and operating deficit cost is \$ _____.

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.
Indicate the stage of the project's architectural drawings: ☐ None or not applicable ☐ Preliminary ☒ Schematics ☐ Final Working
Anticipated project completion date (refer to Part 1130.140): December 31, 2027
Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140): ☐ Purchase orders, leases or contracts pertaining to the project have been executed. ☐ Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies ☒ Financial Commitment will occur after permit issuance.
APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals [Section 1130.620(c)]

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

Cost Space Requirements

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

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

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
NON-REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							

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

Facility Bed Capacity and Utilization

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

FACILITY NAME: Richland Memorial Hospital			CITY: Olney, IL		
REPORTING PERIOD DATES: From: 1/1/24 to: 12/31/24					
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical	15	887	2,566	n/a	15
Obstetrics	4	203	330	n/a	4
Pediatrics				n/a	
Intensive Care	6	170	422	n/a	6
Comprehensive Physical Rehabilitation				n/a	
Acute/Chronic Mental Illness				n/a	
Neonatal Intensive Care				n/a	
General Long-Term Care	20	53	5,867	n/a	20
Specialized Long-Term Care				n/a	
Long Term Acute Care				n/a	
Other ((identify))				n/a	
TOTALS:	45	1,313	9,185	n/a	45

The 20 LTC beds are under the hospital Tax ID number and IDPH hospital license but are not part of the Medicare enrolled Critical Access Hospital which consists of the other 25 beds enumerated above.

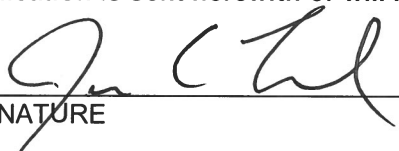
CERTIFICATION

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

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

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

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


SIGNATURE

James Leonard, M.D.
PRINTED NAME

President and CEO
PRINTED TITLE

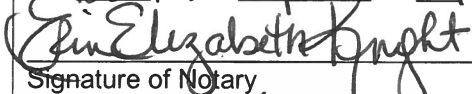

SIGNATURE

Dennis Hesch
PRINTED NAME

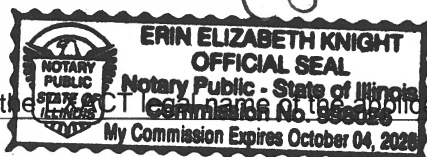
Executive Vice President and System CFO
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 28th day of April, 2026


Signature of Notary

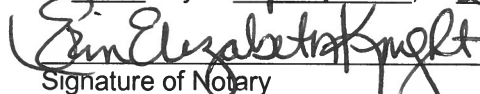
Seal



*Insert the name of the applicant

Notarization:

Subscribed and sworn to before me
this 28th day of April, 2026


Signature of Notary

Seal



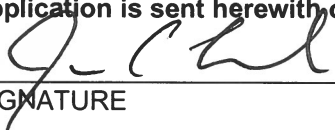
CERTIFICATION

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

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

This Application is filed on the behalf of Richland Memorial Hospital, Inc.

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


SIGNATURE

James Leonard, M.D.

PRINTED NAME

President and CEO
PRINTED TITLE


SIGNATURE

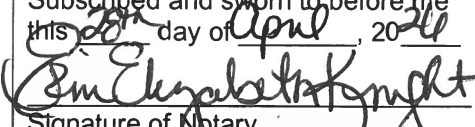
Dennis Hesch

PRINTED NAME

Executive Vice President and System CFO
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 20th day of April, 2020


Signature of Notary

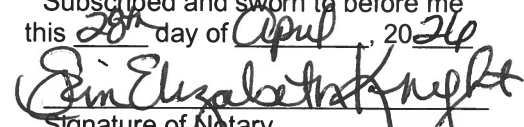
Seal

*Insert the Seal of the Notary Public

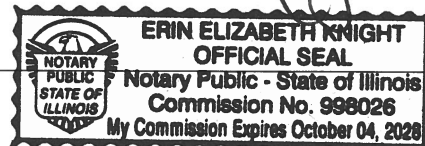


Notarization:

Subscribed and sworn to before me
this 20th day of April, 2020


Signature of Notary

Seal



SECTION II. DISCONTINUATION

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

Criterion 1110.290 – Discontinuation

READ THE REVIEW CRITERION and provide the following information:

GENERAL INFORMATION REQUIREMENTS

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

REASONS FOR DISCONTINUATION

The applicant shall state the reasons for the discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.290(b) for examples.

IMPACT ON ACCESS

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

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

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

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

1110.110(a) – Background of the Applicant

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

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

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

Criterion 1110.110(b) & (d)**PURPOSE OF PROJECT**

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

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

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

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

ALTERNATIVES

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

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

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE**Criterion 1110.120 - Project Scope, Utilization, and Unfinished/Shell Space**

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

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

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

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?

APPEND DOCUMENTATION AS ATTACHMENT 14, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions, or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. **A narrative of the rationale that supports the projections must be provided.**

A table must be provided in the following format with Attachment 15.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
YEAR 1					
YEAR 2					

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

UNFINISHED OR SHELL SPACE:

Provide the following information:

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

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

ASSURANCES:

Submit the following:

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

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

SECTION VI. SERVICE SPECIFIC REVIEW CRITERIA

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
☒ General Radiology	1	2

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
1 APPEND DOCUMENTATION AS ATTACHMENT 31, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

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

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

VII. 1120.120 - AVAILABILITY OF FUNDS

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

___\$6,726,497___ _____ _____ ___\$33,400,000___	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. 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.
--	---

_____ _____ \$71,235 _____	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. (NBV of equipment to be transferred)
\$40,197,732	TOTAL FUNDS AVAILABLE
APPEND DOCUMENTATION AS <u>ATTACHMENT 34</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

SECTION VIII. 1120.130 - FINANCIAL VIABILITY

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

Financial Viability Waiver

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

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

See Section 1120.130 Financial Waiver for information to be provided

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

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

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

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

Variance

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

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

SECTION IX. 1120.140 - ECONOMIC FEASIBILITY

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

A. Reasonableness of Financing Arrangements

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

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

B. Conditions of Debt Financing

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

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

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE
--

Department (List below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)	
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

APPEND DOCUMENTATION AS ATTACHMENT 37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. SAFETY NET IMPACT STATEMENT

SAFETY NET IMPACT STATEMENT that describes all the following must be submitted for ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE HEALTH CARE FACILITIES [20 ILCS 3960/5.4]:

1. The project's material impact, if any, on essential safety net services in the community, **including the impact on racial and health care disparities in the community**, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in each community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.

3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 37.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)	Year	Year	Year
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Medicaid (revenue)	Year	Year	Year
Inpatient			
Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT 38, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. CHARITY CARE INFORMATION

Charity Care information **MUST** be furnished for **ALL** projects [1120.20(c)].

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

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

A table in the following format must be provided for all facilities as part of Attachment 39.

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

APPEND DOCUMENTATION AS ATTACHMENT 39, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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		28-30
2	Site Ownership		31
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.		32
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.		33
5	Flood Plain Requirements		34
6	Historic Preservation Act Requirements		35
7	Project and Sources of Funds Itemization		36
8	Financial Commitment Document if required		37
9	Cost Space Requirements		38
10	Discontinuation		39
11	Background of the Applicant		40-43
12	Purpose of the Project		44-52
13	Alternatives to the Project		53-54
14	Size of the Project		55
15	Project Service Utilization		56
16	Unfinished or Shell Space		57
17	Assurances for Unfinished/Shell Space		57
18	Relationship to Master Design Project		n/a
	Service Specific:		
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		59-60
32	Freestanding Emergency Center Medical Services		n/a
33	Birth Center		n/a
	Financial and Economic Feasibility:		
34	Availability of Funds		61
35	Financial Waiver		62
36	Financial Viability		63
37	Economic Feasibility		64
38	Safety Net Impact Statement		65-68
39	Charity Care Information		69
40	Flood Plain Information		70

ATTACHMENT 1

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

1. The Carle Foundation d/b/a Carle Health;
2. Richland Memorial Hospital, Inc. d/b/a Carle Richland Memorial Hospital



To all to whom these Presents Shall Come, Greeting:

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

THE CARLE FOUNDATION, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON NOVEMBER 06, 1946, ADOPTED THE ASSUMED NAME CARLE HEALTH ON DECEMBER 16, 2019, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 20TH day of AUGUST A.D. 2025 .



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

RICHLAND MEMORIAL HOSPITAL, INC., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON SEPTEMBER 30, 1996, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 27TH day of MARCH A.D. 2026 .

Authentication #: 2608602994 verifiable until 03/27/2027
Authenticate at: <https://www.ilsos.gov>

Alexi Giannoulas
SECRETARY OF STATE

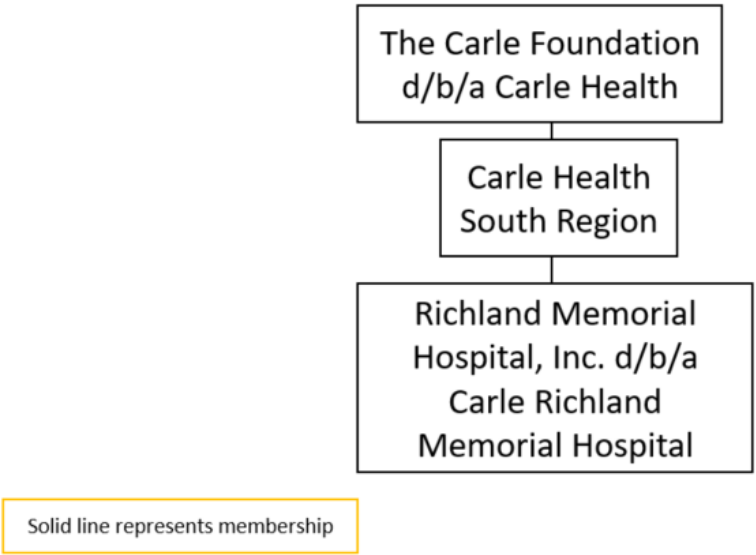
ATTACHMENT 2
Site Ownership

By signing the certification pages within this application, the Applicants attest that Richland Memorial Hospital, Inc. d/b/a Carle Richland Memorial Hospital owns project site where the planned Hospital Outpatient Department ("HOPD") building will be located.

ATTACHMENT 3
Operating Entity/Licensee

Richland Memorial Hospital, Inc. d/b/a Carle Richland Memorial Hospital is the licensee and operator of the Healthcare Facility. Copies of the Healthcare Facility's license and accreditation are attached at Attachment- 11.

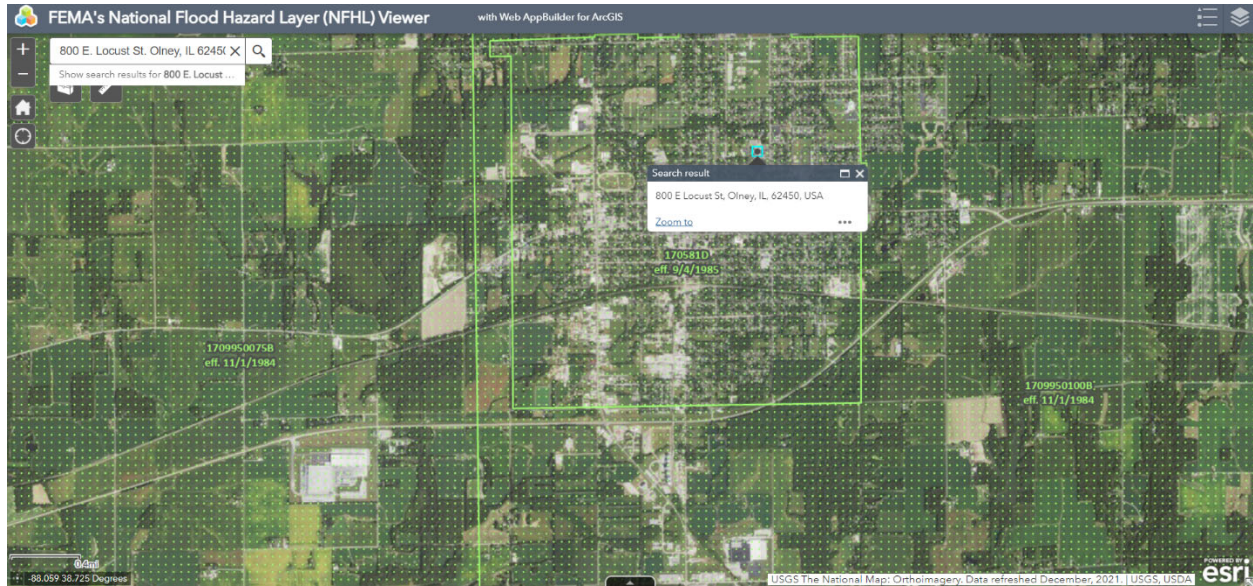
ATTACHMENT 4
Organizational Relationships



ATTACHMENT 5

Flood Plain Requirements

The site of the proposed project complies with the requirements of Illinois Executive Order #2005-5. Please see the following FEMA National Flood Hazard Layer map documenting that the project site is not located in a Special Flood Hazard Area.



ATTACHMENT 6

Historic Resources Preservation Act Requirements

The Applicants plan to build an HOPD building on the Carle Richland Memorial Hospital campus. A letter from the Illinois Historic Preservation Agency stating that the proposed project complies with the requirements of the Historic Resources Preservation Act is included as part of this Attachment-6.



Illinois
Department of
**Natural
Resources**

JB Pritzker, Governor • Natalie Phelps Finnie, Director
One Natural Resources Way • Springfield, Illinois 62702-1271

www.dnr.illinois.gov

Richland County
Olney
800 E. Locust St.
IHFSRB
CON - New Construction of a Medical Office Building,
Carle Richland Memorial Hospital

PLEASE REFER TO: SHPO LOG #011030626

March 30, 2026

Collin Anderson
Carle Health
611 W. Park St.
Urbana, IL 61801

The Illinois State Historic Preservation Office is required by the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420, as amended, 17 IAC 4180) to review all state funded, permitted, or licensed undertakings for their effect on cultural resources. Pursuant to this, we have received information regarding the referenced project for our comment.

Our staff has reviewed the specifications under the state law and assessed the impact of the project as submitted by your office. We have determined, based on the available information, that no significant historic, architectural, or archaeological resources will be affected within the proposed project area.

According to the information you have provided there is no federal involvement in your project. Be aware that the state law is less restrictive than the federal cultural resource laws concerning archaeology. If your project will use federal loans or grants, need federal agency permits (including non-reporting), use federal property, or involve assistance from a federal agency then your project must be reviewed under the National Historic Preservation Act of 1966, as amended. Please notify us immediately if such is the case.

This approval remains in effect for two (2) years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the Illinois Human Remains Protection Act (20 ILCS 3440).

Please retain this letter in your files as evidence of compliance with the Illinois State Agency Historic Resources Preservation Act.

If further assistance is needed, please contact Jeff Kruchten, Principal Archaeologist, at 217/785-1279 or jeff.kruchten@illinois.gov.

Sincerely,

Carey L. Mayer, AIA
Deputy State Historic Preservation Officer

ATTACHMENT 7
Detailed Project Costs

Use of Funds	Clinical	Nonclinical	Total
Preplanning Costs	\$4,368	\$165,632	\$170,000
Site Survey and Soil Investigation	\$899	\$34,101	\$35,000
Site Preparation	\$38,724	\$2,529,892	\$2,568,616
Off Site Work	\$0	\$0	\$0
New Construction Costs	\$754,645	\$27,551,433	\$28,306,078
Modernization Contracts	\$0	\$0	\$0
Contingencies	\$66,022	\$2,503,298	\$2,569,320
Architectural/Engineering Fees	\$65,603	\$1,534,647	\$1,600,250
Consulting and Other Fees	\$8,364	\$317,136	\$325,500
City Permits	\$64	\$2,436	\$2,500
Special Inspections	\$2,570	\$97,430	\$100,000
Commissioning	\$5,730	\$217,270	\$223,000
Movable and Other Equipment (not in construction contracts)	\$1,735,513	\$1,999,724	\$3,735,236
Equipment General	\$1,708,190	\$0	\$1,708,190
Furniture	\$0	\$836,254	\$836,254
Security Access/Cameras	\$0	\$72,500	\$72,500
IT/Telecom	\$20,899	\$792,394	\$813,293
Signs/Wayfinding	\$6,424	\$243,576	\$250,000
Other	\$0	\$55,000	\$55,000
Bond Issuance Expense (Project related)	\$7,690	\$106,476	\$114,166
Net Interest Expense During Construction (Project related)	\$47,313	\$655,018	\$702,331
Fair Market Value of Leased Space or Equipment	\$0	\$0	\$0
Other Costs to be Capitalized	\$71,235	\$0	\$71,235
Net Book Value of equipment to be transferred	\$71,235	\$0	\$71,235
Acquisition of Building or Other Property (Excluding land)	\$0	\$0	\$0
Total Uses of Funds	\$2,800,376	\$37,397,357	\$40,197,732

ATTACHMENT 8
Active CON Permits

The Carle Foundation has the following active permits:

CON 24-034: Champaign Surgery Center- Mattis Avenue

- The CON permit for project 24-034 was approved on March 18, 2025.

CON 24-035: Champaign Surgery Center

- The CON permit for project 24-035 was approved on January 23, 2025.

ATTACHMENT 9

Cost Space Requirements

The Applicants plan to build an HOPD building on the Carle Richland Memorial Hospital campus.

		Gross Square Feet		Amount of Proposed Total Gross Square Feet That			
	Cost	Existing	Total Upon Project Completion	New Const.	Modernized	As Is	Vacated as a result of this project
Dept. / Area (list below)							
Reviewable							
X-ray	\$2,800,376	0	1,190	1,190	0	0	0
Total Reviewable	\$2,800,376	0	1,190	1,190	0	0	0
Non-Reviewable							
Lab	\$2,939,080	0	3,546	3,546	0	0	0
Phlebotomy	\$833,802	0	1,006	1,006	0	0	0
Registration/Shared Waiting/Admin/Offices/Support	\$19,794,444	0	23,882	23,882	0	0	0
Infusion	\$4,178,201	0	5,041	5,041	0	0	0
Podiatry	\$570,245	0	688	688	0	0	0
Wound	\$750,932	0	906	906	0	0	0
Hoteling	\$1,104,848	0	1,333	1,333	0	0	0
Pain Management	\$782,429	0	944	944	0	0	0
Dermatology	\$511,396	0	617	617	0	0	0
Urology	\$1,327,807	0	1,602	1,602	0	0	0
Cardiac Rehab	\$1,427,259	0	1,722	1,722	0	0	0
Cardiology	\$828,844	0	1,000	1,000	0	0	0
Audiology	\$433,485	0	523	523	0	0	0
ENT	\$740,117	0	893	893	0	0	0
Allergy	\$338,996	0	409	409	0	0	0
General Surgery	\$835,473	0	1,008	1,008	0	0	0
Total Non-Reviewable	\$37,397,357	0	45,120	45,120	0	0	0

ATTACHMENT 10
Discontinuation

n/a

ATTACHMENT 11

Background of Applicants

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

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

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

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

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

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

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

3. Attestation.

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

4. Authorization.

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



**ILLINOIS DEPARTMENT OF
PUBLIC HEALTH**

HF135406

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

EXPIRATION DATE	CATEGORY	I.D. NUMBER
1/31/2027	Director	0004788
Critical Access Hospital		
Effective: 02/01/2026		

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

Issued under the authority of
the Illinois Department of
Public Health

The face of this license has a colored background. • Printed by Authority of the State of Illinois • P.O. #4025001 2M 4/25

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

Exp. Date 1/31/2027
Lic Number 0004788
Date Printed 12/23/2025
Validation Num

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

FEE RECEIPT NO.

Attachment 11



HEALTHCARE CERTIFICATE

Certificate no.:
C689793

Initial certification date:
19 June, 2024

Valid:
19 June, 2024 – 19 June, 2027

This is to certify that the management system of

Carle Richland Memorial Hospital

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

has been found to comply with the requirements of the:

NIAHO® Critical Access Hospital Accreditation Program

Pursuant to the authority granted to DNV Healthcare USA Inc. by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, this organization is deemed in compliance with the Medicare Conditions of Participation for Specialized Providers – Critical Access Hospitals (42 C.F.R. §485 Subpart F).

Place and date:
Cincinnati, OH, 21 June, 2024



For the issuing office:
DNV Healthcare USA Inc.
4435 Alcholtz Road, Suite 900, Cincinnati,
OH, 45245, USA



Kelly Proctor
Management Representative

Lack of fulfillment of conditions as set out in the Certification Agreement may render this Certificate invalid.
ACCREDITED UNIT: DNV Healthcare USA Inc., 4435 Alcholtz Road, Suite 900, Cincinnati, OH, 45245, USA - TEL: +1 513 947 8843 www.dnvhealthcare.com

Attachment 11

ATTACHMENT 12

Purpose of Project

Overview of Purpose

The Applicants plan to construct a Hospital Outpatient Department (“HOPD”) building to be connected to Carle Richland Memorial Hospital (“CRMH”) to consolidate CRMH’s existing ambulatory care services, which are currently located in three separate sites in Olney, Illinois. The Project will provide for the continued delivery of services to meet the healthcare needs of an aging population and will help ensure Richland County residents have local access to state-of-the-art healthcare services.

The purpose of this Project is to improve quality of care and efficiency and to maintain access for residents of Olney and outlying areas. As discussed below, the Project will address physical plant issues at the deteriorated facilities, which currently house the offices of physicians in the following specialties: general surgery, orthopedic surgery, podiatry, dermatology, cardiology, pain management, urology, audiology, ENT, allergy, wound care, cardiac rehab, pulmonary rehab, and oncology services. Access to this ambulatory care is essential to the overall well-being of the community, particularly considering the co-morbidities associated with Richland County’s demographic changes.

In addition, the Project would optimize real estate arrangements for Carle’s operations in Olney, Illinois and relocate employed providers from multiple sites. Co-locating these services will minimize travel times for healthcare professionals and create efficiencies for patients, providers and staff. Positioned along a key transportation route, the new location will ensure easier, more equitable access for the communities it serves. Importantly, the proposed building will also accommodate future growth in demand for outpatient medical services.

The Project is anticipated to improve access to quality, coordinated, efficient, and cost-effective services for residents of Richland County and surrounding areas.

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

As shown in Attachment- 12A, 96.0% of the patients who had an x-ray procedure at Carle Richland Memorial Hospital in 2025 resided within the geographic service area. The Applicants do not expect the Project to alter the catchment area for these services.

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

The geographic service area for the Project consists of those Illinois areas within 21 miles of the proposed site. A map of this area is attached as Attachment- 12A. Distances from the Project site to the market area borders are as follows:

- East: Lawrenceville, Illinois (21 miles)
- South: Albion, Illinois (21 miles)
- West: Flora, Illinois (21 miles)
- North: Newton, Illinois (21 miles)

3. **Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the Project.**

The Project would achieve the following:

A. Address physical plant limitations of current spaces

The existing clinic spaces are aging and were not purpose-built for the services provided within. Since initial construction, there have been significant advances in the design of the patient care environment that advance infection control practices and increase the efficiency of care. These changes are beneficial to patients, caregivers and the patient care team. The following issues with the existing buildings would be addressed by the Project:

- **Main Hospital Building (current location for cardiology, pain, urology, audiology, ENT, allergy, cardiac rehab, pulmonary rehab and oncology)**
 - There are ventilation challenges throughout the clinic.
 - The current ENT space is not ADA compliant. If a patient is confined to a wheelchair, they often can't get into an exam room due to facility constraints.
 - There is no line of sight from nursing staff to allergy patients who are being monitored after injections.
 - Pain Management rooms are too small to accommodate procedures, so they are currently performed in the radiology department. These cases limit the radiology department's capacity.
 - Temperature control impacts patient satisfaction and safety.
 - Urology services are located in old hospital rooms, which are not ideal for ambulatory space.
 - Rooms are often too small for in-office procedures (e.g. cystoscopy, biopsy, etc.)
 - Lack of appropriate space for processing urine specimens.
 - The existing space is inadequate to accommodate recruitment of an additional oncologist.
 - Cardiology providers currently function out of converted hospital rooms.
 - Audiology space has ADA compliance issues. The small narrow hallways restrict mobility and cannot accommodate the use of wheelchairs and scooters.

- **605 E. Main St. Olney, IL 62450 (current location for General Surgery & Wound Healing)**
 - This is a leased space, so relocation would result in operating cost savings.
 - Rooms are not large enough to care for patients requiring lift assistance with a hoist.
 - Inadequate storage.
- **363 N West St. Olney, IL 62450 (current location for orthopedics, podiatry and dermatology)**
 - This is a Rural Health Clinic location that accommodates specialty services due to lack of other options. When built, it was only intended for primary care. Growth in primary care is now limited since the space has been reallocated.

B. Improve efficiency and convenience

Co-locating services from multiple locations into the same facility on the CRMH campus will improve patient flow and create efficiencies for patients, providers and staff. Doing so will also improve wayfinding and patients' experiences.

C. Yield ongoing cost savings by eliminating a space lease

After services are moved from Main Street to the proposed location, Carle plans to terminate its space lease for the Main Street location. This opportunity to consolidate services will optimize real estate arrangements in Olney and provide ongoing cost savings.

D. Enhance accessibility

Positioned along a key transportation route, the new location will provide a highly accessible and convenient point of care for staff and patients. This location will ensure easier, more equitable access for the communities it serves. Further, by co-locating services from multiple locations, the Project will improve access for patients who are the highest utilizers of services and are the most likely to face transportation difficulties that can lead to missed appointments and delayed care.

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

Carle performs ongoing internal utilization studies based on internal reports.

Illinois Health Facilities and Services Review Board, Individual Hospital Profiles available at <https://hfsrb.illinois.gov/inventories-data.html> (last visited January 13, 2026).

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

As discussed in greater detail above, modernizing physician offices and support service spaces will allow the Applicants to improve quality of care and efficiency. It will also ensure continued access to specialty care for residents of Olney and outlying areas.

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

Carle's prevailing objectives are to maintain access to outpatient care for patients and to improve the quality and operational efficiency of these services.

Specifically, the goals of the Project are:

- To streamline the delivery of care in the outpatient setting.
- To improve patient satisfaction.
- To improve quality and safety by aligning the facility with contemporary standards.

These goals can be achieved at the time of project completion.

ATTACHMENT 12A

The following zip codes represent the patient origin for the Project based on 2025 x-ray procedures at Carle Richland Memorial Hospital. As documented below, 96.0% of the encounters originate from within the GSA.

Zip	Count
62450	5,920
62868	605
62448	541
62476	361
62425	290
62421	241
62466	227
62839	188
62419	161
62824	159
62417	144
62806	143
62439	127
62452	116
62449	88
62475	71
62480	69
62454	65
62858	51
62837	41
62446	32
62434	30
62479	28
62459	25
62842	25
62863	24
62899	22
62481	22
62815	17
62881	15
62823	15
62460	14
62432	13
62833	12
62844	11
62427	11
62878	11
62451	11

62818	9
62401	9
62852	8
61801	8
62424	7
61938	6
62433	4
61820	4
62410	4
62428	4
62882	4
47557	3
60478	3
61920	3
62568	3
62849	3
62420	3
62828	3
62879	3
47512	3
62467	3
61454	2
47591	2
62462	2
46307	2
62474	2
75287	2
62854	2
61830	2
62436	2
61953	2
33931	2
62821	2
62445	2
30248	2
34209	2
62875	2
62447	2
63104	2
35772	2
78026	2
37042	2
46385	2

37412	2
62838	2
61957	2
61364	2
38019	2
47882	2
62018	2
61951	2
47546	2
60304	2
92708	2
65459	2
62034	2
78013	2
62463	2
92307	2
43110	2
47710	2
62056	2
29910	2
60460	2
46970	2
43605	2
47715	2
46268	2
62848	2
62477	2
61933	2
62226	2
47421	2
60564	2
47433	2
61330	2
60468	2
62526	2
60056	2
62561	2
62896	2
62411	2
63021	2
62702	2
63801	2
46322	2

71373	2
62807	2
77494	2
62811	2
78022	2
47670	2
80863	2
62817	1
1904	1
15370	1
42717	1
85712	1
62262	1
32206	1
60942	1
47001	1
57719	1
58237	1
61360	1
60625	1
62231	1

A map of Illinois with a large black circle centered on Quincy, IL. A line connects Quincy to the circle's edge, labeled "21.0 mi". The circle covers a significant portion of central and southern Illinois. Labeled locations within or near the circle include Newton, Robinson, Lawrenceville, Vincennes, Mount Carmel, Princeton, Fairfield, and Flora. Major highways shown include I-70, I-50, I-69, and US-45. The word "ILLINOIS" is written across the center of the map.

ATTACHMENT 13

Alternatives

The Applicants plan to build an HOPD building on the Carle Richland Memorial Hospital campus in Olney, Illinois. The Applicants believe that the proposed project is the most effective and least costly alternative to the other alternatives considered when balancing access and quality with costs. The following narrative consists of a comparison of the proposed project to alternative options.

The Applicants have considered the following alternatives:

Do Nothing (\$0)

This option would not address constraints on Carle's existing facilities, which impact quality, patient satisfaction and operational efficiency. Furthermore, doing nothing would not yield ongoing cost savings by eliminating a space lease

Under this option, quality, patient satisfaction, operational efficiency, the cost of care, and accessibility would be adversely affected. For these reasons, this alternative was rejected.

Build Facility with Additional Capacity (Greater than \$40,197,732)

This alternative was considered since Carle Richland Memorial Hospital is also facing physical plant limitations. However, due to future uncertainties, the Applicants opted for a more measured approach. As space needs evolve, the Applicants will have a few options to consider.

Renovate Existing Locations (\$52,000,000)

To renovate in place, the Applicants would have to invest significant financial resources to achieve suboptimal results. The cost of a major renovation in today's construction dollars is often equal to or greater than that of new construction. Furthermore, modernizing in place would not allow for the planned increase in square footage or future expansion when necessary to accommodate growth in demand. This option would also negatively impact patient access by requiring portions of the facility to be inoperable during construction, and would result in disruptions due to construction noise and debris.

Under this option, project costs would not be reduced, patient care would be adversely impacted, maintenance costs would increase and operational efficiency would be affected. For these reasons, this alternative was rejected.

Construct an HOPD Building on the Carle Richland Memorial Hospital campus (Proposed). (\$40,197,732)

The Applicants ultimately decided to build an outpatient building on the Carle Richland Memorial Hospital campus. The chosen option will improve quality of care by providing a state-of-the-art facility that promotes patient satisfaction and operational efficiency through improved layouts. It will also improve access, including that of underserved and elderly patients.

ATTACHMENT 14
Size of Project

The Applicants plan to build an HOPD building on the Carle Richland Memorial Hospital campus in Olney, Illinois. Appendix B of Section 1110 of the Administrative Code documents the established standards for certain departments, clinical service areas, and facilities. The table below summarizes the department, proposed gsf, applicable state standard, and project compliance with the state standard.

The HOPD building will contain one x-ray. There is also one x-ray unit located within the existing hospital building.

SIZE OF PROJECT					
DEPARTMENT / SERVICE	PROPOSED UNITS WITHIN PROJECT SPACE	PROPOSED GSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
General Radiology (X-ray)	1	1,190 gsf/unit	1,300 dgsf/Unit	110 gsf under the standard	Yes

The proposed project is within the state standards for the services being added. The proposed project will also involve construction of physician medical offices, exam rooms, and treatment rooms. There are no size standards for these departments under the State Board's rules.

ATTACHMENT 15
Project Services Utilization

The proposed project will include spaces for general x-ray services as well as physician medical offices, exam rooms, and treatment rooms. Section 1100 Appendix B of the Administrative Code documents the established utilization standards for general x-ray. There are no similar standards for physician medical offices, exam rooms, and treatment rooms.

The table below summarizes the proposed units, projected volume, applicable state standard, and project compliance with the state standard. The planned building will add one x-ray unit in addition to the existing x-ray unit in the hospital.

DEPARTMENT / SERVICE	PROPOSED UNITS	PROJECTED VOLUME	STATE STANDARD PER UNIT	DIFFERENCE	MET STANDARD?
General Radiology (x-ray)	2	10,201	8,000 procedures	n/a	Yes

ATTACHMENT 16-17
Unfinished or Shell Space

The proposed project does not entail unfinished or shell space, so this section is not applicable.

ATTACHMENTS 18-30, 32-33

Not Applicable

ATTACHMENT 31
Section V, Service Specific Review Criteria
Clinical Service Areas Other than Categories of Service

Criterion 1110.270 (c) – Service Modernization

1) Deteriorated Facilities and/or Necessary Expansion

The Applicants seek to construct an HOPD building in Olney, Illinois. The Project is necessary to modernize deteriorated facilities. The following issues with the existing buildings would be addressed by the Project:

- **Main Hospital Building (current location for cardiology, pain, urology, audiology, ENT, allergy, cardiac rehab, pulmonary rehab and oncology)**
 - There are ventilation challenges throughout the clinic.
 - The current ENT space is not ADA compliant. If a patient is confined to a wheelchair, they often can't get into an exam room due to facility constraints.
 - There is no line of sight from nursing staff to allergy patients who are being monitored after injections.
 - Pain Management rooms are too small to accommodate procedures, so they are currently performed in the radiology department. These cases limit the radiology department's capacity.
 - Temperature control impacts patient satisfaction and safety.
 - Urology services are located in old hospital rooms, which are not ideal for ambulatory space.
 - Rooms are often too small for in-office procedures (e.g. cystoscopy, biopsy, etc.)
 - Lack of appropriate space for processing urine specimens.
 - The existing space is inadequate to accommodate recruitment of an additional oncologist.
 - Cardiology providers currently function out of converted hospital rooms.
 - Audiology space has ADA compliance issues. The small narrow hallways restrict mobility and cannot accommodate the use of wheelchairs and scooters.
- **605 E. Main St. Olney, IL 62450 (current location for General Surgery & Wound Healing)**
 - This is a leased space, so relocation would result in operating cost savings.
 - Rooms are not large enough to care for patients requiring lift assistance with a hoist.
 - Inadequate storage.
- **363 N West St. Olney, IL 62450 (current location for orthopedics, podiatry and dermatology)**
 - This is a Rural Health Clinic location that accommodates specialty services due to lack of other options. When built, it was only intended

for primary care. Growth in primary care is now limited since the space has been reallocated.

3) Utilization

The proposed project will include spaces for diagnostic services as well as physician medical offices, exam rooms, and treatment rooms. Section 1100 Appendix B of the Administrative Code documents the established utilization standards for diagnostic equipment. There are no similar standards for physician medical offices, exam rooms, and treatment rooms. Compliance with the utilization standards as specified in Appendix B is detailed in Attachment- 15.

ATTACHMENT 34
Availability of Funds

The Applicants have the following bond rating and are, therefore, not required to address Section 1120.120 Availability of Funds.

- AA- from S&P Global (July 30, 2025), included as part of Attachment- 35.

ATTACHMENT 35

Financial Viability Waiver

The Applicants have the following bond rating and, therefore, qualify for a financial viability waiver:

- AA- from S&P Global (July 30, 2025), included as part of Attachment- 35.

S&P Global
Ratings

RatingsDirect®

Research Update:

Carle Foundation, IL ICR And Debt Rating Affirmed At 'AA-'; Outlook Is Negative

July 30, 2025

Overview

- S&P Global Ratings affirmed its 'AA-' issuer credit rating (ICR) on [Carle Foundation, Ill.](#) (Carle FD), as well as its 'AA-' long-term rating and underlying rating on various issuances of the [Illinois Finance Authority's](#) bonds, issued for Carle FD.
- We also affirmed our 'AA-/A-1+' dual ratings on Carle FD's series 2021D revenue bonds. The long-term component of the rating reflects the long-term rating on Carle FD while the short-term component of the rating reflects our assessment of the standby bond purchase agreements provided by The Northern Trust Co. to provide liquidity support for the series 2021D bonds.
- We also affirmed our 'AA+/A-1' joint criteria rating on Illinois Finance Authority's series 2016B taxable variable-rate demand revenue bonds issued for Carle FD. The long-term component of the rating reflects the application of joint criteria, assuming low correlation between the underlying rating (SPUR) on Carle FD and the LOC provider, Barclays Bank PLC. S&P Global Ratings based the short-term component of the rating on the liquidity provided by Barclays Bank PLC.

Primary contact

Marc Bertrand
Chicago
1-312-233-7116
marc.bertrand
@spglobal.com

Secondary contact

Suzie R Desai
Chicago
1-312-233-7046
suzie.desai
@spglobal.com

ATTACHMENT 36
Financial Viability

As documented above, the applicants have an AA- Bond Rating. Accordingly, the Applicants are not required to address Section 1120.130 Financial Viability.

ATTACHMENT 37A
Reasonableness of Financing Arrangements

As documented above, the applicants have an AA- Bond Rating. Accordingly, the Applicants are not required to address Section 1120.140(a) Reasonableness of Financing Arrangements.

ATTACHMENT 37B
Conditions of Debt Financing

By signing the certification pages within this application, the Applicants attest that the selected form of debt financing the Project will be the lowest net cost available.

ATTACHMENT 37C
Reasonableness of Project and Related Costs

The table below shows the cost and gross square foot allocation for all clinical departments impacted by the proposed project.

Cost and Gross Square Feet by Department of Service									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost / sf		Gross sf		Gross sf		Const \$ (A x C)	Mod \$ (B x E)	
	New	Mod	New	Circ	Mod	Circ			
X-Ray	\$634.16		1,190				\$754,645		\$754,645
Clinical Contingency	\$55.48		1,190				\$66,022		\$66,022
Total Clinical	\$689.64		1,190				\$820,667		\$820,667

The values in column C reflect the total gross square footage
Circulation is 23.1% of the gross square footage.

The following is documentation regarding whether the estimated project costs are reasonable and in compliance with the state standards, as defined in Section 1120.140 (C) of the Administrative Code,

1. Preplanning costs are 0.2% of the sum of new construction, modernization, contingency, and equipment costs, which is under the state standard of 1.8%. Therefore, this item is compliant with the state standard.
2. Site Survey, Soil Investigation, and Site Preparation costs are 4.83% of Construction and Contingency costs, which is under the state standard of 5.0%. Therefore, this item is compliant with the state standard.
3. There is no off-site work associated with the Project.
4. New Construction and Contingency costs are \$689.64 per gsf, which is under the state standard of \$811.36/gsf. Therefore, this item is compliant with the state standard.
5. There are no Modernization Contracts associated with this project. Therefore, this item is not applicable.
6. The New Construction contingency is 8.7% of New Construction contracts, compared with the state standard of 10% for projects in the schematics stage. Therefore this item is compliant with the state standard.
7. Architectural and Engineering Fees for new construction are 7.99% of the sum of new construction contracts and the new construction contingency budget. This is

within the state standard of a range of 7.89%-11.85% for a new construction budget under \$900,000. Therefore this item is compliant with the state standard.

8. There is no state standard for Consulting and Other Fees.
9. There is no state standard for Movable or Other Equipment (Not in Construction Contracts) costs in an outpatient building.
10. There is no state standard for Bond Issuance Expense.
11. There is no state standard for Net Interest Expense.
12. There is no Fair Market Value of Leased Space or Equipment associated with the proposed project.
13. There is no state standard for Other Costs to Be Capitalized.
14. There is no Acquisition of Building or Other Property cost associated with the proposed project. Therefore, this item is not applicable.

Square Foot Cost Estimate Report		Date: 4/10/2026
Estimate Name	2026-04-10 Medical Office Building	
	Collin Anderson	
	811.36 at mid point	
	Olney	
	IL	
	62450	
Building Type	Medical Office, 2 Story with Brick Veneer / Reinforced Concrete	
Location	EFFINGHAM, IL	
LEVELS	2.00	
Stories Height	10.00	
Floor Area (S.F.)	1,190.00 CLINICAL	
LaborType	STD	
Basement Included	No	
Data Release	Year 2026 Quarter 1	
Cost Per Square Foot	\$787.72	
Total Building Cost	\$937,391.57	
** mid point 2027		



Costs are derived from a building model with basic components. Scope differences and market conditions can cause costs to vary significantly.

**** Area entered is outside the range recommended by RSMeans.**

Assembly Customization Type :

- ⊕ Added
- Ⓢ Partially Swapped
- Fully Swapped

ATTACHMENT 37D & 37E

Projected Operating Costs & Total Effect of the Project on Capital Costs

The table below provides information regarding costs as they relate to 10,201 diagnostic imaging units of service.

Line 5 of the table addresses criterion 1120.140(d), Projected Operating Costs.

Line 4 of the table addresses criterion 1120.140(e), Total Effect of the Project on Capital Costs.

Review Criteria Relating to Economic Feasibility		
1	Units of Service	10,201
2	Total Capital Cost (2030 Projected)	\$1,186,255
3	Total Operating Cost (2030 Projected)	\$767,398
4	Capital Cost per Unit of Service	\$116.29
5	Operating Cost per Unit of Service	\$75.23

ATTACHMENT 38
Safety Net Impact Statement

This Project is non-substantive. Accordingly, this criterion is not applicable.

ATTACHMENT 39
Charity Care

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

Carle Richland Memorial Hospital

	2022	2023	2024
Net Patient Revenue	\$58,827,522	\$63,234,000	\$75,439,081
Amount of Charity Care (charges)	\$3,789,651	\$2,950,774	\$4,492,443
Cost of Charity Care	\$1,089,843	\$890,396	\$1,134,410