

September 9, 2016

Ms. Kathryn J. Olson, Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Permit Renewal Request (Section 1130.740)
NorthPointe Health and Wellness Campus ASTC
CON Permit Number 13-072

Dear Ms. Olson,

On June 2, 2015 the Illinois Health Facilities and Services Review Board (IHFSRB) approved the permit application for our project. The approved permit has a December 16, 2016 project completion date.

We filed our first annual progress report per Section 1130.760 on June 2, 2016. This report indicated the project was 9.1% complete based on project cost related expenditures. Through August 31, 2016, the construction phase is approximately 48% complete. We are proceeding with due diligence to complete the project and expect the construction phase to be finished by December 30, 2016. Following the construction phase, we will need to complete IDPH inspections, activate the facility, and file the appropriate notifications with the IFHSRB as required by Section 1130.770. We expect our new project completion date to be October 15, 2017.

Pursuant to Section 1130.740 we respectfully request a Permit Renewal. The details follow below:

1. Completion Date
 - a. Current; December 16, 2016
 - b. Requested; October 15, 2017 (a 10 month renewal)

At-Home Healthcare
1904 E. Huebbe Parkway
Beloit, WI • (608) 363-5885

Beloit Clinic
1905 E. Huebbe Parkway
Beloit, WI • (608) 364-2200

Clinton Clinic
307 Ogden Avenue
Clinton, WI • (608) 676-2206

Darien Clinic
300 N. Walworth Street
Darien, WI • (262) 882-1151

Janesville Clinic
1321 Creston Park
Janesville, WI • (608) 757-1217

**NorthPointe Health &
Wellness Campus**
5605 E. Rockton Road
Roscoe, IL • (815) 525-4000

NorthPointe Terrace
5601 E. Rockton Road
Roscoe, IL • (815) 525-4800

**Occupational Health Sports
& Family Medicine Center**
1650 Lee Lane
Beloit, WI • (608) 362-0211

Riverside Terrace
3055 S. Riverside Dr.
Beloit, WI • (608) 365-7222

West Side Clinic
1735 Madison Road
Beloit, WI • (608) 363-7510

2. Project Status Report

- a. The Project is approximately 28% complete based on project costs.
- b. The construction and related project components yet to be finished are:
 1. Complete roofing, exterior stone masonry, exterior siding and glass and glazing installation.
 2. Complete site development including curb and gutters, paving, final grading and landscaping.
 3. Hang tape and finish all gypsum wallboard assemblies.
 4. Execute all painting, ceiling work, interior finishes including floor covering, casework and specialties.
 5. Complete all distribution systems for the mechanical systems. (AHU and main duct work is complete.)
 6. Complete all electrical, telecommunications, nurse call systems and security card access systems.
 7. Complete all plumbing and fire protection systems. (Above ceiling rough-ins are well underway.)
 8. Execute all start-up, commissioning and test and balancing of all the systems.
 9. Complete all designer / engineer of record inspections and obtain a certificate of occupancy from the Winnebago County Building Department.
 10. Submit a complete construction completion document package to IDPH for final inspection.
 11. Submit required completion documentation to the IHFSRB.
- c. The amount of project funds expended to August 31, 2016 are approximately \$4.4 Million, which is 28.8% of the approved \$15,276,194.00 CON Permit amount.

3. Rational for Renewal

The original project schedule anticipated a construction start soon after our June 2, 2015 CON permit approval. Our IHFSRB project file indicates there was an inadvertent

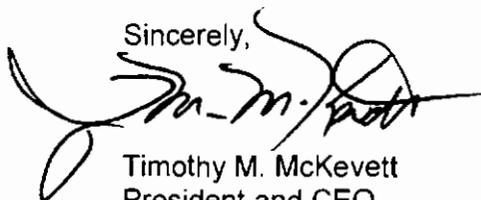
discrepancy in the allocation between the clinical and non-clinical space categories requiring the approved Permit to be altered. The alteration approval was granted by Review Board action on February 16, 2016. Thus, our construction start was delayed by several months pending resolution of this issue. Consequently, the delay impacted our completion date necessitating this permit renewal request.

4. Confirmatory Evidence

We attest to the fact Beloit Health System, Inc. remains an A-rated organization and the approved Project CON Permit 13-072 scope and financing is consistent with the approved permit.

Please contact me if there are any questions regarding this Permit Renewal Request with an estimated completion date of October 15, 2017. I can be reached at 608-365-5685 or by e-mail at tmckevett@beloithealthsystem.org.

Sincerely,

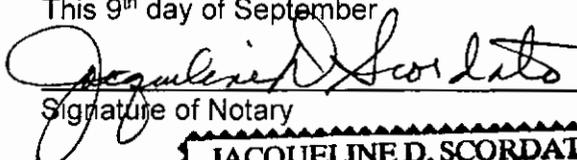


Timothy M. McKeve
President and CEO
Beloit Health System

Notarization:

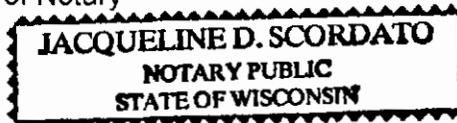
Subscribed and sworn to before me

This 9th day of September



Signature of Notary

Seal



CC: Courtney R. Avery, Administrator
Mike Constantino, Supervisor, Project Review Section
Thomas McCawley, Vice President
William Groeper, Chief Financial Officer
Ed Parkhurst, PRISM Healthcare Consulting