



Federal Express

February 13, 2013

Mr. Dale Galassie
Chairman
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street
Springfield, Illinois 62761

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street
Springfield, Illinois 62761

Therese Harris, Esq.
Chief, Charitable Trusts Bureau
Office of the Illinois Attorney General
100 W. Randolph Street
Chicago, IL 60601

RE: Report on Compliance with Conditions and Stipulations Permit #10 -013 (Westlake Hospital) and Permit #10-014 (West Suburban Medical Center)

Dear Chairman Galassie, Ms. Avery and Ms. Harris:

This letter provides documentation relating to Vanguard Health Systems' compliance with the conditions and stipulations that attach to Permits #10-013 and #10-014. These permits relate to two change of ownership applications that were approved by the Illinois Health Facilities and Services Review Board on June 8, 2010. The acquisition closed on August 1, 2010.

This letter confirms:

1. VHS Westlake Hospital and VHS West Suburban Medical Center have both operated as general acute care facilities since the acquisition.
2. The categories of service that are provided at both hospitals have not changed. The licensed bed capacity of West Suburban Medical Center has not changed. Westlake Hospital was granted 20 additional mental illness beds and recently granted approval / certificate of occupancy by the Illinois Department of Public Health. (Documentation attached)
3. Ownership and control of the hospitals has not changed.
4. The hospitals have not adopted a more restrictive Charity Care Policy.

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

5. Vanguard is in the process of investing a minimum of \$15 million in capital improvements at the hospitals. Documentation relating to year to date capital expenditures is attached as Exhibit A.
6. Each hospital has created a Community Relations Committee to identify and address issues of common concern in the community. The membership of these committees is attached as Exhibit B.
7. The Annual Non Profit Hospital Community Benefits Plan Report for each hospital is attached as Exhibit C.

Very truly yours,



Esther Corpuz
Regional VP, Government & Community Relations
Vanguard Health Chicago



Pat Quinn, Governor

525-535 West Jefferson Street • Springfield, Illinois 62761-0001 • www.idph.state.il.us

December 8, 2011

Pat Shehorn, Administrator
Westlake Hospital
1225 Lake Street
Melrose Park, IL 60160-



Re: Request for Bed Change
Westlake Hospital
Melrose Park

Dear Pat Shehorn:

We have received information from the Health Facilities and Services Review Board that you have requested 20 AMI beds. In order for us to determine if this proposal meets the licensing requirements, it will be necessary to submit to our office a sketch of the existing floor plan, a sketch with the proposed floor plan and a narrative on how the bed increase will be achieved.

If the bed increase involves construction, it will be necessary for the facility to submit the project to the Design Standards Unit. The submission will be done in accordance with the Hospital Licensing Requirements. If a project submission has already been completed, please provide our office with the IDPH number in your reply.

Please submit the narrative and sketches to Design Standards Unit, 525 W. Jefferson Street, 4th Floor, Springfield, IL 62761. Once we have reviewed the narratives and sketches, we will be able to determine if the proposal meets the licensing requirements.

If you have any questions regarding this matter, please contact our office at 217-785-4264. The Department's TTY number is 800-546-0477, for use by the hearing impaired.

Sincerely,

Jody Gudgel, Administrative Assistant
Design Standards Unit
Division of Health Care Facilities & Programs

Improving public health, one community at a time

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EXHIBIT A
CAPITAL EXPENDITURES

<u>Westlake</u>	<u>TOTAL</u>
<u>2,426,746</u>	<u>8,233,463</u>
271,836	833,395
114,229	1,233,991
<u>4,125,256</u>	<u>8,123,985</u>
<u>4,511,321</u>	<u>10,191,371</u>
<u>6,938,067</u>	<u>18,424,834</u>

Community Health Advisory Board
Westlake Hospital
2012 Fiscal Year (July 1, 2011 to June 30, 2012)

- I. Purpose -- Westlake Hospital will serve as a catalyst and resource to the communities of Proviso Township to help residents achieve "Health for Life."
- II. Goals (In process of developing objectives)
 - A. Identify present and future healthcare needs of the community
 - B. Identify strategic partnerships
 - C. Foster change in the community
- III. Membership – Ten to fifteen community members drawn from educators, law enforcement officials, non-profit agency administrators, corporate business professionals, elected officials or their staff members, small business owners.
 - A. Marta Alvarado (WL)
 - B. Matt Brophy-Our Lady of Mount Carmel Church/Illinois Welcoming Center
 - C. Bill Brown (WL)
 - D. Carmen Carrizales-American Cancer Society
 - E. Esther Corpuz-Vanguard Health Systems
 - F. Deann Fitzgerald-Everest College
 - G. Yvette Ford-Lovely-Rock of Ages Baptist Church
 - H. Jeannette Fricano-Renaissance at Hillside
 - I. Sharee Grishom-State Representative Karen Yarbrough's Office
 - J. Jim Hantak-Memorial Park District
 - K. Carolyn Johnson-Broadview Baptist Church
 - L. Tina Kukla-ProCare Early/Head Start
 - M. Carolyn Larson-Cintas Corporation
 - N. Marissa Martinez-Banco Popular
 - O. Janet Mroz-Costco
 - P. David Parsons-West-Cook YMCA
 - Q. Eva Rosa-District 89
 - R. Phil Schwartz-Village of Melrose Park – Emergency Services
 - S. Ron M.Serpico-Village of Melrose Park
 - T. Sergio Suarez-FEDEJAL
- IV. Meetings during 2012 Fiscal Year
 - A. July 19, 2011 – See attached minutes
 - B. March 2, 2012 – See attached minutes
 - C. March 28, 2012 – Subcommittee Meeting – See attached minutes

**Community Health Advisory Board
West Suburban Hospital
2012 Fiscal Year (July 1, 2011 to June 30, 2012)**

- I. Membership – Ten to fifteen community members drawn from educators, law enforcement officials, non-profit agency administrators, corporate business professionals, elected officials or their staff members, small business owners.
 - A. Sara Dean
 - B. Bill Brown (West Suburban Hospital)
 - C. Esther Corpuz-Vanguard Health Systems
 - D. Antonio Gamez, Age Options
 - E. Elizabeth Jarvis, Building a Healthier Chicago
 - F. Christopher Devron, Christ the King Jesuit High School
 - G. Andre Hines, Circle Family Healthcare Center
 - H. Micahel Bielawa, Community Resident
 - I. Stephen Martin, Cook County Department of Health
 - J. Sandra Noel, Dist 97 Wellness Council
 - K. Crystal Bell, Ella Flagg Young School
 - L. Marissa Martinez-Banco Popular
 - M. Pastor Wardell Newson, Faith Community Church
 - N. Carl Morell, Saint Giles Catholic Parish
 - O. Ronald Wilks, Soul Saving Missionary
 - P. Thomas Huggett, MD, Volunteer Health Advisor to State Rep. LaShawn Ford
 - Q. Elizabeth Lippitt, The Childrens Clinic
 - R. James Galloway, Assistant US Surgeon General, US Public Health Service
 - S. John Hedges, Trustee, Village of Oak Park
 - T. Pastor Carolyn Vessel, Way of Life Church
 - U. Noreen Walton, West Cook, YMCA
 - V. Senior Pastor, Steve Epting, Hope Community Church
 - W. Bishop Sharon Garner, New Life Deliverance Church
 - X. Deborah Robinson, Northwest Austin Council
 - Y. Dale Craft, Oak Park River Forest High School
 - Z. Desiree Scully, Oak Park Township
 - AA. Robert Urso, PCC Wellness
 - BB. Stanley Stephens, Westside Pastors for Aids & Inner City Health
 - CC. Phalese Binion, Westside Ministers Coalition
 - DD. Gita Rampersad, Westside Health Authority

- II. Meetings during 2012 Fiscal Year
 - A. January 12, 2012
 - B. September, 19th, 2012
 - C. Next meeting – March 26th, 2013

Exhibit C
Annual Non Profit Hospital Community Benefits Plan Report

Annual Non Profit Hospital Community Benefits Plan Report

Hospital or Hospital System: VHS WEST SUBURBAN MEDICAL CENTER

Mailing Address: 3 ERIE COURT OAK PARK, IL 60302
(Street Address/P.O. Box) (City, State, Zip)

Physical Address (if different than mailing address):
(Street Address/P.O. Box) (City, State, Zip)

Reporting Period: 07, 01, 11 through 06, 30, 12 Taxpayer Number: 27-2071328
Month Day Year Month Day Year

If filing a consolidated financial report for a health system, list below the Illinois hospitals included in the consolidated report.

<u>Hospital Name</u>	<u>Address</u>	<u>FEIN #</u>

1. **ATTACH Mission Statement:**
 The reporting entity must provide an organizational mission statement that identifies the hospital's commitment to serving the health care needs of the community and the date it was adopted.

2. **ATTACH Community Benefits Plan:**
 The reporting entity must provide it's most recent Community Benefits Plan and specify the date it was adopted. The plan should be an operational plan for serving health care needs of the community. The plan must:

1. Set out goals and objectives for providing community benefits including charity care and government-sponsored indigent health care.
2. Identify the populations and communities served by the hospital.
3. Disclose health care needs that were considered in developing the plan.

3. **REPORT Charity Care:**
 Charity care is care for which the provider does not expect to receive payment from the patient or a third-party payer. Charity care does not include bad debt. In reporting charity care, the reporting entity must report the actual cost of services provided, based on the total cost to charge ratio derived from the hospital's Medicare cost report (CMS 2552-96 Worksheet C, Part 1, PPS Inpatient Ratios), not the charges for the services.

Charity Care..... \$ 1,289,807

ATTACH Charity Care Policy:
 Reporting entity must attach a copy of its current charity care policy and specify the date it was adopted.

4. **REPORT Community Benefits** actually provided other than charity care:
See instructions for completing Section 4 of the Annual Non Profit Hospital Community Benefits Plan Report.

Community Benefit Type

Language Assistant Services	\$	<u>6,318</u>
Government Sponsored Indigent Health Care	\$	<u>3,440,003</u>
Donations	\$	<u>35,227</u>
Volunteer Services		
a) Employee Volunteer Services	\$	<u>-</u>
b) Non-Employee Volunteer Services	\$	<u>62,118</u>
c) Total (add lines a and b)	\$	<u>62,118</u>
Education	\$	<u>4,806,374</u>
Government-sponsored program services	\$	<u>Ø</u>
Research	\$	<u>Ø</u>
Subsidized health services	\$	<u>1,444,700</u>
Bad debts	\$	<u>19,433,978</u>
Other Community Benefits	\$	<u>257,071</u>

Attach a schedule for any additional community benefits not detailed above.

5. **ATTACH Audited Financial Statements** for the reporting period.

Under penalty of perjury, I the undersigned declare and certify that I have examined this Annual Non Profit Hospital Community Benefits Plan Report and the documents attached thereto. I further declare and certify that the Plan and the Annual Non Profit Hospital Community Benefits Plan Report and the documents attached thereto are true and complete.

Jennifer Farnbauch / Director of Financial Operations 773/564-6256
Name / Title (Please Print) Phone: Area Code / Telephone No.

Jennifer Farnbauch 1/15/2013
Signature Date.

Jennifer Farnbauch 773/564-6256
Name of Person Completing Form Phone: Area Code / Telephone No.

jfarnbauc@rhs.chicago.com NA
Electronic / Internet Mail Address FAX: Area Code / FAX No.

Annual Non Profit Hospital Community Benefits Plan Report

Hospital or Hospital System: VHS WESTLAKE HOSPITAL

Mailing Address: 1225 WEST LAKE STREET MELROSE PARK, IL
(Street Address/P.O. Box) (City, State, Zip)

Physical Address (if different than mailing address): 60160
(Street Address/P.O. Box) (City, State, Zip)

Reporting Period: 07/01/11 through 06/30/12 **Taxpayer Number:** 27-2071437
Month Day Year Month Day Year

If filing a consolidated financial report for a health system, list below the Illinois hospitals included in the consolidated report.

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Charity Care \$ 842,958

ATTACH Charity Care Policy:
Reporting entity must attach a copy of its current charity care policy and specify the date it was adopted.

4. **REPORT Community Benefits** actually provided other than charity care:
See instructions for completing Section 4 of the Annual Non Profit Hospital Community Benefits Plan Report.

Community Benefit Type

Language Assistant Services	\$ <u>235,416</u>
Government Sponsored Indigent Health Care	\$ <u>(1,684,851)</u>
Donations	\$ <u>17,568</u>
Volunteer Services	
a) Employee Volunteer Services	\$ _____
b) Non-Employee Volunteer Services	\$ <u>4,117</u>
c) Total (add lines a and b)	\$ <u>4,117</u>
Education	\$ <u>3,245,286</u>
Government-sponsored program services	\$ <u>Ø</u>
Research	\$ <u>Ø</u>
Subsidized health services	\$ <u>809,976</u>
Bad debts	\$ <u>8,357,241</u>
Other Community Benefits	\$ <u>492,391</u>

Attach a schedule for any additional community benefits not detailed above.

5. **ATTACH Audited Financial Statements for the reporting period.**

Under penalty of perjury, I the undersigned declare and certify that I have examined this Annual Non Profit Hospital Community Benefits Plan Report and the documents attached thereto. I further declare and certify that the Plan and the Annual Non Profit Hospital Community Benefits Plan Report and the documents attached thereto are true and complete.

Jennifer Farnbauch / Director of Financial Operations 773/564-6256
Name / Title (Please Print) Phone: Area Code / Telephone No.

Jennifer Farnbauch 1/15/2013
Signature Date.

Jennifer Farnbauch 773/564-6256
Name of Person Completing Form Phone: Area Code / Telephone No.

jfarnbau@vhschicago.com NA
Electronic / Internet Mail Address FAX: Area Code / FAX No.