ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR CHANGE OF OWNERSHIP EXEMPTION

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Carle Health Proctor Hospital
Street Address: 5409 N. Knoxville Ave.
City and Zip Code: Peoria 61614
County: Peoria Health Service Area: HSA 2 Health Planning Area: C-01

Legislators

State Senator Name: David Koehler
State Representative Name: Jehan Gordon-Booth

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 ☐ 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]

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@agdglaw.com

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR CHANGE OF OWNERSHIP EXEMPTION

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Carle Health Proctor Hospital		
Street Address: 5409 N. Knoxville Ave.		
City and Zip Code: Peoria 61614		
County: Peoria	Health Service Area: HSA 2	Health Planning Area: C-01

Legislators

State Senator Name: David Koehler
State Representative Name: Jehan Gordon-Booth

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

Exact Legal Name: The Methodist Medical Center of Illinois d/b/a Carle Health Methodist Hospital
Street Address: 221 N.E. Glen Oak Ave.
City and Zip Code: Peoria 61636
Name of Registered Agent: Keith Knepp, MD
Registered Agent Street Address: 221 N.E. Glen Oak Ave.
Registered Agent City and Zip Code: Peoria 61636
Name of Chief Executive Officer: Keith Knepp, MD
CEO Street Address: 221 N.E. Glen Oak Ave.
CEO City and Zip Code: Peoria 61636
CEO Telephone Number: (309) 871-2528

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 <u>ATTACHMENT 1</u> IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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Telephone Number: (312) 755-3157
E-mail Address: Kfriedman@agdglaw.com

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR CHANGE OF OWNERSHIP EXEMPTION

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Carle Health Proctor Hospital		
Street Address: 5409 N. Knoxville Ave.		
City and Zip Code: Peoria 61614		
County: Peoria	Health Service Area: HSA 2	Health Planning Area: C-01

Legislators

State Senator Name: David Koehler
State Representative Name: Jehan Gordon-Booth

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

Exact Legal Name: Proctor Hospital d/b/a Carle Health Proctor Hospital
Street Address: 5409 N. Knoxville Ave.
City and Zip Code: Peoria 61614
Name of Registered Agent: Keith Knepp, MD
Registered Agent Street Address: 5409 N. Knoxville Ave.
Registered Agent City and Zip Code: Peoria 61614
Name of Chief Executive Officer: Keith Knepp, MD
CEO Street Address: 221 N.E. Glen Oak Ave.
CEO City and Zip Code: Peoria 61636
CEO Telephone Number: (309) 871-2528

Type of Ownership of Applicants

☒ Non-profit Corporation
☐ For-profit Corporation
☐ Limited Liability Company
☐ Partnership
☐ Governmental
☐ 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
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E-mail Address: Collin.Anderson@Carle.com

Additional Contact [Person who is also authorized to discuss the Application]

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@agdglaw.com

Post Exemption Contact

[Person to receive all correspondence subsequent to exemption issuance-**THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960]**

Name: 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 after the Project is Complete

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Proctor Hospital d/b/a Carle Health Proctor Hospital
Address of Site Owner: 5409 N. Knoxville Ave. Peoria, IL 61614
Street Address or Legal Description of the Site: 5409 N. Knoxville Ave. Peoria, IL 61614 **Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease**.
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Current Operating Identity/Licensee

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

Exact Legal Name: Proctor Hospital d/b/a Carle Health Proctor Hospital
Address: 5409 N. Knoxville Ave. Peoria, IL 61614
☒ Non-profit Corporation ☐ Partnership ☐ For-profit Corporation ☐ Governmental ☐ Limited Liability Company ☐ Sole Proprietorship ☐ Other

Operating Identity/Licensee after the Project is Complete

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

Exact Legal Name: The Methodist Medical Center of Illinois d/b/a Carle Health Methodist Hospital

Address: 221 N.E. Glen Oak Ave. Peoria, IL 61636

☒	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.

Narrative Description

In the space below, provide a brief narrative description of the change of ownership. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site.

The Carle Foundation dba Carle Health seeks to consolidate Proctor Hospital d/b/a Carle Health Proctor Hospital ("CHPH") under the legal entity and hospital license of The Methodist Medical Center of Illinois d/b/a Carle Health Methodist Hospital ("CHMH"). Separately, with the planned consolidation of the legal entities, Carle Health will file a Certificate of Exemption application to operate Proctor's ESRD facility, Carle Health Outpatient Dialysis Center, under the Carle Health Methodist Hospital legal entity. Both CHPH and CHMH are owned and operated by Carle Health and are located less than four miles apart. Because Carle Health will maintain ultimate control of both hospitals and the ESRD facility before and after the transaction, the ownership changes qualify as "Related Person" transactions under 20 ILCS 3960/8.5.

The restructuring is contingent upon approval from the Review Board and is anticipated to be completed on or around November 1, 2026.

Related Project Costs

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project ☐ Yes ☒ No
Purchase Price: $_____

Fair Market Value: $_____

Project Status and Completion Schedules

Outstanding Permits: Does the facility have any projects for which the State Board issued a permit that is not complete? Yes __ No _x_. If yes, indicate the projects by project number and whether the project will be complete when the exemption that is the subject of this application is complete.

_____

_____

_____

_____

_____

Anticipated exemption completion date (refer to Part 1130.570): On or around November 1, 2026

State Agency Submittals

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 being deemed incomplete.

CERTIFICATION

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

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

This Application is filed on the behalf of The Carle Foundation d/b/a Carle Health.

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

SIGNATURE	SIGNATURE
James Leonard, M.D.	Dennis Hesch
PRINTED NAME	PRINTED NAME
President and CEO	Executive Vice President and System CFO
PRINTED TITLE	PRINTED TITLE
Notarization:	Notarization:
Subscribed and sworn to before me this 12th day of May, 2026	Subscribed and sworn to before me this 12th day of May, 2026
Signature of Notary	Signature of Notary
Seal	Seal

ERIN ELIZABETH KNIGHT
OFFICIAL SEAL
Notary Public - State of Illinois
Commission No. 998026
My Commission Expires October 04, 2026

*Insert the EXACT legal name of the applicant

CERTIFICATION

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

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

This Application is filed on the behalf of The Methodist Medical Center of Illinois d/b/a Carle Health Methodist Hospital.

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

Notarization:
Subscribed and sworn to before me
this 12th day of May, 2026

Signature of Notary

Seal

ERIN ELIZABETH KNIGHT
OFFICIAL SEAL
Notary Public - State of Illinois
Commission No. 998026
My Commission Expires October 04, 2028

*Insert the EXACT legal name of the applicant

SIGNATURE

Dennis Hesch
PRINTED NAME

Executive Vice President and System CFO
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
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Signature of Notary

Seal

ERIN ELIZABETH KNIGHT
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Notary Public - State of Illinois
Commission No. 998026
My Commission Expires October 04, 2028

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 Proctor Hospital d/b/a Carle Health Proctor Hospital.

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

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PRINTED NAME

President and CEO
PRINTED TITLE

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*Insert the EXACT legal name of the applicant

SIGNATURE

Dennis Hesch
PRINTED NAME

Executive Vice President and System CFO
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 12th day of May, 2026

Signature of Notary

Seal

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OFFICIAL SEAL
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Commission No. 998026
My Commission Expires October 04, 2028

SECTION II. BACKGROUND.

BACKGROUND OF APPLICANT

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

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

3. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application. Please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.

4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**

5. If, during a given calendar year, an applicant submits more than one Application, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

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

SECTION III. CHANGE OF OWNERSHIP (CHOW)

Transaction Type. Check the Following that Applies to the Transaction:

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

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

1. Prior to acquiring or entering into a contract to acquire an existing health care facility, a person shall submit an application for exemption to HFSRB, submit the required application-processing fee (see Section 1130.230) and receive approval from HFSRB.

2. If the transaction is not completed according to the key terms submitted in the exemption application, a new application is required.

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

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

APPLICABLE REVIEW CRITERIA	CHOW
1130.520(b)(4) - A statement as to the anticipated benefits of the proposed changes in ownership to the community	X
1130.520(b)(5) - The anticipated or potential cost savings, if any, that will result for the community and the facility because of the change in ownership;	X
1130.520(b)(6) - A description of the facility's quality improvement program mechanism that will be utilized to assure quality control;	X
1130.520(b)(7) - A description of the selection process that the acquiring entity will use to select the facility's governing body;	X
1130.520(b)(9)- A description or summary of any proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within 24 months after acquisition.	X
APPEND DOCUMENTATION AS ATTACHMENT 6, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

SECTION IV. CHARITY CARE INFORMATION

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.

2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.

3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

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

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

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

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

ATTACHMENT 1

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

1. The Carle Foundation d/b/a Carle Health
2. The Methodist Medical Center of Illinois d/b/a Carle Health Methodist Hospital
3. Proctor Hospital d/b/a Carle Health Proctor Hospital

File Number 2932-580-4

To all to whom these Presents Shall Come, Greeting:

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

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 .

Authentication #: 2523200978 verifiable until 08/20/2026
Authenticate at: https://www.ilsos.gov

Alexi Giannoulias
SECRETARY OF STATE

Attachment 1

File Number 0788-821-0

To all to whom these Presents Shall Come, Greeting:

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

THE METHODIST MEDICAL CENTER OF ILLINOIS, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON OCTOBER 28, 1898, 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* 7TH *day of* MAY ***A.D.*** 2026 .

Authentication #: 2612703592 verifiable until 05/07/2027
Authenticate at: https://www.ilsos.gov

Alexi Giannoulias
SECRETARY OF STATE

Attachment 1

File Number 3779-346-9

STATE OF ILLINOIS
OFFICE OF
THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

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

PROCTOR HOSPITAL, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON MAY 19, 1958, ADOPTED THE ASSUMED NAME CARLE HEALTH PROCTOR HOSPITAL ON APRIL 03, 2023, 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.

SEAL OF THE STATE OF ILLINOIS
AUG. 26TH 1818

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 18TH *day of* DECEMBER *A.D.* 2025 .

Authentication #: 2535204344 verifiable until 12/18/2026
Authenticate at: https://www.ilsos.gov

Alexi Giannoulias
SECRETARY OF STATE

Attachment 1

ATTACHMENT 2

Site Ownership

By signing the certification pages within this application, the Applicants attest that Carle Health Proctor Hospital owns the property at 5409 N. Knoxville Ave. Peoria, IL 61614.

ATTACHMENT 3

Operating Entity/Licensee

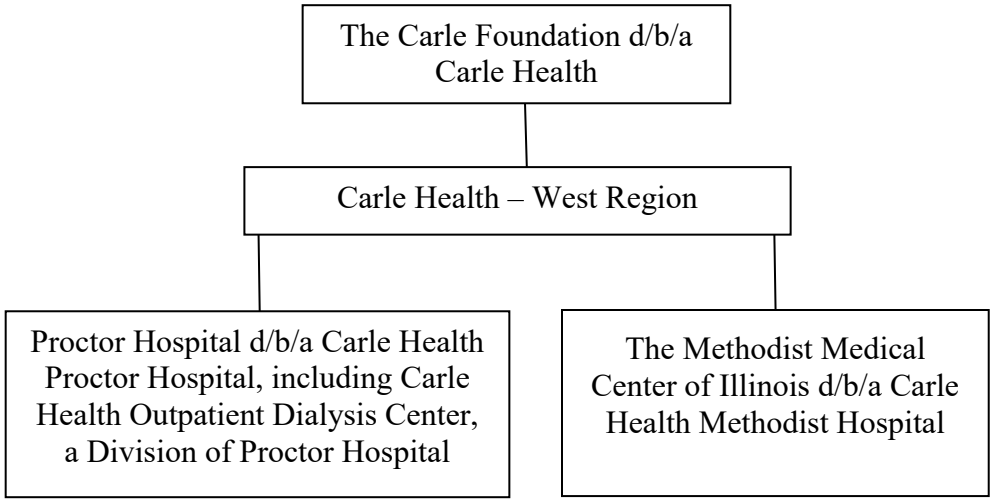
Carle Health Proctor Hospital is currently the licensee and operator of the Hospital. Following the planned restructuring, The Methodist Medical Center of Illinois d/b/a Carle Health Methodist will become the licensee and operator of the Hospital. Copies of the hospital licenses and accreditations are attached at Attachment- 5.

ATTACHMENT 4

Organizational Relationships

The pre-closing and post-closing organizational charts for Proctor Hospital are attached hereto at Attachment- 4.

Pre-Closing Organizational Chart

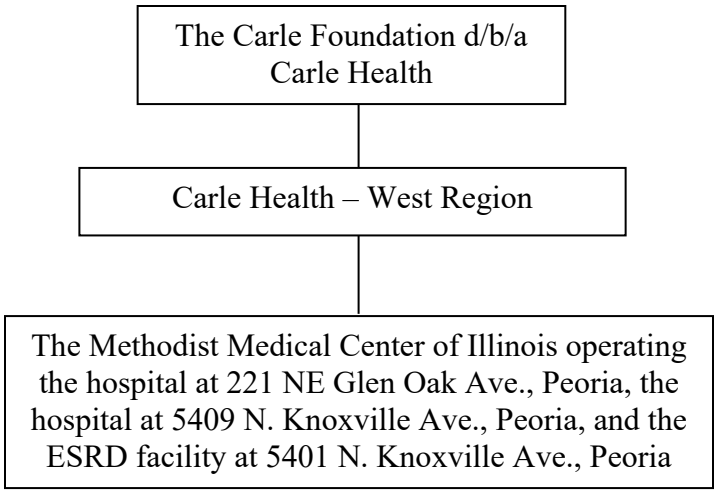


Key:

Solid line represents membership

Attachment 4

Post-Closing Organizational Chart



Key:

Solid line represents membership

Attachment 4

SECTION II. BACKGROUND.

BACKGROUND OF APPLICANT

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

7. 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.

8. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application. Please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.

9. 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.**

10. If, during a given calendar year, an applicant submits more than one Application, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

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

ATTACHMENT 5

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 HF133486

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

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

Sameer Vohra, MD,JD,MA
Director

Issued under the authority of the Illinois Department of Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
6/30/2026		0001925

General Hospital

Effective: 07/01/2025

Proctor Hospital
dba Carle Health Proctor Hospital
5409 N Knoxville Ave

Peoria, IL 61614

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

DISPLAY THIS PART IN A CONSPICUOUS PLACE

Exp. Date 6/30/2026

Lic Number 0001925

Date Printed 4/16/2025

Proctor Hospital
dba Carle Health Proctor Hospital
5409 N Knoxville Ave
Peoria, IL 61614

FEE RECEIPT NO.

ILLINOIS DEPARTMENT OF PUBLIC HEALTH HF134901

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

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

Sameer Vohra, MD,JD,MA
Director

Issued under the authority of the Illinois Department of Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
12/31/2026		0001594

General Hospital

Effective: 01/01/2026

The Methodist Medical Center of Illinois
dba Carle Health Methodist Hospital
221 Northeast Glen Oak Avenue
2223 W. Heading Ave, West Peoria 61604
Peoria, IL 61636

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 12/31/2026

Lic Number 0001594

Date Printed 10/8/2025

Validation Num

The Methodist Medical Center of Illinoi
dba Carle Health Methodist Hospital
221 Northeast Glen Oak Avenue
2223 W. Heading Ave, West Peoria 61
Peoria, IL 61636

FEE RECEIPT NO.

Attachment 5

DNV

HEALTHCARE CERTIFICATE

Certificate no.:
C744772

Initial certification date:
16 May, 2025

Valid:
16 May, 2025 – 16 May, 2028

This is to certify that the management system of

Carle Health Proctor Hospital

5409 North Knoxville Avenue, Peoria, IL, 61614, USA

has been found to comply with the requirements of the:

NIAHO® Hospital Accreditation Program

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

Place and date:
Katy, TX, 29 May, 2025

DNV
US Centers for Medicare & Medicaid Services
ACCREDITED
Hospital
Quality & Patient Safety

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

For the issuing office:
DNV Healthcare USA Inc.
1400 Ravello Drive, Katy, TX, 77449, USA

Kelly Proctor
Management Representative

Attachment 5

DNV

HEALTHCARE CERTIFICATE

Certificate no.:
C744800

Initial certification date:
06 June, 2025

Valid:
06 June, 2025 – 06 June, 2028

This is to certify that the management system of

Carle Health Methodist Hospital

221 NE Glen Oak Ave, Peoria, IL, 61636-0001, USA

has been found to comply with the requirements of the:

NIAHO® Hospital Accreditation Program

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

Place and date:
Katy, TX, 06 June, 2025

ACCREDITED Hospital Quality & Patient Safety

CMS CENTERS FOR MEDICARE & MEDICAID SERVICES

For the issuing office:
DNV Healthcare USA Inc.
1400 Ravello Drive, Katy, TX, 77449, USA

Kelly Proctor
Management Representative

Lack of fulfilment of conditions as set out in the Certification Agreement may render this Certificate invalid.
ACCREDITED UNIT: DNV Healthcare USA Inc., 1400 Ravello Drive, Katy, TX 77449, USA - TEL: +1-281-396-1000. www.dnvhealthcare.com

Attachment 5

SECTION III. CHANGE OF OWNERSHIP (CHOW)

Transaction Type. Check the Following that Applies to the Transaction:

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

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

3. Prior to acquiring or entering into a contract to acquire an existing health care facility, a person shall submit an application for exemption to HFSRB, submit the required application-processing fee (see Section 1130.230) and receive approval from HFSRB.

4. If the transaction is not completed according to the key terms submitted in the exemption application, a new application is required.

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

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

1130.520(b)(4) - A statement as to the anticipated benefits of the proposed changes in ownership to the community	X
1130.520(b)(5) - The anticipated or potential cost savings, if any, that will result for the community and the facility because of the change in ownership;	X
1130.520(b)(6) - A description of the facility's quality improvement program mechanism that will be utilized to assure quality control;	X
1130.520(b)(7) - A description of the selection process that the acquiring entity will use to select the facility's governing body;	X
1130.520(b)(9)- A description or summary of any proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within 24 months after acquisition.	X

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

ATTACHMENT 6

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

Names of Parties, Post-Closing Licensee and Structure of the Transaction - (1130.520 (b)(1)(A), (b)(1)(B) and (b)(1)(C))

The Carle Foundation d/b/a Carle Health seeks to consolidate Proctor Hospital d/b/a Carle Health Proctor Hospital ("CHPH") under the legal entity and hospital license of The Methodist Medical Center of Illinois d/b/a Carle Health Methodist Hospital. With the planned consolidation of the legal entities, Carle Health will file a separate Certificate of Exemption application to operate Proctor's ESRD facility, Carle Health Outpatient Dialysis Center, under the Carle Health Methodist Hospital legal entity. Because Carle Health will maintain ultimate control of both hospitals and the ESRD facility before and after the transaction, the ownership changes qualify as "Related Person" transactions under 20 ILCS 3960/8.5.

The restructuring is contingent upon approval from the Review Board and is anticipated to be completed on or around November 1, 2026.

List of Membership Interests -1130.520(b)(1)(E)

Carle Health will maintain ultimate control of both Carle Health Proctor Hospital and Methodist Medical Center of Illinois d/b/a Carle Health Methodist Hospital.

Fair Market Value of Assets -1130.520(b)(1)(F)

The fair market value of Carle Health Proctor Hospital is $34,583,508.[1]

Purchase Price -1130.520(b)(1)(G)

N/A. This is a change of ownership among related parties.

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

Carle Health Proctor Hospital does not have any open CON permits or Certificates of Exemption.

[1] The fair market value figure noted above is a good faith estimate of the value based on the 2/28/2026 fixed asset ledger. It represents the approximate net book value of the Healthcare Facility assets as of 2/28/2026. There will be no consideration exchanged in connection with the internal restructuring.

Hospital Financial Assistance Policy Affirmation -1130.520(b)(3)

The Carle Foundation attests that for a period of at least two years following the closing of the Planned Transaction, Carle Health Proctor Hospital will not adopt a more restrictive charity care (financial assistance) policy than the policy that was in effect one year prior to closing date of the transaction. As a point of reference, both hospitals already operate under the same financial assistance policy.

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

Operating Carle Health's two Peoria County hospitals under a single Medicare enrollment and tax identification is intended to enhance oversight, improve operational efficiency, and support consistent delivery of high-quality care. This structure streamlines administrative, billing, and compliance functions within an integrated framework, reducing duplication and enabling resources to be redirected toward direct patient care and community benefit programs. The unified model allows Carle Health to apply standardized policies and clinical protocols while reducing barriers to patients who seek care across the two facilities. A single enrollment structure supports participation in Medicare payment and care coordination models that emphasize value, efficiency, and outcomes across the continuum of care. This enhances care coordination and promotes more effective management of patient populations. As part of this effort, Carle Health is aligning select clinical service lines to support evidence-based care, appropriate patient volumes, and the effective use of resources and technology. These efforts are designed to improve patient outcomes while ensuring services remain accessible within the community whenever clinically appropriate.

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

Carle Health Proctor Hospital's quality improvement program will not be impacted by the planned restructuring. Carle Health has a longstanding commitment to a culture of quality, safety, service and evidence-based practices. By aspiring to consistently engage in process improvement and improve consistency to meet the highest standards for quality and patient satisfaction, Carle will continue to advance its commitment to delivering care that is of the highest quality and eliminates preventable harm.

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

The Board of Directors of Carle Health Proctor Hospital consists of the same 17 board members as that of Carle Health – West Region and The Methodist Medical Center of Illinois. When the Carle Health Proctor Hospital Board of Directors is dissolved upon the change of ownership, the health care facility will be governed by the same individuals who served on the Carle Health Proctor Hospital Board immediately prior to the change of ownership.

Scope of Services – 1130.520(b)(9)

There will be no changes in the hospital's Categories of Service(s) provided within 24 months following the closing of the planned transaction unless the hospital applies for

and obtains approval from the HFSRB to make any adjustments necessary to best address the healthcare needs of the community served the hospital.

SECTION IV.CHARITY CARE INFORMATION

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.

2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.

3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

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

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

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

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

ATTACHMENT 7

Carle Health Proctor Hospital

	2023	2024	2025
Net Patient Revenue	$133,857,977	$167,676,476	$163,161,032
Amount of Charity Care (charges)	$3,404,671	$1,820,381	$5,797,486
Cost of Charity Care	$530,859	$316,189	$1,006,989

Carle Health Methodist Hospital

	2023	2024	2025
Net Patient Revenue	$414,330,139	$456,057,998	$505,342,224
Amount of Charity Care (charges)	$17,060,931	$2,856,177	$20,177,726
Cost of Charity Care	$3,818,769	$1,338,388	$4,174,530

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	18-21
2	Site Ownership	22
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	23
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	24-26
5	Background of the Applicant	27-32
6	Change of Ownership	36-38
7	Charity Care Information	40